

AN ASSESSMENT OF THE RELATIONSHIPS BETWEEN THE CULTURAL HERITAGE, TRAVEL AND TOURISM, AND SUSTAINABLE DEVELOPMENT IN THE CENTRAL AND EASTERN EUROPEAN COUNTRIES

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The cultural heritage, including, according to the UNESCO definition, the assembly of monuments, groups of buildings, and sites which are of outstanding universal value from the historical, aesthetic, ethnological or anthropological point of view, represents an important asset that can be engaged and capitalized in order to support the sustainable development. Meeting the needs of the present without compromising the ability of the future generations to meet their own needs in order to provide a better quality of life for everyone, now and for generations to come, has become a concern and, in the same time, a priority for all the stakeholders of the society.

Turning to the best account of the cultural heritage also represents an important driver for the sustainable development of the travel and tourism industry, as the cultural sites, institutions, goods and services, appropriately capitalized, represent significant attractions for the international and domestic tourists. The integration of the principles of sustainable development in the current functioning of the travel and tourism industry led to the development and implementation of the concept of sustainable tourism.

The paper explores in a distinctive manner the relationships between the cultural heritage and the travel and tourism industry, respectively the cultural heritage and the sustainable development based on a set of related statistical indicators, and the specific secondary data, expressing the extent of the cultural heritage, the development of the travel and tourism industry, and the attained level of sustainable development in ten Central and Eastern European countries, members of the European Union. There are two major research questions the paper aims to answer: (1) How significant is the relationship between the cultural heritage and the development of the travel and tourism industry? (2) Is there a noteworthy connection between the cultural heritage and the sustainable development in the selected countries?

Keywords: cultural heritage, travel and tourism, sustainable development, Central and Eastern Europe

JEL classification: M83, M31

Introduction

The cultural heritage, is defined by UNESCO as an assembly of monuments (including architectural works, works of monumental sculpture and painting, elements or structures of an architectural nature, inscriptions, cave dwellings and combination of features), groups of buildings (groups of separate or connected buildings which, because of their architecture, their homogeneity or their place in the landscape, are of outstanding universal value from the point of view of history, art or science), and sites (works of man or the combined works of nature and man, and areas including archaeological sites) which are of outstanding universal value from the historical, aesthetic, ethnological or anthropological point of view (UNESCO, 1972).

Together with other forms of capital – physical, natural, economic, human, social, and organizational, the cultural heritage represents one of the major resources that can be employed in order to support the sustainable development (Svendsen and Sørensen, 2007). The capitalization of the cultural heritage represents an important driver for development, including here the tourism activities in a specific area: when properly managed, it can enhance the livability of their surrounding areas and sustain productivity in a changing global environment (Pereira Roders & van Oers, 2011). Culture, cultural heritage and development have been making an incalculable contribution toward improving human livelihoods and well-being in lasting and sustainable ways (Bandarin et al., 2011).

According to the Leask and Rihova (2010), the heritage contribution in tourism development, based on the capitalization of the available cultural resources, can be enhanced through (1) implementing strategies of sustainable growth and effective diversification of the local economy, (2) developing heritage tourism policies and products that meet the needs of community, policy-makers and tourists, (3) improving the stakeholder communication and participation in the creation of the authentic and individual visitor experiences, and (4) connecting the sustainable tourism development with the heritage conservation, community integration, and stakeholders.

The most frequently quoted definition given to the sustainable development is that provided by the United Nation's World Commission on Environment and Development in the Brundtland Report (1987), stating that it refers to the development meeting the needs of the present without compromising the ability of future generations to meet their own needs. The European Union (2010) views the sustainable development standing for meeting the needs of present generations without jeopardizing the ability of futures generations to meet their own needs, providing a better quality of life for everyone, now and for generations to come.

At the intersection of the travel and tourism industry and the sustainable development stands the sustainable tourism, which, according to UNESCO should: (1) make optimal use of environmental resources, maintaining essential ecological processes and preserving natural heritage and biodiversity; (2) respect the socio-cultural authenticity of host communities, conserve their built and cultural heritage and traditional values, and contribute to inter-cultural understanding; and (3) ensure viable, long-term economic operations, providing fairly distributed socio-economic benefits to all stakeholders (UNWTO sustainable tourism development conceptual definition in Pomeroy et al., 2011).

Methodological Notes

In this context, the assessment of the relationships between the cultural heritage, travel and tourism industry, and the sustainable development aims to provide answers to the following questions, that can be seen in this context as *research objectives*: (1) How significant is the relationship between the cultural heritage and the development of the travel and tourism industry? (2) Is there a noteworthy connection between the cultural heritage and the sustainable development?

The *research hypotheses* associated to these objectives state that: (1) there must be a significant relationship between the cultural heritage and the development of the travel and tourism industry; and (2) the contribution of the cultural heritage (mainly through its capitalization) to the sustainable development is rather moderate.

The exploration of the connections between the cultural heritage, travel and tourism industry and the sustainable development has been conducted at the level of ten countries from the Central and Eastern Europe, member of the EU. The selected countries form a group of *observation units* including: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia. These countries attracted, at the level of the year 2010, 41.7 millions of international tourists (representing 11.5 % of the total international tourists of the EU,

respectively 8.8 % of the total international tourists in Europe) and accounted for 33.8 billions of US\$ in international tourism receipts (representing 10.2 % of the total international receipts of the EU, respectively 8.3 % of the total international receipts in Europe).

The selection of the *statistical indicators* expressing the extent of the cultural heritage, the development of the travel and tourism industry, and the level of sustainable development in the selected CEE countries has provided the following results:

-the *cultural heritage*: only the number of the cultural sites on the UNESCO World Heritage List has been considered, as the identification and selection of the indicators related to the cultural heritage represented a relatively difficult to accomplish task. There are few indicators measuring the cultural sector at the EU level, cultural statistics continuing to be an “under construction” field of the EU statistics, and there also are very few indicators describing the status of the cultural heritage;

-the *travel and tourism industry*: the international tourist arrivals, the international tourism receipts, and the contribution of the travel and tourism industry, respectively the travel and tourism economy, to the formation of GDP, respectively in generating employment were the indicators selected to express the performances of the industry;

-the *sustainable development*: GDP per capita, the share of GDP that is used for gross investment by the government, business, and household sectors, the energy intensity of the economy, and the employment rate of the population of 20-64 years old. The EU employs a system of more than 100 sustainable development indicators to provide an overall picture of progresses achieved towards sustainable development in terms of the objectives and targets defined in the EU’s Sustainable Development Strategy. The indicators are organized in ten themes: socio-economic development, sustainable consumption and production, social inclusion, demographic changes, public health, climate change and energy, sustainable transport, natural resources, global partnership, and good governance. The selection of the appropriate indicators of sustainable development represented a challenge in the context of this research as an important number of them refer to the aspects that are, at least apparently, less connected to the cultural heritage and the travel and tourism industry. For the purpose of this study, only the above-mentioned indicators, related to the socio-economic development theme, have been selected.

Spearman correlation coefficients have been calculated in order to assess the relationships between the cultural heritage and the travel and tourism industry, respectively the cultural heritage and the sustainable development.

Main Findings

Values of the considered indicators related to the cultural heritage extent, travel and tourism development, and the state of the sustainable development in the selected countries are presented in the table below. The first impression after reading the data is that the countries of Central and Eastern Europe represent a sample characterized by considerable diversity in terms of the cultural heritage they possess (from 13 cultural sites on the World Heritage List – the case of the Czech Republic, to none – the case of Slovenia), the development of the travel and tourism industry (from 11.89 million international tourist arrivals – the case of Poland, to only around of 1.3 millions – the cases of Slovakia, Latvia or Lithuania; respectively, from international tourism receipts of 9.01 US\$ billions – the case of Poland, to only 1.09 US\$ billions – the cases of Estonia and Lithuania), and the level of sustainable development (a GDP/capita varying from 15300 € – the case of Slovenia, to 3500 € – the case of Bulgaria; respectively an energy intensity of the economy varying from 259.20 kgoe/1000 € – the case of Slovenia, to 853.77 kgoe/1000 € – the case of Bulgaria).

Also, the existing differences illustrate the strong dissimilarities between these countries considering their profiles as tourist destinations.

Table 1: Values of the cultural heritage, travel and tourism, and sustainable development considered indicators for the Central and Eastern Europe countries in 2009-2010

Countries	WHS	ITA	ITR	T&TI GDP	T&TI Emp	T&TE GDP	T&TE Emp	GDP / cap	Inv	Energ Int	Emp Rate
Bulgaria	7	5.74	3.73	1.57	86	5.95	324	3500	0.00	853.77	65.4
Czech Rep	13	6.03	6.49	3.68	92	21.43	473	11400	24.45	531.94	70.4
Estonia	2	1.97	1.09	0.65	17	2.89	73	8300	19.45	678.77	66.7
Hungary	7	9.06	5.63	4.03	183	9.77	263	8800	17.47	419.52	60.4
Latvia	2	1.32	0.72	0.41	12	1.62	49	5600	19.52	372.94	65.0
Lithuania	4	1.34	1.09	0.43	12	2.09	57	6700	16.06	361.81	64.4
Poland	12	11.89	9.01	7.99	254	35.71	1054	8100	19.87	373.86	64.6
Romania	6	1.27	1.23	3.41	267	9.01	519	4200	22.74	588.93	63.3
Slovakia	5	1.30	2.34	1.53	35	9.89	206	8900	22.18	509.02	64.6
Slovenia	0	1.80	2.51	1.39	30	6.49	117	15300	21.60	259.20	70.3

Notes: *WHS* – Number of the cultural sites on the UNESCO World Heritage List (2010); *ITA* – International Tourist Arrivals (2009; millions); *ITR* – International Tourism Receipts (2009; US\$ billions); *T&TI GDP* – Travel & Tourism Industry contribution to the formation of GDP (2010; US\$ billions); *T&TI Emp* – Travel & Tourism Industry contribution in terms of employment (2010; thousand jobs); *T&TE GDP* – Travel & Tourism Economy contribution to the formation of GDP (2010; US\$ billions); *T&TE Emp* – Travel & Tourism Economy contribution in terms of employment (2010; thousand jobs); *GDP / cap* – Gross Domestic Product per capita (2010; €/capita); *Inv* – Share of the total investments of the government, businesses, and households in the GDP (2010; % in GDP); *EnergInt* - |Energy Intensity of the Economy (2010; in Kilograms Oil Equivalent / thousand €); *EmpRate* – Employment Rate of the population aged 20-64 (%).

The assessment of the relationships between the *cultural heritage* and the development of the *travel and tourism industry* reveal the significant connections between the specific research variables: for four out of six of these variables, the bivariate correlations proved to be significant at 0.05, or even 0.01 level of significance (2-tailed).

Table 2: Correlations of the cultural heritage and the travel and tourism indicators for the selected Central and Eastern European countries

			Correlations						
			Number of World Heritage Sites	International Tourist Arrivals	International Tourist Receipts	Travel & Tourism Industry and GDP	Travel & Tourism Industry and Employment	Travel & Tourism Economy and GDP	Travel & Tourism Economy and Employment
Spearman's rho	Number of World Heritage Sites	Correlation Coefficient	1.000	.639	.949**	.882**	.730*	.824**	.832**
		Sig. (2-tailed)	.	.064	.000	.002	.026	.006	.005
		N	9	9	9	9	9	9	9
	International Tourist Arrivals	Correlation Coefficient	.639	1.000	.760*	.612	.316	.442	.394
		Sig. (2-tailed)	.064	.	.011	.060	.374	.200	.260
		N	9	10	10	10	10	10	10
	International Tourist Receipts	Correlation Coefficient	.949**	.760*	1.000	.900**	.710*	.851**	.790**
		Sig. (2-tailed)	.000	.011	.	.000	.021	.002	.007
		N	9	10	10	10	10	10	10
	Travel & Tourism Industry and GDP	Correlation Coefficient	.882**	.612	.900**	1.000	.924**	.879**	.915**
		Sig. (2-tailed)	.002	.060	.000	.	.000	.001	.000
		N	9	10	10	10	10	10	10
	Travel & Tourism Industry and Employment	Correlation Coefficient	.730*	.316	.710*	.924**	1.000	.778**	.948**
		Sig. (2-tailed)	.026	.374	.021	.000	.	.008	.000
		N	9	10	10	10	10	10	10
	Travel & Tourism Economy and GDP	Correlation Coefficient	.824**	.442	.851**	.879**	.778**	1.000	.818**
		Sig. (2-tailed)	.006	.200	.002	.001	.008	.	.004
		N	9	10	10	10	10	10	10
	Travel & Tourism Economy and Employment	Correlation Coefficient	.832**	.394	.790**	.915**	.948**	.818**	1.000
		Sig. (2-tailed)	.005	.260	.007	.000	.000	.004	.
		N	9	10	10	10	10	10	10

** - Correlation is significant at the 0.01 level (2-tailed).

* - Correlation is significant at the 0.05 level (2-tailed).

The number of the cultural sites included on the UNESCO World Heritage List correlate significantly with the international tourism receipts, but not with the international arrivals (although the value of the Spearman rho suggests the existence of a relatively significant association). This could mean that, although the cultural sites in the Central and Eastern European countries do not attract as many international visitors as it should, the revenues they generate are important for the overall performances of the travel and tourism industries. In this context, the appropriate capitalization of the cultural heritage seems to be important as attracting more international visitors will determine an increase of the international receipts. Also, the cultural heritage seems to contribute to the performances of the travel and tourism industry regarding the formation of GDP and employment.

The analysis of the associations between the cultural heritage and the sustainable development selected indicators reveals the lack of significant connections: none of the bivariate correlations proved to be significant, which means that the number of the cultural sites included on the World Heritage List does not have relevant associations with the socio-economic indicators describing the sustainable development, i.e. GDP per capita, share of the gross investments in the GDP, the energy intensity of the economy, or the employment rate of the population aged 20-64.

Table 3: Correlations of the cultural heritage and the sustainable development indicators for the selected Central and Eastern Europe countries

			Correlations				
			Number of World Heritage Sites	GDP per capita	Share of Total Investments in GDP	Energy Intensity of the Economy	Employment rate (20-64)
Spearman's rho	Number of World Heritage Sites	Correlation Coefficient	1.000	.261	.294	.176	.034
		Sig. (2-tailed)	.	.498	.442	.650	.931
		N	9	9	9	9	9
	GDP per capita	Correlation Coefficient	.261	1.000	.467	-.358	.389
		Sig. (2-tailed)	.498	.	.174	.310	.266
		N	9	10	10	10	10
	Share of Total Investments in GDP	Correlation Coefficient	.294	.467	1.000	-.018	.237
		Sig. (2-tailed)	.442	.174	.	.960	.510
		N	9	10	10	10	10
	Energy Intensity of the Economy	Correlation Coefficient	.176	-.358	-.018	1.000	.103
		Sig. (2-tailed)	.650	.310	.960	.	.776
		N	9	10	10	10	10
	Employment rate (20-64)	Correlation Coefficient	.034	.389	.237	.103	1.000
		Sig. (2-tailed)	.931	.266	.510	.776	.
		N	9	10	10	10	10

Apparently, an increase in the number of the cultural sites included on the World Heritage List will generate a positive but less significant impact over the GDP per capita and the gross investments, and a positive but extremely less significant over the employment rate of the population aged 20-64, all these with the price of increasing the energy intensity of the economy. Overall, the capitalization of the cultural heritage seems to have a rather modest contribution to the sustainable development of the selected CEE countries.

Conclusions and limits of the research

The exploratory assessment of the relationships between the cultural heritage and the travel and tourism development, respectively the cultural heritage and the sustainable development has been conducted at a level of sample including countries with significantly different profiles as tourist destinations. The indicators used in the assessment, although relevant, are obviously not sufficient to allow drawing consistent conclusions about the relationships between the cultural heritage and travel and tourism, respectively the cultural heritage and sustainable development.

Still, the measured correlations of the related indicators support the following conclusions:

- there are significant relationships between the cultural heritage and the travel & tourism industry – an appropriate capitalization of the cultural heritage may determine improvements of the performances of the travel and tourism industry and supports the overall contribution of the industry to the GDP formation and to the employment;

- the relationships between the cultural heritage and the sustainable development are rather poor: on the one hand, the cultural heritage is an asset less turned to the best account in the selected CEE countries, and, on the other hand, that capitalization of the cultural heritage, where conducted, generates a very modest contribution to the sustainable development of these countries.

These results should be considered in the context of the two limits of this exploratory approach. The first refers to the limited number of variables considered in the assessment of the relationships between the cultural heritage and the travel and tourism industry, respectively the cultural heritage and the sustainable development. Obviously, a set of eleven variables, although relevant for the scope of the research, could not provide a solid basis for the analysis of these relationships. Further improvements should be made consisting in the increase of the number of research variables by including more indicators regarding the extent of the cultural heritage, the level of development of the travel and tourism, and the state of the sustainable development.

The second refers to the limited number of observation units considered in the assessment of the relationships between the cultural heritage and the travel and tourism industry, respectively the cultural heritage and the sustainable development. Further improvements in this respect, depending significantly on the existence of the statistical data for the considered indicators, should lead to an enlargement of the list of countries involved in the assessment process.

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