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World Heritage List: does it make sense?

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The UNESCO World Heritage List contains the 900 most treasured sites of humanity’s culture and landscapes. This List is beneficial where heritage sites are undetected, disregarded by national decision-makers, not commercially exploitable, and where national financial resources, political control, and technical knowledge for conservation are inadequate. Alternatives such as market and national conservation lists are more beneficial where the cultural and natural sites are already popular, markets work well, and where inclusion in the List does not raise the destruction potential by excessive tourism, and in times of war, or by terrorists.

Keywords: global public goods; world heritage; cultural certificates; UNESCO; culture

JEL Classification: Z11; D6; F5; H87

1. The World Heritage List

1.1. The UNESCO Convention

The World Heritage List compiled by UNESCO has become highly popular. It is often regarded as ‘the most effective international legal instrument for the protection of the cultural and natural heritage’ (Strasser 2002, p. 215). Many world heritage sites are major attractions for cultural tourism and are icons of national identity (Shackley 2006, p. 85).

In the 1920s, the League of Nations became aware of the growing threat to the cultural and natural heritage on our planet. Nothing concrete emerged despite many years of intensive discussions and drafting of reports. In 1959, UNESCO launched a spectacular and successful international campaign to save the Abu Simbel temples in the Nile Valley. In 1966, UNESCO spearheaded an international campaign to save Venice after disastrous floods threatening the survival of the city. In November 1972, the General Conference of UNESCO adopted the \textit{Convention concerning the protection of the world cultural and natural heritage} at its 17th session in Paris. The Convention ‘seeks to encourage the identification, protection, and preservation of cultural and natural heritage around the world considered to be of outstanding value to humanity’. It came into force in 1977 and was ratified by 20 nations; the Convention now includes 187 countries,\textsuperscript{1} and the World Heritage List comprises 911 sites,\textsuperscript{2} 704 (or 77\%) of which relate to culture, 180 to nature, and 27 are mixed, i.e. combined cultural and natural heritage.

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\textsuperscript{1}No country has ratified the Convention.

\textsuperscript{2}No country has ratified the Convention.
The sites to be included in the List initially used to be evaluated in a somewhat ad hoc fashion by the Advisory Bodies to the World Heritage Committee. The Convention’s criterion of ‘outstanding value to humanity’ is noble but proved to be almost impossible to clearly define. An important development has been to establish 10 criteria for inclusion in the World Heritage List, which are put down in detail in the *Operational Guidelines for the Implementation of the World Heritage Convention* (UNESCO 2005) and accessible online. Nominated sites must meet at least one of the 10 criteria and are applied in connection with three comprehensive aspects: uniqueness, historical authenticity, and integrity. If a site meets at least one cultural and one natural criterion, the property is classified as a mixed site.

The first six criteria refer to cultural sites:

1. to represent a masterpiece of human creative genius
2. to exhibit an important interchange of human values, over a span of time or within a cultural area of the world, on developments in architecture or technology, monumental arts, town-planning, or landscape design
3. to bear a unique or at least exceptional testimony to a cultural tradition or to a civilization which is living or which has disappeared
4. to be an outstanding example of a type of building, architectural or technological ensemble, or landscape which illustrates (a) significant stage(s) in human history
5. to be an outstanding example of a traditional human settlement, land-use, or sea-use which is representative of a culture (or cultures), or human interaction with the environment especially when it has become vulnerable under the impact of irreversible change
6. to be directly or tangibly associated with events or living traditions, with ideas, or with beliefs, with artistic and literary works of outstanding universal significance (the Committee considers that this criterion should preferably be used in conjunction with other criteria).

The last four criteria concern natural sites:

7. to contain superlative natural phenomena or areas of exceptional natural beauty and aesthetic importance
8. to be outstanding examples representing major stages of earth’s history, including the record of life, significant on-going geological processes in the development of landforms, or significant geomorphic or physiographic features
9. to be outstanding examples representing significant on-going ecological and biological processes in the evolution and development of terrestrial, fresh water, coastal and marine ecosystems, and communities of plants and animals
10. to contain the most important and significant natural habitats for in situ conservation of biological diversity, including those containing threatened species of outstanding universal value from the point of view of science or conservation.

The composition of the World Heritage List is the outcome of actions by three different bodies: The state parties that nominate the sites, the two Advisory Boards that
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evaluate and propose the sites for inscription, and the Committee that decides formally on the inclusion in the List.

The World Heritage Committee meets once a year and consists of representatives from 21 of the member countries. It is elected by the General Assembly of the members of the Convention for terms up to six years. The intention of the Convention is an equitable representation of the world’s regions and cultures on the Committee (Art. 8 [2]). However, nowhere in the Convention are means to achieve this aim specified. The Committee is the final decision-making body, whose responsibilities include the World Heritage List, the List of World Heritage in Danger, administering the World Heritage Fund, and decisions on financial assistance. The sites to be included in the List must be proposed by member governments. Mayors, district governments, or heritage experts may only make proposals for inclusion on the tentative list. Sites are only officially nominated when a country hands in a complete nomination document. The World Heritage Convention is different from many other international conventions, because all substantive powers are designated to the Committee and not the General Assembly. The Heritage Committee is advised by the International Council on Museums and Sites (ICOMOS) for cultural sites, by the International Union for Conservation of Nature (IUCN) for natural sites and by the International Centre for the Study of the Preservation and Restoration of Cultural Property (ICCROM). It has been claimed that ‘The scrutiny of these systems by the two Advisory Boards is now rigorous’ (Cleere 2006, p. xxii).

1.2. Literature

There is an extensive literature on world heritage and on the UNESCO program (recent contributions are, e.g. Leask and Fyall (2006), Harrison and Hitchcock (2005), van der Aa (2005), Leask and Yeoman (2004), and Howard (2003). The following aspects have received special attention: the process of designation with respect to its formal nature, the stakeholder groups participating, as well as its politics (e.g. Cleere 2006, Millar 2006); the consequences of inclusion in the World Heritage List, especially with respect tourism (e.g. Tunney 2005, Cochrane and Tapper 2006); visitor management (e.g. McKercher and Cros 2001, Shackley 2006); as well as case studies of individual sites (for Stonehenge, Mason and Kuo 2006; for Machu Picchu, Regalado-Pezúa and Arias-Valencia 2006; for the Yellow Mountain in China, Li Fung and Sofield 2006; or for Angkor, Wager 1995). In economics, only few works deal with UNESCO World Heritage, the doctoral dissertation by van der Aa (2005), the book by Santagata et al. (2008), and the papers by Frey and Pamini (2009, 2010) being exceptions. An excellent analysis of general heritage issues is provided in Peacock and Rizzo (2008). Other economic analyses mainly evaluate the utility of preserving the past as well as financial consequences (see, for instance, Peacock 1978, 1995, Mossetto 1994, Benhamou 1996, Frey 1997, Throsby 1997a, 1997b, Netzer 1998, Greffe 1999, Klamer and Throsby 2000, Mossetto and Vecco 2001, Benhamou 2003, Throsby 2003, Rizzo 2006, Streeter 2006). The collection of articles in Hutter and Rizzo (1997), Peacock (1998), and Rizzo and Towsse (2002) also contain references to heritage, as do the more general monographs and collections by Frey (2003), Ginsburgh (2004), Ginsburgh and Throsby (2006), Towsse (1997, 2003), and Throsby (2001). The consequences of being listed, in particular, on the number of visitors frequenting these sites, are studied, e.g. in Bonet (2003), Tisdell and Wilson (2002), or Yang et al. (2009).
1.3. Intended contribution
The World Heritage List is generally considered an excellent effort to save the globe’s common history in the form of cultural monuments and landscapes worth preserving. This paper takes a more critical stance. It fully appreciates the undisputed and well-known positive effects of having such a list based on a careful selection process (Section 2). But it also points out possible negative consequence of which there is quite a number (Section 3). An evaluation depends on whether there are superior alternatives such as the market or national lists (Section 4). It is necessary to identify conditions under which the World Heritage List is beneficial, and under which it is detrimental (Section 5). It is concluded (Section 6) that in many cases the selection of the World Heritage List constitutes a great step forward, but that alternative approaches should be considered in those cases in which the World Heritage List typically produces detrimental results.

2. Positive aspects of the World Heritage List
The beneficial consequences of the UNESCO List refer to two general aspects: the direction of attention and the specific protection provided.

2.1. Attention
The World Heritage List can be considered a collective international effort to safeguard our planet from destruction, similar to the efforts with respect to the global environment. It can be considered to be a kind of applied global ethics.

The List attracts the attention of various actors:

- The general public is informed by experts on particularly important cultural and natural sites to be protected. Being put in the List is accompanied by considerable media resonance. This is important because it propagates the information to a larger number of persons. Indeed, inclusion in the List is considered to be a great honor for the respective nation, and gets accordingly much attention by the press, radio, and TV. World heritage sites are widely used in marketing campaigns to promote national tourism. A higher number of visitors increase the revenue from tourism of the respective site or city. There is a positive relationship between the number of world heritage sites and the number of tourist arrivals per country (Lazzarotti 2000). Controlling for various other factors Yang et al. (2009) empirically shows that being in the List has a significant tourist-enhancing effect. An increase in a region by one world heritage site induces about six times the amount of international tourist arrivals as for the highest ranked sites in the national List. In a series of case studies, van der Aa (2005) confirms the positive effect on tourism. Although there is no significant increase in the number of visitors at sites, which were already established visitor attractions, there is a significant increase at less established sites. A listing has a higher impact on the number of foreign visitors. For instance, the number of visitors to Tárraco in Spain more than tripled, from about 300,000 in the late 1990s to one million in 2003. Other examples for visitors increases are the monasteries on the island Reichenau or the Heart of Neolithic Orkney in Scotland, which experienced a significant increase in the numbers of visitors. As Dresden was in danger of getting de-listed from
the List politicians argued that the title of World Heritage has no influence on tourism or the economy. In this case, it remains unclear, if the argument was based on political reasoning or if the impact on tourism differs in whole cities and sites within a limited area.

- **Public decision-makers** are made aware of the great importance of particular cultural and natural sites within their country. They have an incentive to respond by securing the sites selected by UNESCO not only because they have proposed them to the *World Heritage Commission* but also because they can gain prominence and votes by engaging themselves on behalf of the national sites in the List.

- The attention of **potential donors** is attracted. People giving money for cultural, artistic, or religious purposes might be willing to give more to objects in the UNESCO List. Also, new donors might be attracted by the increased popularity. One example is the ‘Verein zur Erhaltung des Hohen Doms zu Aachen e.V’ (Club to preserve Aachen Cathedral) who offers the possibility to give donations or to become a sponsor or club member in order to protect the cathedral.

- **For-profit firms** may find ways and means to exploit the prominence of world heritage sites either by catering for tourists visiting the sites, or by sponsoring a particular world heritage site. In both cases the administrators of the sites have more money available to keep them up (provided they can keep the additional receipts, which is uncertain, since additional revenue often results in cutting regular funds).

### 2.2. Protection

The maintenance of a listed world heritage site remains the responsibility of the country in which it is located. The world heritage convention text is ‘designed to incite action rather then to prescribe action’ (Musitelli 2003, p. 324). The involvement in the process of getting on the World Heritage List strengthens a country’s relationship with the international heritage movement. The *World Heritage Commission* offers technical help to preserve the sites in the List. Further the Committee stipulates the necessity of management plans, which are considered as useful tools, since different stakeholders work together (Shackley 2006). These factors tend to be beneficial also for sites not in the List, or not yet in the List.

It should be noted that inclusion in the List is not accompanied by financial support from UNESCO. The corresponding fund is only $4 million per year, which is minimal in view of the over 900 sites listed. The lack of money in the World Heritage Fund results partly from the fact that most countries prefer to spend money through bilateral instead of multilateral cooperation. The costs of administering the World Heritage List are negligible, the total budget to manage the World Heritage Convention (incl. personnel costs and activities such as promotion) amounts to more than $11 million (UNESCO 2005). The World Heritage Fund is allocated according to three principles: the importance of safeguarding a site, the urgency of intervention, and the capacity of the country where the site is located. Money from the World Heritage Fund is mainly available for endangered sites in poorer countries, as the available financial resources are limited. Most funds have gone to African countries (26%), while European and North American countries (15%) and Arab countries (13%) received the smallest amount of money (van der Aa 2005).
3. **Negative aspects of the World Heritage List**

To be in the UNESCO List may be subject to four undesired aspects: questionable selection of the sites in the List; overextension with respect to the number and types of Sites; substitution effects burdening non-listed cultural and natural sites; and destruction by an excessive number of visits to the sites, in war, or by terrorists seeking a well-publicized target.

3.1. **Questionable selection**

The selection of what cultural and natural sites should be included in the List is strongly influenced by experts represented in the two advisory groups ICOMOS and IUCN. In most cases, the Committee follows the expert recommendations. As a result, the definition of what is ‘outstanding universal value’ is transferred from a political body, the Committee, to technical experts (Pressouyre 1996). They rely on their knowledge as art historians and conservators, but ‘the concept … has never been the object of a truly operational definition’ (Musitelli 2002, p. 329). In principle, every site included in the List is of equal value, i.e. the experts do not try to establish a ranking. No willingness-to-pay studies are undertaken to determine the value, at least not in a way satisfying cultural economists (see e.g. Benhamou 1996, Hansen 1997, more generally Frey 1997). Such studies seek to capture the utility gained by a representative sample in the population rather than the opinion of experts. It can well be argued that the general population often knows little or nothing about the sites in question and that therefore the stated willingness-to-pay is of little relevance.\(^7\)

Being in the UNESCO List is highly desired by many actors as it brings prominence and monetary revenue; one may even speak of a ‘heritage industry’ (Johnson and Thomas 1995). As a consequence, the process of getting in the List is subject to rent-seeking (Buchanan 1980, Tollison 1982). It has been highly politicized as many political and bureaucratic representatives of countries consider it a worthwhile goal from which they personally profit. As a consequence, the selection is subject to political pressures, and is not solely determined by the 10 criteria listed above deemed to be ‘objective.’ A site’s rejection leads to disappointment, so decision-makers at the national level try to keep the number of rejections as low as possible by only nominating sites that have a high chance of inscription (van der Aa 2005). While the goal of the whole project is to protect sites of central importance for humanity, not unexpectedly national interests dominate global interest. ‘The rhetoric is global: the practice is national’ (Ashworth and van der Aa 2006, p. 148).\(^8\) The intention of only accepting nominations by state parties and not, e.g. by interest groups or NGOs, is to assure a high level of consent. However, there is a tendency for state parties to nominate sites of national importance without taking into consideration the concept of ‘outstanding universal value’ (Strasser 2002). Francesco Bandarin, the director of the World Heritage Centre, adds ‘Inscription has become a political issue. It is about prestige, publicity, and economic development’ (Henley 2001). Some countries are more active than others to secure sites to be included in the List. About two-third of the states parties have never been elected to the Committee. There is a direct correlation between participating in the Committee and representation in the List. The 21 members of the Committee nominated more than 30% of the listed sites between 1978 and 2004 (van der Aa 2005, p. 81). One extreme example of questionable selection occurred in 1997 when 10 Italian sites where included in the List at once, while
the chairmanship of the committee was held by a compatriot at that time. Also the place and country where the Committee holds its annual meeting seem to have an impact on the number and kind of nominations (it happened that the meeting 1997 was held in Naples; Cleere 1998).

Some scholars even question the legitimacy of the List. Meskell (2002) argues that the concept of world heritage is flawed by the fact that it privileges an idea originating in the West, which requires an attitude toward material culture that is distinctly European in origin. However, the UNESCO also runs a List of the World’s Documentary Heritage (‘Memory of the World’), comprising archives, libraries, books and writings, musical scores, and audio- and video-documents. To complete the World Heritage Program in 2001, the UNESCO started a List of Intangible Cultural Heritage, including languages, oral narrations or epics, music, dances, games, customs, and other forms of art. Further, some countries, such as Saudi Arabia, refuse to nominate properties, such as Mecca and Medina, because they are reluctant to conform to a set of Western regulations (Pocock 1997).

Besides the western concept-affluent countries seem to have benefited most from the Convention. According to a Report of the World Commission on Culture and Development published in 1999, the sites in the World Heritage List ‘was conceived, supported, and nurtured by the industrially developed societies, reflecting concern for a type of heritage that was highly valued in those countries’. Moreover, many countries do not have the necessary conservation infrastructure allowing them to prepare nominations to the List at a sufficiently sustained pace to improve its representativity. State parties from Europe are most active with respect to nominating sites (Strasser 2002). According to the Convention, the state parties must identify and delineate the property (Article 3), and must ensure the identification, protection, conservation, presentation, and transmission to future generations (Article 4). These requirements put a heavy burden on countries wishing to put a site in the List.

Econometric research suggests indeed that politically more powerful countries have a better chance of putting national sites in the List (Frey et al. 2010). The distribution of sites in the List among countries is highly unequal. Forty-seven percent of the sites are in Europe. The European predominance is larger for cultural sites (54%) than for natural sites (22%). In contrast, (sub-Saharan) Africa has less than 9% of all sites, and the Arabian countries 7%. The Americas and Asia-Pacific are better represented with 17% and 20%, respectively (derived from Frey and Pamini 2010; Table 1). If the distribution according to the population is taken as a reference, Europe is still on top with 52 sites per 100 million persons, followed by the Arabian countries, the Americas, and sub-Saharan Africa with 23, 18, and 11 sites per 100 million population. Asia-Pacific has much less, 5 per 100 million population. The distribution of sites per square kilometer is also clearly headed by Europe with 19 sites per million square kilometer, while all other continents possess between 4 and 5 (see Table 6 in Frey and Pamini 2010). Strasser (2002) ascribes the differences in the imbalances of cultural and natural sites to different evaluation approaches of the advisory boards ICOMOS and IUCN. The way of evaluating cultural sites seems to be more inclusive, whereas the approach for natural sites is more restrictive. The higher imbalance of cultural sites can be attributed to a less restrictive evaluation range and therewith more possibilities for rent-seeking. Yang et al. (2009) estimate the impact on the number of tourists to be bigger for cultural sites, which might explain why they are more desired by political actors.
This imbalance in the World Heritage List according to continents and countries was present from the very beginning. It has become a subject of major concern within the World Heritage Commission and Centre, UNESCO, and beyond. The director of the World Heritage Centre, Francesco Bandarin, even went so far as to call the World Heritage List ‘a catastrophic success’ (Henley 2001). As a reaction to this imbalance, in 1994 the World Heritage Committee started the Global Strategy for a Balanced, Representative and Credible World Heritage List. It intends to raise the share of non-European sites as well as the share of living cultures, especially ‘traditional cultures’ included in the List. Despite this explicit policy and intended strong action, ‘the immediate success of these efforts is questionable, however’ (Strasser 2002, p. 226).

The study of the World Heritage Convention and its manifestation in the World Heritage List has important policy implications. The major issue is how the conflicting goals of the ‘protection and preservation of cultural and natural heritage around the world considered to be of outstanding value to humanity’ (World Heritage Convention) can be made compatible with the goal of representativity cherished in the UN system. This classical conflict between allocation (in this case of a global common good) and distribution is difficult to resolve. The countries of the world represented in the UN must first become fully aware of the conflict – which presently tends to be evaded. To propose extreme solutions is not helpful: if the allocational goal of identifying, protecting, and preserving cultural and natural sites is made an absolute, the distribution of sites in the World Heritage List will be very unequal. In contrast, if the distributional goal is made an absolute, many heritage sites well worth preserving for the world’s future generations will be neglected; instead less important sites will be put in the List. Scholars involved in the World Heritage Centre (Strasser 2002, pp. 225–226) observed that the Strategy for a Balanced, Representative and Credible World Heritage List established in 1994 has not been able to successfully address this conflict: the distribution over continents and countries is still very uneven while many sites considered worth preserving according to the 10 criteria of the Convention are not (yet) in the List.

The questionable selection may be illustrated by some pertinent examples. In Switzerland, the old town of Berne is listed, but not the old towns of, say, Lucerne or Basel. The Benedictine Convent of St. John at Mustair and the monastery of St. Gallen are listed, but not the similarly important and ancient Benedictine monasteries of Engelberg and Einsiedeln. In all cases, it is difficult to argue why the latter are excluded. To provide an example from a totally different culture: The Dongs of Bhutan, which are of great art historic importance, are not listed though Bhutan has been a member of the Convention since 2001. Many more examples of important properties missing in the List, such as the Cambridge Colleges, the old town of Sarajevo, or Mecca and Medina could easily be adduced.

3.2. Overextension

The number of sites on the UNESCO List has continuously grown over time. On average about 30 properties have been added to the List each year. The growth rate has even been accelerated, from 26 sites per year between 1978 and 1994 up to 36 sites per year afterwards. The World Heritage List now contains over 900 sites. On the one hand, this is a small number if one takes into account the richness of culture and nature on our planet. On the other hand, it is an already large number considering that each site is a very special selection according to the 10 criteria mentioned above.
It is difficult to see how this process can be slowed down or even stopped. The Convention does not set a numerical limit for the List (see Benhamou 1996). Provided the selection is well taken, the newest additions are necessarily somewhat less well suited than the first ones (the law of decreasing marginal utility), there are more and more sites which could well be argued to fulfill the criteria. The problem is intensified because de-accessions are extremely rare. The Convention does not provide clear indications regarding the deletion of sites from the List; its task is defined as ‘establish, keep up to date, and publish’ the List (UNESCO 2005). As a consequence sites in the List are regarded as ‘once inscribed, forever inscribed’ (Strasser 2002). Before a site can be de-listed, it is inscribed in the List of World Heritage in Danger. In 2010, there are 34 properties inscribed. The List was criticized as not reflecting the dangers with which world heritage is faced, which is for example described in the List of 100 most endangered sites by the World Monuments Fund. Most countries are reluctant having sites in the List in danger. However, being put in the List can also induce positive effects, since it attracts special attention. The fast growth of the List imposes problems on the Committee to monitor the state of conservation and management of the sites. Worse monitoring might decrease the protection of the global heritage in total.

The overextension takes a second form, namely an increasingly broad definition of what is our planet’s ‘heritage’. At the beginning, ‘heritage’ was understood to be a specific historical monument such as Aachen Cathedral or the Chateau and Park of Versailles or ensembles such as Venice and its Lagoon or Stonehenge, Avebury, and associated sites. Later natural sites such as the Jungfrau-Aletsch region in the Swiss Alps or Lake Turkana National Parks in Kenya were added. Then the ‘List of Immaterial Cultural Heritage’ such as the Carnival of Binche in Belgium and Nooruz holiday in Kyrgyzstan was added. This led to increasing demands by politicians to be put on one of those Lists. In 2008, French president Sarkozy declared French cuisine to be the best in the world and promised to propose its inclusion in the List of Immaterial Cultural Heritage (Neue Zürcher Zeitung, 23 February 2008). Similarly, some Austrians want to have ‘Austrian charme’ on the World Heritage List and even such controversial events as bullfighting are proposed.

3.3. Undesired substitution effects

When an object is included in the World Heritage List, several reactions detrimental to global heritage taken as a whole may occur. The two most important ones refer to attention and financial resources.

A site not in the UNESCO List is, by definition, not quite first, but rather second rate. Attention is directed to the sites in the List. That a site not in the List is ‘second rate’ would be violently denied by the World Heritage Commission and other persons involved in the selection process. But it is clearly the case for the general public, politicians, government bureaucracy, and potential donors. The tourist industry understands well that not being in the List is a considerable disadvantage for its advertising. It is indeed an argument brought forth to induce the Commission to include a site in its List.

A second undesired substitution effect takes place when due to the attention generated with politicians, bureaucrats, and firms, funds from other sites are reallocated to a site in the List. An important prerequisite by the World Heritage Commission to be put in the List is that additional funds go into the preservation of the chosen sites. The
loss of funds of the non-UNESCO sites may well damage the heritage overall more than the increase in funds of the listed sites which find it much more easy to attract money also from private sponsors.\textsuperscript{15} This effects take place as long as the total government budget, and the funds from private firms, for heritage projects is not raised to the same extent as additional money flowing into the listed sites. Only a series of careful case studies can establish whether such undesired substitution effects actually take place.

3.4. Attracting destruction

Being on the world heritage site makes an object interesting for three sets of actors. In the case of not yet fully explored, excavated, and secured heritage sites, tomb robbers may get a hint of how important the site is. As a rule, the damage done is much higher than the objects robbed because the sites are destroyed, and other objects mutilated (Gamboni 2001). More important is the fact that listed sites become a prominent target in war. Already in 1954, the \textit{Hague Convention for the Protection of Cultural Property in the Event of Armed Conflicts} was drafted in response to the huge losses in cultural heritage suffered during World War Two. The Blue Shield symbol was created to indicate cultural sites of special importance. While this may sometimes have preserved the object so designated, in many cases exactly the opposite happened (Gamboni 2001, Wegener and Otter 2008). Examples are the destruction of the ancient bridge in Mostar, the bombing of Dubrovnik and the obliteration of the great Buddhas at Bamiyan. For a conflictual site that becomes the repository of negative memory in the collective imaginary, Meskell (2002) has coined the term of ‘Negative Heritage.’ Terrorists who strongly depend on media attention, seek highly visible and cherished targets, or ‘icons’ (Frey 2004, Frey and Rohner 2007). The attribution of world heritage status to a monument may well induce them to attack and destroy it.

Another negative consequence of the increased popularity is the deterioration caused by the high numbers of visitors. It is widely argued that a conflict between heritage protection and tourism development exist (Yang \textit{et al.} 2009). Deterioration by tourists is often identified as the largest threat to world heritage sites (Batisse 1992). This is especially the case if free entry is granted into world heritage cities such as Venice. No entry fees to restrict access and generate revenue for preservation are levied even though they could be easily imposed. As a consequence, on an average day no less than 39,000 people visit and overcrowd this island and its severely restricted space (Frey and Steiner 2010). There are several other measures to restrict the damage resulting from tourism, such as showing replicas, closing the most endangered parts of the site, or introducing circular routes instead of allowing visitors to roam around. However, van der Aa (2005) concludes that ‘Visitor management measures have not been introduced at most world heritage sites. Most sites have no other visitor management plan than plans to attract (more) visitors’ (p. 122).

4. Alternatives to the World Heritage List

4.1. Reform of the List

Some of the shortcomings of the List have been noticed by the Convention, and proposals for reform have been discussed. Imposing a time restriction or making a reevaluation after a certain time obligatory would mitigate the problem of \textit{overextension}, since it simplifies the de-listing of sites. This ‘sunset clause’ is successfully
applied within the ‘European Diploma for Protected Areas.’ This proposal has been discussed within the Convention, but was only minimally supported. At least a maximum number of new sites per year (30) have been introduced. The UNESCO intends to increase the representativity of the List, but struggles to find appropriate criteria (e.g. chronological periods, cultural criteria, or regional distribution). However, underrepresented state parties are encouraged to apply to change the composition of the List. Considering the imbalance of the List, the UNESCO has developed a priority system, which prefers state parties with no sites. Further, the number of sites per country and year is limited (one) to decrease the imbalance, without a significant effect so far (Strasser 2002). Van der Aa (2005) adds the proposal to open the nomination process: every country, organization, or individual should be allowed to nominate sites. Many more sites would be nominated from, so the selection process within a country would probably be less biased. However, the evaluation by the Committee would have to be much stricter.

Another suggestion for reform is to introduce a maximum number of sites. By doing so, the problem of overextension is solved. Monitoring the sites would be facilitated significantly. Sites would be listed according to their quality and also to their state of maintenance. Compared to the actual situation, a competition for the best protection would arise in order to become a member of the List.

The World Heritage List’s political dimension makes reforms difficult. It is often discussed as if there was no alternative to that procedure. The UNESCO initiative tends to be presented as the only means with which the globe’s cultural and natural heritage can be saved (see e.g. Johnson and Thomas 1995, van der Aa 2005, Ashworth and van der Aa 2006). But as the World Heritage List has several important disadvantages as set out above, it matters to consider alternatives. From an economic point of view, there are at least two relevant alternatives: the market and competing evaluations.

4.2. Use of the market

The idea that cultural and natural sites would be destroyed or seriously hampered if they were not protected by the World Heritage List is untenable. Indeed, if the negative effects outlined in the last section dominate the positive effects, it would even be preferable to not have such a list. The World Heritage List is a strong political intervention into the market of heritage (or heritage protection). One possibility to protect heritage is on the private market with admission receipts and donations. The amount of demand decides which sites to protect. It can hardly be doubted that most of the well-known sites in the List would still exist if they were not on it. Aachen Cathedral or Versailles would certainly not disappear. But it can be presumed that their state of preservation would not be better if they were not in the List. That would only be the case if the national conservation efforts were more intensive without the List.

In the absence of external effects, the market could be trusted to preserve the globe’s cultural and natural heritage. Few economists, not to speak of other people, would be prepared to argue that this is the case. Indeed, heritage is a case with strong positive external effects markets do not, or insufficiently, care for. Well-known external effects in the cultural sector comprise the education, option, existence, and prestige value (Frey 2003). In addition to static externalities, there is the vexing problem of discounting over several generations (bequest value). Psychological (or behavioral)
economics has well established that with respect to evaluating the benefits and costs of future items, individuals are subject to systematic biases or anomalies (Thaler 1992). While the market is imperfect, it must be compared to the equally imperfect system of the World Heritage List, following the comparative institutional analysis (Demsetz 1964).

A second possibility to use the market in order to efficiently preserve the public good of world heritage is to introduce *World Culture Certificates*. At present, some (rich) countries spend a lot of money on the preservation of cultural monuments that are of only secondary importance while at the same time in other (poor) countries highly valuable cultural monuments fall into ruins for lack of money. In regard to the preservation of humankind’s cultural goods, this is a waste of resources. The World Culture Certificate scheme induces nations to spend money where it produces the greatest effect on preserving world heritage. The community of nations, as embodied by the UN, has to agree on the Global Heritage List and has to establish how many world heritage units each nation is prepared to save. Each world heritage site conserved is acknowledged through the issuance of a tradable certificate. Lower the cost of a certificate, the less expensive it is to accomplish saving a world heritage site. It is, therefore, advantageous to countries not to only concentrate on saving their national heritage (which may be very expensive due to decreasing returns) but also to seek sites where funds can be expended most productively, and therewith the World Heritage Certificates can be acquired most inexpensively. Countries and private firms are induced to seek sites where financial resources can be spent most productively. This leads to an efficient allocation of resources to preserve world heritage from a global point of view. Poor countries with only very limited available funds to protect their cultural heritage can commit to protecting their monuments and to therewith acquire certificates they will be able to sell in the market (for an extensive discussion, see Frey and Pamini 2009).

4.3. Competing evaluations

The World Heritage Commission is not the only organization providing lists of cultural and natural heritage. Probably one of the very first lists of major sites contains the ‘Seven Wonders of the Ancient World’. The historian Herodotus made early lists of seven wonders, which served as guidebooks popular among the ancient Hellenic tourists. Nowadays, for-profit firms have long since established guides to the major heritage sites. Examples are tourist books attributing stars and similar attributes to the sites they find worth visiting, or scholarly and popular books devoted to informing people on what properties and landscapes they deem to be important, such as *1000 Places to See Before You Die* (Schultze 2003). To a significant extent, the corresponding lists overlap with the World Heritage List.\(^1\)

Many countries have extensive national lists of cultural and natural heritage sites to be preserved, such as the *Statutory List of Buildings of Special Architectural or Historic Interest* from English Heritage, the *National Heritage List* in Australia, or the *Federal Inventory of Landscapes and Natural Monuments* in Switzerland.\(^1\) However, these lists often carry little weight when there are competing claims, and the respective objects are often badly funded. But some poor countries do not have such national lists, and do not have the resources to protect, secure, and preserve their heritage. In that case, the international effort by UNESCO is helpful. While the World Heritage Commission provides practically no funds to help in the preservation effort, it may be...
that inclusion in the List induces foreign nations, NGOs, or sponsoring firms to provide help.

5. The role of the World Heritage List and of the alternatives

The discussion reveals that the effort by the World Heritage Commission has good and bad consequences, but that the same applies to alternatives. It follows that it is impossible to provide a general verdict not least because an evaluation depends on preferences, or on the weights attributed to the various possible consequences. In a democratic political system, these weights have to be determined in the political process.

What is possible, however, is to indicate the conditions under which the UNESCO List is particularly beneficial, and where and when it is important to actively involve the market and the national lists of heritage sites.

5.1. Beneficial World Heritage List

Inclusion into the World Heritage List is advantageous when one of the following six conditions obtain:

- **Undetected heritage sites**: The experts of UNESCO on culture and nature may be aware of particular heritage sites which are little or not known to the national decision-makers or market participants. This may be due because the sites are difficult to access or are not yet excavated or developed at all. Suggesting to the respective governments to propose them for inclusion in the World Heritage List draws attention to the sites and helps to preserve them.

- **Commercially unexploited sites**: If access for tourists is very costly and burdensome, and no facilities are available to host the visitors, or if the heritage sites are unfamiliar, inclusion in the World Heritage Commission List may attract funds by foreign governments and NGOs, and may start a commercial development of the site. The financial resources gained help to preserve the corresponding sites.

- **Disregarding the need to preserve heritage important to mankind**: Nations, and regions may not fully, or sufficiently, appreciate the value of cultural and natural sites as a global public good, but the international experts and the World Heritage Commission do. This disregard may be due to insufficient knowledge, but presumably more often to ideologically biased views of what belongs to the planet’s heritage. An example is the destruction of the Buddha statues in Afghanistan by the then reigning Taliban. This act was undertaken for what the Taliban considers religious reasons. Also, the importance of particular sites for the global public good of heritage may be overlooked or discounted. Countries can exclude the heritage of minorities or may not nominate sites that hold extractable resources. It is, of course, open whether inclusion in the World Heritage List is able to prevent the destruction of heritage sites by national governments and/or populations. Further, the nomination process should be altered in a way that not only the national governments are able to submit applications, but also other countries, NGOs, or UNESCO itself.

- **Inadequate public resources**: The national and sub-national governments may want to preserve a particular heritage site but may lack the resources to do so
because of extreme poverty in the country. Another reason may be that the funds granted by the government for preserving heritage sites are wasted by incompetent or corrupt bureaucrats. Putting a site in the World Heritage List does, of course, not change these fundamental conditions, but it may attract foreign funds less subject to waste.

- **Inadequate political control:** Civil wars and political unrest may make access and work on a heritage site dangerous or even impossible (Gamboni 2001, Meskell 2002). An object put in the World Heritage List gains visibility may at least partly overcome these problems.

- **Inadequate technical knowledge:** A country may be willing to preserve its cultural and natural heritage but may lack the technical expertise to undertake this task in a good way. Once a site is in the List, the exchange of technical knowledge is facilitated. The intensified contacts with the World Heritage Commission help to educate a staff able to preserve and manage the sites.

### 5.2. Beneficial alternatives

There are four important circumstances in which alternative approaches to the UNESCO List are commendable.

- **Popular sites:** To put globally known and cherished properties such as the Colloseum, the Taj Mahal, or Stonehenge in the World Heritage List is unnecessary as the market may be used to secure the funds necessary to preserve them. In fact, some properties are so popular that countries simply overlook to nominate them because they receive enough funding to be maintained. One example is Chile, which ratified the Convention in 1980, but did not nominate its Easter Island until 1995 (Pressouyre 1996). Using the price system with cultural and natural heritage requires adequate regulations to deal with external effects. However, the price system must be used in an intelligent way. Often a resistance by heritage experts against the market must be overcome, and sometimes the persons responsible for the respective heritage community are insufficiently educated and inexperienced to beneficially use pricing mechanisms. But today, there are many examples where it has been demonstrated that the price system may be helpful for conservation. A case in point is the many churches in Venice, which were closed most of the time or even always because there was no money to employ guards. Nowadays, the tourists must buy a ticket to visit these churches which provides sufficient funds to reduce or fully prevent robbing and destruction (Delaive et al. 2002). Another example is Bhutan, which restricts the number of tourists into the country by asking an entry fee, and requires them to hire an official guide and driver.\(^{19}\)

- **Weak externalities:** There are sites of cultural and natural heritage where externalities are weak and where, therefore, the price system can be expected to work quite well. The market can work directly via tourism or indirectly through sponsoring.

  When the externalities produced by the market are stronger, they must be combined with regulations reducing them. Examples are restrictions on the total number of visitors to a site, or on the noise and traffic pollution created.

- **Marked substitution effects induced by the inclusion in the World Heritage List:** Heritage sites whose positioning in the World Heritage List would lead to a
neglect of other sites with respect to the attention received by the general public, the media, bureaucrats, and politicians and as a consequence to a worse preservation efforts should not be proposed for the List. In that case, national and regional lists are preferable as they are broader and include otherwise neglected sites (see Peacock and Rizzo 2008, p. 147).

- **Destruction potential**: In cases in which being in the World Heritage List can be expected to lead to a higher instance of destruction in armed conflicts and by terrorists it is reasonable to choose a lower profile. Decentralized protection on the basis of national and regional lists is better suited, since it attracts less attention.

6. Conclusions

The effort of UNESCO through the World Heritage Commission to establish a World Heritage List containing the most treasured sites of humanity’s culture and landscapes constitutes a great step toward preserving one of the most important global public goods on our planet. The List now contains more than 900 sites, and its number has been steadily increasing since its establishment almost 40 years ago.

It is now time to take critical stock of this effort. Our analysis reveals that there are strong positive effects induced by the World Heritage List, in particular by drawing attention to prominent examples of our heritage, and by providing protection and conservation to specific objects. There are also questionable aspects such as the selection of sites, being subject to rent-seeking, in particular, not only by the national interests pursued by politicians and bureaucrats, but also by the commercial heritage industry. Among the negative consequences are the induced substitution leading to less protection of sites not part of the World Heritage List; the potential deterioration of the sites by excessive tourism, and the creation of an attractive goal for destruction in wars and by terrorists.

The paper argues that an overall verdict of whether the UNESCO initiative has been beneficial to conserving the globe’s heritage is unwarranted. Rather, the paper seeks to identify areas in which the World Heritage List is more likely to reach its goal, and where this is less the case. The List tends to be beneficial where heritage sites are undetected, disregarded by national decision-makers, not commercially exploitable, and where there are inadequate national financial resources, political control, and technical knowledge for conservation.

On the other hand, alternatives are likely to be beneficial where the cultural and natural sites are already popular, markets work well, sites not on the World Heritage List are negatively affected, and where inclusion in the List does not raise the destruction potential by excessive tourism, and in wars and by terrorists.

Notes

2. After the 34th ordinary session of the World Heritage Committee, held in Brasilia on 25 July to 3rd August 2010. Only two sites have been de-listed since the implementation of the List.
4. There has been a recent debate about the impact of world heritage sites on tourism. Cellini (2010) obtained a different result for Italy: an ineffectiveness of the List in attracting tourists. However, as argued by (Yang and Lin, 2010) the estimated coefficients are not reliable and robust due to the time-invariant feature of the world heritage variable in the short run. As a consequence we do not further discuss this insignificant result, but want to point out that appropriate econometric techniques are crucial when estimating the impact on tourism.

6. The typical funds for emergency, preparatory, or management assistance vary between $5,000 and $75,000 and are authorized by the director of the World Heritage Centre or the Chairperson of the Committee. Higher amounts have to be approved by the whole Committee.

7. Additional reasons to question willingness-to-pay studies have been adduced, e.g. by Kahneman et al. (1993) or Green et al. (1998).

8. An unorthodox proposal to deal with the public good aspect of global heritage is advanced in Frey and Pamini (2009).

9. In 1998/1999, 58% of all applications have been of European origin.

10. Inequality does, of course, not necessarily mean that the selection is incorrect. However, a strongly unequal selection (as documented below) suggests that inappropriate aspects play a role. The UNESCO accepts this point. Therefore, in 1994 the World Heritage Committee started the Global Strategy for a Balanced, Representative and Credible World Heritage List.

11. Continents follow the UN definition.

12. The case of countryside around Dresden is one of only two cases. The other one being Oman’s Arabian Oryx Sanctuary, which was deleted after the government reduced the sanctuary by 90% following the discovery of oil at the site.


14. To provide just one example: in a report on Heidelberg in the Frankfurter Allgemeine Zeitung (5 July 2007: R1) it is stated that ‘once more, Heidelberg was not given the title “World Cultural Heritage”’ (translation by the author), implying that this makes Heidelberg a second rate place.

15. In the Swiss canton Ticino, the Three Castles located in Bellinzona were well restored when they came in the List. In contrast many of the wonderful Carolingian churches in the same canton desperately need funds for repairs.

16. The influence presumably goes both ways: the World Heritage Commission certainly consults such books, and these books include what is listed by the Commission.

17. Lists on continental level are also possible: On 9 March 2010, the European Commission adopted a proposal to establish a European Heritage Label.

18. Turkey has not nominated any Armenian or Georgian Sites (Pressouyre 1996) and most sites in China highlight the glory of the Han culture, while only two sites represent minority cultures and European and colonial heritage is generally ignored (Agnew and Demas 2002). One example for extractable resources is the above-mentioned case of Oman’s Arabian Oryx Sanctuary which was de-listed after the discovery of oil.


References


