

Private Sector Partnerships in Culture Heritage Management

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ملخص:

تعتبر صناعة التراث الثقافي في الوقت الحاضر من أهم ركائز السياحة في العديد من البلدان. العديد من المواقع في مصر بحاجة إلى مزيد من الاهتمام، فهي تفتقر إلى المرافق والتطوير والصيانة. وهذه الأخيرة هي قضية حاسمة تنعكس في شكل عبء على الحكومة. تساهم السياحة بنسبة 12% من الناتج المحلي الإجمالي الوطني، لكنها تخصص القليل للمواقع ذات القيمة الثقافية. على الرغم من أن وزارة الآثار لا تبذل أي جهد لإنقاذ المواقع التراثية، فإن مشاركة القطاع الخاص في هذه العملية تصبح محل نقاش رئيسي. في الدول المتقدمة، يلعب القطاع الخاص دوراً في تغيير جميع جوانب المجتمع الحي، بدءاً من الصناعة الثقيلة إلى الثقافة وداخل جميع قطاعاته الفرعية بما في ذلك المتاحف. يناقش هذا المقال خصخصة القطاع الثقافي، ويبحث في أشكالها المختلفة، وعلاقتها باتجاهات السياسة العامة للدول والمجتمعات المختلفة. بالإضافة إلى ذلك، ما هي الدروس المستفادة من مشاركة القطاع الخاص في البلدان الأخرى.

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Abstract

Cultural heritage industry considered nowadays one of the most important pillars for the tourism in many countries. Numerous sites in Egypt are in a due need for more attention, they lack facilities, development, and maintenance. The latter is a crucial issue reflected as a burden on the Government. Tourism contributes with 12% of the national GDP, but little allocated to sites with cultural value. Though the Ministry of Antiquities exerts no effort to save heritage sites, the involvement of the private sector in this process becomes a major debate. In the advanced countries, the private sector play a role in changing all aspects of the living society, ranging from the heavy industry to culture and within its all sub sectors including museums. This essay discusses cultural sector privatization, and investigates its various forms, and its correlation with the public policy trends of the different nations and communities. In addition, what are the lessons learned from private sector involvement in other countries.

History: Private Sector Involvement

The world economic challenges impose resilience on culture organizations and implies them to independency in securing needed funds to control expenses. In order to achieving this these organizations must review their public policies seeking better customer satisfaction and opening new channels to enterprises (Ted 1995, 5). Tourism, as a leading industry globally, plays an important role in developing competitiveness of many zones and sites. Despite the arisen debate on cultural heritage and tourism, the relation between cultural heritage and competitiveness remains unexplored (Alberti 2012, 262). In addition, after the revolution in 2011, Terrorist attacks and unexpected violence have ended up with the destruction of heritage buildings, and other historic sites, moreover, illegal approaches to both the protected and unprotected archaeological sites (Tassie 2015, 14).

Although the Private Sector involvement in Egypt cultural heritage field is scarce, globally it became a trend. In various countries in Europe and Asia, the privatization process to culture heritage is growing. In Egypt, the challenge of how we can save fund to develop, restore, and conserve the cultural heritage since it considered as a burden to Public Fund.

Scholars believed that Privatization as a process would be applied to all fields. It would be adopted in different countries as a conveniently topical and attractive label for a wide variety of steps in economic and social policy. (Dorn 1995,182, Daintith 1994, 43). Moreover, privatization has featured as major part of a government's supply reforms since 1979. (Parker 1991, 2). The

concept of the privatization of cultural heritage start to raise up in the European community as a strong debate (Niki van der Wielen 1998, 1).

Yet Privatization has occurred numerous times around the world especially in former socialist countries. Nationalized industries were privatized as social leaning countries moved

towards a more market-oriented economy. European countries often faced the problem of having

to privatize between 60%-80% of their economies, whereas market based economies had about

10% owned by the public sector. Industries that were owned by national governments included

gas, electric, water, and telephone services, and other industries included airline service, railway

service, bus service, and even some manufacturing. (Varner 2006, 4-10). Numerous

infrastructural assets such as roads, bridges, and buildings run by Private Entities around the world.

At the time, 1980-1990 started the idea of the market-centered policies in most countries all over the world. In developing countries, the market oriented policies such as deregulation of currencies, liberalization, and privatization implemented programs known as stabilization (Haque 2000, 610). The privatization system, in 1979, begun in the world due to the need to increase the efficiency, widen share ownership, profit making, and securing enough funds contributing to the national GDP, stimulated the start point in England by selling the public asset to the private sector and raising the competition in this zone, which

the government monopolized (Parker 1991,4). Cultural Tourism nowadays faces numerous challenges, the protection of assets and generating profit is the main one. The cost of restoration, conservation, and maintenance show negative balance in different areas (Benhamou 1996, 116). In Egypt such sites are run by the Government, however it generates funds and good value of money to private entities.

Difficulties

In 1988, in Budapest the topic of the market and culture arose, when Sacha Rubinstein's demonized the state. Support for the heritage given great appreciation for the role of the Culture in life in Russia. This marked a turning point in the cultural heritage economy in eastern and middle Europe (Niki van der Wielenv 1998, 13-15). Budgetary problems within countries and cost cutting to achieve economic growth were the two main reasons that turned the world into the idea of Private involvement. This process of privatization takes different forms: a complete private incumbent, where the government sell assets to the private sector (Varner 2006, 1), shared private ownership between the investors and the government (Parker 1991, 11). A Complete privatization happens mostly in European countries, and the transitional economies. This type could scarcely be applied in the cultural heritage field, while the shared one when the government delegates to the private sector certain tasks or responsibilities, for example, to collect and disposal of solid waste or security services or data processing services. The service here carries out through an agreement or a protocol between the government and the private sector (C.Brooks 2000, 32). This latter type is suitable for cultural heritage and it can suitable for museums or events.

In Europe revenues, cultural tourism contributed significantly with more than 79% of the turnover in Europe's Cultural Heritage sector, while 16% is derived from investments in maintenance by private owners, charities, and foundations. Public governmental entities contributed with the remaining 5%. The impact of heritage on the tourism industry is obvious in our cities. Due to the exploitation of heritage, many new jobs generated in the tourism sector and as a result, the figures turned to more positive and effective on the national economy. Recent estimates indicate that more than 8 million jobs directly and indirectly sustained by the Cultural Heritage sector. (Ganski 2016, 16-17).

The economic value of the heritage and its effects on the society and cultural heritage management is important. The socio-cultural value is always the core of the economic development and conservation process and a major factor in the decisions for the cultural heritage. It is the value attached to a place, an object, a historical site, for its beauty, artistic viewpoint, or a site for scholarly research. Private sector played a limited role in the cultural heritage during the last few decades and in the economic life in general.

Practices

There are many examples describing the success of the privatization of the cultural heritage. Once it started, it helped in protecting the cultural heritage industry as well as reviving it, by creating new ideas for reuse of heritage buildings and sites, and by using the intangible heritage in wide range of activities to keep and protect it from extinction.

Jaipur, the first planned city of modern India. It is the capital of Rajasthan. It is known for its beautiful cultural heritage and historical sites. It became the focus of the socio-economic and the political life of the state. The decision to convert this city into a heritage tourism city was made by many stakeholders including the help of World Bank, illustrates an adaptive reuse of the cultural heritage and the environment of the city. (Bakore 2001, 232). Government allowed the private sector to develop tourism, and to the contribution of the private sector in the field of the cultural tourism. Regarding the accommodations, the government introduced the *Nazool* properties for the establishment of the tourism unit. According to this definition of the heritage, the old palaces or buildings, which not listed by the Ministry of Antiquities and museums leased to the private sector to manage, and recognized as part of the heritage hotels or a touristic complex. This reflects the role played by the private sector in this field of reusing the heritage in the field of tourism. Moreover, in the preservation of the historical and cultural heritage.

There is no doubt that the economic value of the cultural heritage can guarantee a significant impact on funding the process of heritage conservation, and in non-tourism sites development, provided that the revenues generated from tourism are used for the benefits of the cultural heritage

The private sector role in developing or investing in the field of cultural heritage shows fierce debate in the world between different stakeholders. The private sector with its tools: profit and non-profit can play a role in developing the cultural heritage, and creates more ideas how we can reuse heritage, and have an

effective strategy though converting heritage into a productive tool more than consuming tool.

Since the late 1980 Private sector involvement in culture heritage increased specially in Europe, the cultural political debate on this issue has been surrounded by speculations and prejudices. The term is connected usually with selling public institutions to private firms, and with governments pass on their responsibilities for the arts and the culture to the market. Privatization in the field of cultural is an important, but also a controversial phenomenon: a broader concept of sustainable development includes not only environmental, but also economic, social and cultural aspects. Various researches implemented around the world demonstrate that preservation of cultural heritage enhances environmental, social, cultural and economic sustainability. Moreover, cultural heritage can contribute towards well-being and quality of life of communities, can help to mitigate the impacts of cultural globalization, and can become incentive for sustainable economic development.

The Development of Tourism in India has decided to involve the private sector as well as the investors in Jaipur to protect and conserve the cultural history of many places that owned by the Ministry of Archaeology, as public assets, by presenting these building for adoption after the restoration. This process happens with the co-operation of the public sector. This present an excellent example of the importance of the private sector and its contribution in raising the economic value and the social value of the tourism sector. It reflects an essential point of the integration of the economic as well as the social aspect of the cultural

heritage. It also clarifies the role of the private sector in maximizing the benefits of the cultural heritage.

Italy, the home of majority of European cultural heritage including houses palaces, artistic, and environmental heritage, already, objects from medieval period to the 20th century have been sold to international investment firms and private investors. Numerous vibes in Italy trying to show that the privatization will harm the cultural heritage in Italy and it will be disastrous to think about it, considering it an extension of European continental and social problem.

One of the main challenges faced the world museums is the cutting cost policy by many governments. Culture venues and activities is the first blink to cut cost during crisis or recession. This was obvious during the economic recession that happened in 2009 when museums suffered neglect and disastrous actions: many museums laid off staff, closed its doors, limited their visiting time, and postponing their exhibitions. Many museums were obliged to cut 50% of their expenses, majority of them depended on private funds from Companies like in United States received no single penny from any source. The Queen's Museum in USA is an example of those. Some museums started to sell some of their masterpieces in order to save money. A debate arose then in USA on how museum could sustain funds. Privatization was negotiated as an adaptive solution. Full or partial privatization help securing funds to keep the role of the heritage as education, and places with appreciation for the identity of nations.

Conclusions

Culture heritage is not a freestanding field; it is a set of tangible and intangible variables that needs continuous and immediate attention. Involvement of private sector in heritage, however, debates applied in numerous countries, where in Egypt it is still premature. It has number of approaches and goods as opportunities to different stakeholders. We should look at how heritage goods are consumed, both on a national and international level, to reach a better understanding of what to be privatized. To reach an adequate objective a free market policy and strategy must be implemented to heritage sites, specially, in order to achieving sustainability regarding

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