



3rd GLOBAL CONFERENCE on BUSINESS, ECONOMICS, MANAGEMENT and TOURISM,
26-28 November 2015, Rome, Italy

The importance of the intangible cultural heritage in the economy

Tudorache Petronela^{a*}

^aPhD. Student, the Bucharest University of Economic Studies, 41, Dacia Blvd. , District 1, 010404, Romania

Abstract

The importance of intangible cultural heritage refer to the wealth of knowledge and skills that is transmitted from one generation to the next ones. First of all, for the minority groups and for mainstream social groups, the social and economic value of knowledge is relevant. Intangible cultural heritage is expressed through process, phrases, know-how, and abilities- that include associated objects and cultural spaces - that people distinguish as component of their cultural heritage. Spread through generations and constantly recreated, it ensures humanity with a sense of identity and continuity. Secondly, different sectors of the economy, for instance: rates of growth and development, the volumes of outflow of foreign exchange, infrastructure development, new management techniques and the training experience are certainly contributing to the economic and social development of a country. Safeguarding intangible cultural heritage is a valuable source of the economy. Safeguarding activities must therefore always involve the society, people and, where appropriate, individuals that bear such heritage. The global wealth of traditions is the principal motivation for travel, with tourists seeking to find out about new cultures and to experience the global difference of performing arts, handicrafts, rituals and cuisines. The cultural cooperation stimulates by such meeting prompts discussion, builds understanding and encourage tolerance and peace. Persons who realize these values, everywhere in the world have their own way for spreading their knowledge and skills, for the most of the times relies on word of mouth rather than written texts. In conclusion, the intangible cultural heritages create bridges between past, present and future; they make continuity and change the structure of the society with experiences like transition and transcendence.

© 2016 The Authors. Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license

(<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Organizing Committee of BEMTUR- 2015

Keywords: Intangible cultural heritage; economy; identity; safeguarding.

* Tudorache Petronela. Tel.:+4-34-543-343.

E-mail address: tudorachep@yahoo.com

1. Introduction

In Europe, tourism is taken into account as one of the sectors with the best growth prospects, that has positive effects on the number of new working places. The influx of tourists and visitors in different regions is, also, determined by the attractiveness, value, quantity and quality of tourist attractions in these areas, and the level of knowledge and presentation. Tourism is a vital source of income and employment, it is fundamental for many parts of Europe and for some of them even indispensable, since it is an important factor to improve competitiveness. European Union gives rightful importance to tourism, which contributes substantially to its economic and social objectives. European tourism faces many challenges: global economic crisis, increasing competition with other destinations, the consequences of climate changes or its seasonal nature. On the one hand, the industry must adapt to social developments that will influence demand in the tourism sector, on the other hand, it has to face the constraints of the current structure of the sector, its specific characteristics, as well as its economic and social context according to Nicula, Spanu and Neagu (2013).

Authors Tri Anggraini, Sadasivam, Alpana (2015) consider that the heritage offers identity to a country, and also culture sustain development. In this domain if you have possibilities to bring back to life the potential of the regions that can give unique products in the tourist market and complementary activities, that have the role to increase employment, with positive externalities on quality of life. Heritage is one of the important components which has the role to create character, identity and image of city. Secondly, it is a mirror which shows the social and intellectual circumstances of our time. Heritage concerns our past history, present and future. Furthermore, heritage is also seen as a reflection of pattern and behavior of dominant local communities within the entire society. Technology, demographic and economic changes have influence on the cultural heritage, therefore culture and heritage are not stable and they can transform and change dynamically.

Cultural values are defined by Mateja, Davis and Pipan (2015) as some kind of a territorial capital or developmental source, which is to be experienced and enjoyed not only by tourists, but also by local inhabitants, and which can cause positive economic, social and environmental effects. Even though heritage and its preservation have long been regarded as opposition to economic development, they are seen as effective partners in the development of a country. The economic value can be determined by measuring the gross added value, the multiplier effects on the economy, tourist visits and their consumption, whereas the social value can be determined by measuring social cohesion, community empowerment, skill and development learning. Authors have added environmental potential to the list because they discovered that sustainable heritage management is related to sustaining the complexity and stability of ecosystems – for instance, types of traditional farming activities can be linked to the prevention of soil erosion.

Another opinion about the culture of a country is offered by Balan and Vasile (2015) strongly has influence at the history of economic development. The contribution of the culture is seen with through products, expressions and insights that has the role to improve the social and economic situation of a community. Culture implies different things like as: habits, customs, folklore, the sentiment of belonging to a nation with certain features, and education. Vasile et al. (2015) consider that there are many facilities, assured by mass-media, traditional touristic products are attractive for a diminished group of consumers, especially for conservative persons. Furthermore, in their free time the residents are interested in a cultural consumption, which helps them to obtain more information about the local heritage. Kolesnikova, Salyahov and Fakhrudinov (2015) think that the category of immaterial heritage implies different parts as immaterial wealth and immaterial property. The immaterial national wealth is described as knowledge, level of culture, traditions, national morale and etc. In the context of the new economy, the economic crisis and the fight between nations to achieve competitive advance in the regional development policy can be considered as a defense tool against the possible threats made by globalization. Therefore, the competitiveness of countries in attracting foreign investors is more often determined by their specific and unique intangible resources. Consequently, investments in research, development and innovation are viewed as the most important sources of performance and a key in developing knowledge-based capital and intellectual capital.

Author Rusu-Tanasa (2015) debates about the intellectual capital of a nation (or a region of nations) requires the articulation of a system of variables that helps to uncover and manage the invisible wealth of a country. Knowledge is considered a basic resource for value creation both at the corporate and regional level therefore the European Union's countries and regions try to promote/use regional and national innovation strategies in order to achieve the Lisbon aim to make the European economy the most competitive knowledge-based economy in the world.

UNESCO website states that communities have an important aim in the production, safeguarding, maintenance of the intangible cultural heritage, thus help to create cultural diversity and human creativity.

2. Analyze of the annual gross income in a few countries of Union European

According Euromonitor website, in 2013, many of the Spanish local authorities acted proactively in terms of engaging with travel and tourism companies to promote domestic travel and tourism in their respective regions. This resulted in the successful development of themed tourism such as promoting green tourism, placing additional emphasis on cultural heritage and cultural festivals. Increasing numbers of local and regional travel and tourism promotional offices in Spain are investing in social media. This is becoming increasingly important for domestic tourism, especially since the preferred target group of young and prosperous people regularly use social media and the internet.

Greece has always been a favourite tourism choice for international travellers. Its impressive cultural heritage and staggering coastlines are recognised the world over making travel and tourism industry a strong performer in the country.

Also on the website on the Euromonitor, I find that statistics about the countries that I analyze. Slovenia's per capita annual gross income stood at €15,492 (US\$20,554) in 2014, the highest level in Eastern Europe and more than double the region's average. However, the indicator registered a decrease of 9.1% in real terms (or an average real drop of 1.9% per year) between 2009 and 2014, the second steepest fall in Eastern Europe after Croatia during the review period. Per capita annual gross income posted real drops every year except 2014 (the year that GDP posted annual real growth of 3.0%, the highest level reported during the review period) when it registered an increase of 1.3% year-on-year in real terms against 2013.

Spain's per capita annual gross income contracted by 12.3% in real terms between 2009 and 2014 to reach €20,562 (US\$27,280) by the end of that period. This was the second largest decline amongst EU countries (after Greece), highlighting the severe impact of the 2008-2009 global financial crisis on the Spanish economy, which caused the bursting of the real estate bubble that had fuelled the country's economic expansion during most of the 2000s.

Greece's per capita annual gross income plunged sharply by 29.7% in real terms between 2009 and 2014 (equivalent to an average annual drop of 6.8% in real terms over that period) to reach €14,630 (US\$19,410) in 2014, reflecting a significant fall in living standards. The contraction of Greece's per capita annual gross income was significantly higher than the eurozone's average decline of 2.4% during the same period. Owing to high debt levels; severe budget constraints; and soaring unemployment, the Greek economy suffered from six consecutive years of recession during the 2008-2013 period before it posted marginal growth of 0.8% in real terms in 2014.

Portugal's per capita annual gross income contracted by 7.8% in real terms between 2009 and 2014 to reach €15,396 (US\$20,427) in 2014. This compares to a 1.1% decline in real terms recorded by the broader EU over the same period. The sharper contraction of Portugal's per capita annual gross income is the result of the country's economic recession caused by the impact of the 2008-2009 global financial crisis and eurozone sovereign debt crisis.

Austria's per capita annual gross income grew at an average annual rate of 0.2% in real terms between 2009 and 2014 (equivalent to a total rise of 0.9% over that period) to reach €32,168 (US\$42,679) in 2014. Although the growth was modest, Austria still outperformed most countries in the European Union (EU), as the economic bloc as a whole posted a real period contraction of 1.1% in per capita annual gross income during the 2009-2014 period.

3. Research

Firstly, to see the importance of the intangible cultural heritage in tourism, I had to consider two important factors, namely: money spent by tourists on tourism segment art, culture and heritage, and money spend by tourists on total attractions of tourism. After that, I analyze this factors on a period of six years: 2009-2014. The five countries that I analyze have the same currency euro. The value data are obtained from Euromonitor website and it is expressed in millions of euro.

I divided the money spent in this sector at total money spend in all attractions of tourism, so we have seen the

percentage held by art, culture and heritage in five EU countries: Greece, Spain, Austria, Portugal, Slovenia. Secondly I analyzed, forecast for art, culture and heritage for years: 2014-2019, on all five countries. I make the same rationalment when I calculate the percentage.

The purpose of this research was to show the importance of the intangible culturale heritage in the economy of a country.

Objective of this study: Identifying the contribution of the intangible cultural heritage in a economy. Data to achieve this information, I have obtained after the website: [www. euromonitor.com](http://www.euromonitor.com).

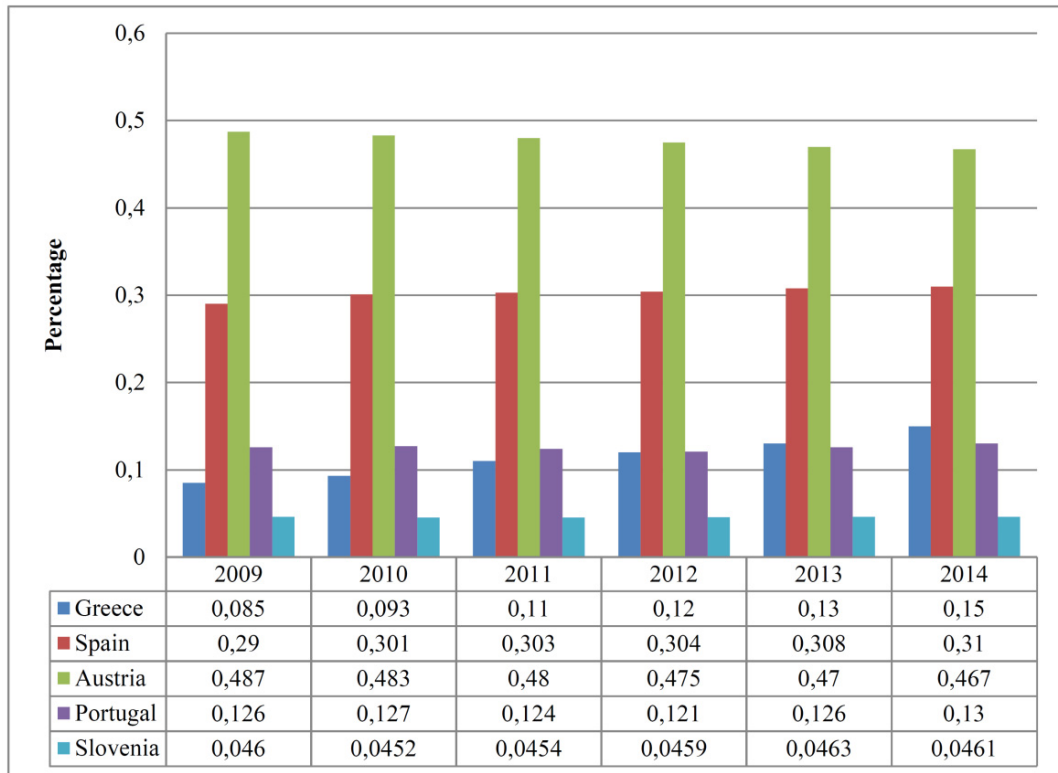


Fig. 1. Percentage of the Art, Culture and Heritage in total attractions ,years 2009-2014
Source: realize by author

This chart (Fig.1) shows that the country with the most money spent on art, culture and heritage is Austria and the country which has the lowest percentage at attractions: art, culture and heritage is Slovenia. We can also see that in Austria, is maintaing the percentage over the years: 2009-2014, which means that there is a great demand for art, culture and heritage and they also performed and increased their revenue from these attractions. Austria has a fairly large percentage segment art, culture and heritage.

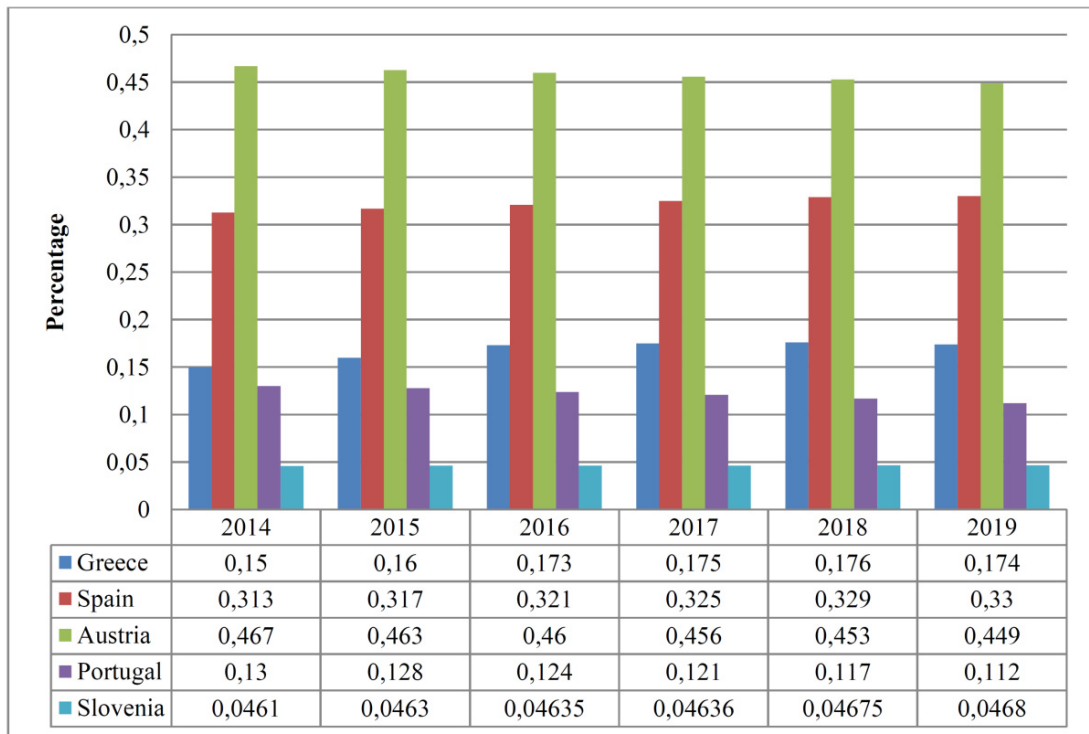


Fig.2. Forecast for percentage of the Art, Culture and Heritage in total attractions, years 2014-2019
Source: realize by author

Forecast for percentage of the Art, Culture and Heritage in total attractions (Fig.2) realized by Euromonitor show that Austria will have a drop slightly at segment art, culture and heritage for the years 2014-2019. Also, we can see from the percentages calculated, Spain has a slight increase in segment art, culture and heritage for the same period. On the other side Slovenia will maintain about the same position in the market for that period. The percentage calculated using data provided by Euromonitor website, help me to show the influence of art, culture and heritage on revenue of European Union countries.

4. Conclusion

Firstly, the analysis conducted by Euromonitor shows that Austria still outperformed most countries in the European Union. Also, the graphs refer to the same things as those written by Euromonitor. Considering the indicators made, segment art, culture and heritage has a great influence on quite a country's GDP. According to those realize above, safeguarding activities always involve the society, people, to sustain different attraction and to keep the identity of a country with traditions, customs.

Secondly, heritage is an important component of national identification and representation as a repertoire of meanings and values, as well as an embodiment of symbols in a given society. The intangible elements of heritage (Symbols, meanings and images) are of greater significance in facilitating emotional and sentimental attachment to a nation within domestic heritage tourism contexts. On the other hand, the local communities benefit from tourism directly by buying services and commercial articles through hotels, transportation, traditional craft goods (souvenirs) and indirectly by receiving improvements in infrastructure, urban rehabilitation and conservation of some proper historic sites.

The view of the many developing countries, include a growing tourism industry as a potential solution to issues such as low employment rates or the need for foreign currencies and generating higher government revenues. This

paper examined the complementary relationship between the direct effects of intangible cultural heritage, such as through increases in income and employment in the local community, and indirect effects, such as through the development of tourism. According all the information obtain and analyze, it is important to safeguarding the intangible cultural heritage, because have increase the revenue of the country, and attract many tourists to visit different cultural products, and of course can create jobs.

In conclusion, tourism has a pretty big influence on the GDP of the country, helping to increase revenue and attract as many tourists.

Acknowledgements

„This paper was co-financed from the European Social Fund, through the Sectorial Operational Programme Human Resources Development 2007-2013, contract POSDRU/187/1.5/S/155463 "Supporting excellence in scientific interdisciplinary doctoral research in the economic, medical and social fields", coordinator The Bucharest University of Economic Studies”.

References

- Balan, M., Vasile, V., (2015). Heritage as an Alternative Driver for Sustainable Development and Economic Recovery in South East Europe Cultural determinants of economic performance in Romania. *Procedia - Social and Behavioral Sciences* 188, 290 – 296.
- Borza, M., Manolescu, I. T., (2015). Heritage as an Alternative Driver for Sustainable Development and Economic Recovery in South East Europe The Implication of International Cooperation in the Sustainable Valorisation of Rural Touristic Heritage. *Procedia - Social and Behavioral Sciences* 188, 222 – 229.
- Kolesnikova, J., Salyahov, E., Fakhrutdinov, R., (2015). Heritage as an Alternative Driver for Sustainable Development and Economic Recovery in South East Europe Correlation of concepts of intangible property of the state, national wealth and intangible heritage. *Procedia - Social and Behavioral Sciences* 188, 237 – 241.
- Mateja, S. H., David, B., Primoz, Pipan., (2015). Sustainable Heritage Management: Social, Economic and Other Potentials of Culture in Local Development. *Procedia - Social and Behavioral Sciences* 188, 103–110.
- Nicula, V., Spanu, S., Neagu, R. E., (2013). Post Crisis Economy: Challenges and Opportunities, IECS 2013 Regional Tourism Development in Romania - Consistency with Policies and Strategies Developed at EU Level. *Procedia Economics and Finance* 6, 530 – 541.
- Rusu-Tanasa, M., (2015). Economic Prospects in the Context of Growing Global and Regional Interdependencies”, IECS 2015 Intellectual Capital a Strategic Factor of Socio-Economic Development of Regions and Countries. *Procedia Economics and Finance* 27, 369 – 374.
- Tri Anggraini, P., Sadasivam, K., Alpana, S., (2015). The 5th Sustainable Future for Human Security (Sustain 2014) Preserving cultural heritage of Denpasar: local community perspectives. *Procedia Environmental Sciences* 28, 557 – 566.
- Vasile, V., Surugiu, M.-R., Login, I.-A., Andreea, S., (2015). Direct Heritage as an Alternative Driver for Sustainable Development and Economic Recovery in South East Europe Innovative valuing of the cultural heritage assets. Economic implication on local employability, small entrepreneurship development and social inclusion. *Procedia - Social and Behavioral Sciences* 188, 16 – 26.

**** www.euromonitor.com

<http://www.unesco.org/culture/ich/en/convention>