

**Chapter 2:**  
**THEORETICAL FRAMEWORK**



## 2 THEORETICAL FRAMEWORK

Research on such comprehensive schemes as the Halland Model, based on cross-sectoral cooperation with a multi-problem-oriented approach, demands the use of hybrid methodologies and boundary-spanning, trans-disciplinary and multi-dimensional theories. The scheme was organized as a joint venture between construction industry companies, the labour market and the historic environment sectors together with other actors at national, regional and local levels, aiming at sustainable development and regional growth. The multi-stakeholder collaboration also included representatives from trade and industry, academic society and the civic sector. Research on this comprehensive regional joint venture and on finding an adequate way of studying the manifold relations and judgements involved – between different systems of policies and values – requires an interdisciplinary theoretical approach, connected to meta-modelling discourses and based on several disciplines, with wide perspectives dealing with sustainable development.<sup>28</sup>

### 2.1 Judgement within the Trading Zone

A possible point of departure for elaborating the ability to make *reasonable judgements* is provided by Ronald Beiner. He made an important contribution to understanding how to deal with human affairs and judge the common world when he examined the discourses of Aristotle and Kant, as well as the works of Arendt, Gadamer and Habermas.<sup>29</sup> Beiner combines the transcendental perspective of Kant, by which to promote an account of formal constitutive features of politics as such, with the substantive features of political life of Aristotle, by which to fill the content of a formal delineation. Here, attention is called to the contemplative, disinterested dimension of Kantian judgement in contrast to the active,

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28 See e.g. Rosvall and van Gigch 1991; van Gigch 1991, 2005

29 Beiner 1983

*praxis*-oriented dimension of Aristotelian judgement. Judging, according to Beiner's interpretation of Kant, is the activity of subsuming particulars or finding the correct concept with which to apprehend a given instance. Judgement is here determinant, where the rule, the principle or the law is given in advance for the subsumption, and at the same time reflective where the rule, the principle or the law is lacking and somehow has to be produced from particulars. The judging spectator should be able to step back, to extricate himself/herself from preoccupying interests and purposes and to see the object of judgement from a distance. On the other hand, the judging agent will have to be accustomed to active exercise of prudential judgement, and necessarily be experienced. From this perspective, distancing is a formal requirement of judgements, as well as representing an experience that has to be characterized as a substantive requirement of judgement. According to Beiner, Kant's theory of taste is primarily concerned with retrospective judgement and pertains to the spectator, whereas Aristotle's theory of prudence (*phronesis*) is concerned with prospective judgements of the agent or the actor. Both of them place essential emphasis on the judging of particulars, both of them concur that there are no fixed universals of the subsumption for such particulars, and both insist that a community of judgement comes into play for a judging agent. Beiner's conclusion is that political judgement should embrace the perspectives of spectator as well as actor, and this calls for distance and experience. Thus, judgement can be defined as the activity of subsuming particulars under universals.<sup>30</sup>

The Halland Model can be compared with what Sverker Sörlin regards as a trading zone, where different actors present their values and goods to achieve the established goal.<sup>31</sup> The basis of the metaphor "trading zone" is anthropological studies about how different cultures are capable of exchanging goods, despite differences in their language and cultural system. This metaphor has then been applied to science and technology, and been used in order to explain e.g. how physicists from different paradigms can collaborate with each other and with engineers, as well as to research

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30 Beiner 1983, p. 144

31 Sörlin 2001, pp. 47-60



Figure 2. The trading zone might be regarded as the centre for negotiations and judgements in a field between policies and resources, and between values and facts.

collaborate with each other and with engineers, as well as to research in nano-technology, computer science and environmental managing systems.<sup>32</sup> Sörlin develops a line of arguments where conservation is understood as a process of articulation – whereby certain phenomena are given their specific meaning. Sometimes they are given a new meaning, thereby becoming rearticulated and reintroduced into a kind of accelerated circulation of meanings. However, conservation cannot be seen as a process where something has been taken out of the material and economic circulation. The decision to conserve a historic building is a complex process based on cultural, historical and political aspects. It may be described as a successfully concluded articulation of meanings and values. According to Sörlin, the trading zone is a lively commercial, scholarly scientific and political marketplace where various traditions, methods and languages

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32 Galison 1997

related to the actual stakeholders involved have to be understood and combined. When a trading zone exchange occurs, a common language of communication is developed across the borders between different disciplines and practices.

### 2.1.1 *Cross-sector cooperation with a multi-problem-oriented approach*

In the Halland Model, the trading zone might be regarded as the centre for negotiations and judgements in a field between policies and resources, and between values and facts. In the trading zone, the Steering Committee judged the all-embracing issues, e.g. to preserve buildings or not, to involve more participating interests or not and how to realize projects, against the different policies, values, facts and resources of the participating actors. The trading zone may be regarded as having an intermediate position between a theory-conceptual level and daily practice. In the trading zone, values of different policies were translated to be understood as resources for different actors. The various values were expressed in different units. To understand the Halland Model in this context, several theories handling various structures and systems are needed, e.g. judgement within appreciative systems, policy-making and receptive contexts, theories of values, conservation principles, resource-based economy studies, collaboration theories and action research. The facts are understood as regulations as well as the outcome from the conservation projects, and not least, that all of it actually was realized, manifested and not just an arbitrary estimating model.

## 2.2 **Theories of Policy**

Sir Geoffrey Vickers introduced the concept of *appreciative systems* to describe human activity and the role of making judgements in collective human activities.<sup>33</sup> Such activities are constituted around meanings, and the regulation of such activities is much less a product of “goal seeking” than of “goal setting”, and activities of attaching meanings to communication, or the code by which we do so.<sup>34</sup> He recognized that appreciation of

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33 Vickers 1995

34 Vickers 1968

systems requires the participation not only of the observer, but also that of the subject. The exercise of appreciative judgement has three components:

- the making of a reality judgement, concerning what is or is not the case,
- the making of a value judgement, what ought or ought not be the case, and
- the making of instrumental judgements, concerning the best means.

*Reality judgements* are an appreciation involving making judgements of facts about the “state of the system”, both internally and in its external relations. *Value judgement* involves making judgements about the significance of these facts to the appreciator, or to the body for whom the appreciation is made. Mutual relations in the appreciative system are threefold, and the part of the system by which the individual makes sense of the *observed* world in which one lives and its configuration in space and time. They also form part of the system by which the individual makes sense of the *communicated* world that one shares with other individuals. They form part, too, of the system by which the individual makes sense of one’s *experienced* world and hence of oneself.

Using the Cuban Missile Crisis as a case study, the political scientist Graham T. Allison contributes an interesting discussion about how to regard *trust* as a key to cooperation, as well as negotiation between different areas of policy, objective and value.<sup>35</sup> At the time, rational expectations theories from the discourse of economics were often used to analyse the action of the government, considering all options and acting rationally to maximize utility. In response, Allison constructed three different ways through which analysts can examine events:

The *Rational Actor* model, where governments are treated as the primary actor that examines a set of goals, evaluates them according to their utility and selects the highest return of benefits.

The *Organizational Behaviour* model: in times of crisis, decision-makers don’t have a holistic approach; instead, they break it down

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35 Allison 1971

and assign it according to pre-established organizational lines. Since time and resources are limited, decision-makers settle on the first proposal that adequately addresses the issue, rather than evaluating all the possible courses of action, as well as emphasizing short-term solutions. Further, because of the large amount of time and resources required to plan and mobilize actions fully, leaders are effectively limited to pre-existing plans.

The *Governmental Politics* model: a nation's actions are best understood as the result of politicking and negotiation by its top leaders. Even if they share a goal, leaders differ in their ideas of how to achieve it because of such factors as personal interests and background. Further, even if a leader holds absolute power, the leader must gain a consensus with his underlings or risk having his order misunderstood or, in some cases, ignored. The make-up of a leader's entourage will have a large effect on the final decision. Leaders have different levels of power based on charisma, personality, skills of persuasion and personal ties to decision-makers. Because of the possibilities of miscommunication, misunderstandings and downright disagreements, different leaders may take actions that the group as a whole would not approve of.

During the last decades, Western society has faced several major changes, e.g. the transition from an industrialized economy to a post-industrialized, network-based knowledge economy,<sup>36</sup> and, further, the development of the digital Internet-based society, the introduction of the concept of sustainable development and the enlargement of the European Union.

Andrew Pettigrew studies why, how and when change occurs and his comparison of case studies from the health sector has demonstrated that districts addressing the same strategic change problem display both differences and similarities in their experiences of the strategic change process.<sup>37</sup> According to Pettigrew, the starting point could be explained by a subtle

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36 See e.g. Andersson and Strömqvist 1988; Castells 2000

37 Pettigrew et al. 1992



interplay between the content, the context and the process of change. A focus for his analysis is the distinction between a receptive and a non-receptive context for change, where “receptive context” means that there are features of context and management action that seem to be favourably associated with forward movement. Pettigrew put forward eight factors, a set of conditions that provides high energy around change:<sup>38</sup>

- quality and coherence of policy,
- environment pressure,
- supportive organizational culture,
- change agenda and its locale,
- simplicity and clarity of goals and priorities,
- cooperative inter-organizational structure,
- managerial-clinical relations and
- key people leading change.

Concentrating on the managerial subculture, Pettigrew highlights some features of importance for change: flexibility for working across boundaries with purpose-designed structures rather than formal hierarchies, an open and risk-taking approach, openness to evaluation and research, focus given by a strong value-base and a strong positive self-image and sense of achievement.

## 2.3 Theories of Collaboration

### 2.3.1 Sustainable development

The global society of today is facing three major challenges: climate change; global economic competition; poverty and social exclusion. The political response in various organizations to these challenges has been synthesized with the comprehensive concept of sustainable development, and by important milestones such as the Brundtland Report,<sup>39</sup> the Rio Declaration,<sup>40</sup> the Habitat Agenda,<sup>41</sup> the UN World Summit 2002<sup>42</sup> and the World Urban Forum.<sup>43</sup> In literature, and in debate, the concepts *re-*

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38 Pettigrew et al. 2004

39 WCED 1987

40 UNCED 1992

41 UN – Habitat 1996

42 UN – Habitat 2002

43 UN – Habitat 2006, 2009

*gion* and *regional development* have been interpreted in many ways based on several epistemological frameworks. Often, regional development has been understood in terms of economic growth and employment. From the perspective of welfare economics, however, regional development may be understood as increased welfare and this includes qualities influencing well-being, such as regional identity, democracy and ecology.<sup>44</sup> Thus, it seems possible to promote regional development without creating one single job, without attracting one single business or without any person moving into a region, but simply by stimulating identity and creativity within a region.

In the last decades, methods of territorial development and consequent physical and entropic transformations have represented a fertile field of research, e.g. for urbanists, architects, environment scientists, economists, geographers, anthropologists and sociologists. A creative relation between economy, society and territory has emerged from the analyses operated in these different research fields: this relation configures itself as a complex system able to generate growth and development.<sup>45</sup> Depending on consciousness about this linkage, it is obvious that the dimension of competitiveness increasingly shifts from the micro-level of single economic operators to the macro-level of territorial systems. Here, the organization of the systemic logic of resources and the creation of cooperation networks fed by huge levels of social capital become a necessary requirement for productivity and potential for territorial growth, as for the capacity for attracting external resources.<sup>46</sup>

Pier Luigi Sacco and Guido Ferilli have demonstrated that consequently a relationship emerges between economy, society and territory seen as a complex system able to generate growth and development.<sup>47</sup> Accordingly, it becomes increasingly clear that competition in post-industrial society is no longer between individual entities, but among regional systems including their tangible and intangible elements. The development of these has become a necessary condition for the competitive growth of the system itself, and of its capability of attracting external resources. Concurrently,

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44 Olsson 1999

45 Hubbard 2006

46 Ohmae 1996

47 Sacco and Ferilli 2008

the concept of value might be understood with new connotations as a strategic driver of regional development. The very attractiveness of any territory becomes increasingly linked to its ability to offer the intangible rather than just the tangible component.

### 2.3.2 Culture-led policy approach in a post-industrial economy

During recent years, new policy approaches have been applied for the improvement of economic systems especially within regional development programmes. In several cases, these kinds of interventions have been targeting the cultural sector, directly or indirectly. The *System-Wide Cultural District Theory* has been developed by Sacco and his research team at IUAV, University of Venice.<sup>48</sup> This demonstrates how culture plays a dual role in regional development processes: as a driving factor on the side of added-value production capacities through channelling culture, cultural heritage and creative industries, as well as offering a social platform for innovation and spreading the cognitive knowledge and relational skills necessary for the construction of a complete paradigm of knowledge economy. This theory is based on the district model of growth, and focuses on mechanisms of horizontal, rather than vertical, integration, highlighting opportunities for coordination and cross-breeding between different experiences of value chains. Horizontal integration provides the mechanism that translates changes in the driven force of economic development to product-level variables that ultimately drive incentives to develop vertical integration.<sup>49</sup> When applying this method of regional development, Sacco et al. draw on three different paradigms. Firstly, the creativity-based attraction model of Richard Florida, which emphasizes the role of quality of life and of technological infrastructure in the creation of a critical mass for the emergence of a knowledge-orientated economy.<sup>50</sup> Secondly, the competitiveness-based urban renovation model of Michael Porter, which is focused on the transition from an investment-based industrial orientation toward a self-sustaining innovation-based economy.<sup>51</sup> Finally, the ca-

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48 Ibid.

49 Ibid.; Ferilli, Gustafsson and Sacco 2009

50 Florida 2002

51 Porter 1998; Porter 2003

pability-based model of Amartya Sen has been used, which underlines the central role of general social involvement in capability-building activities as a prerequisite for viable economic development.<sup>52</sup> With the exception of that of Florida, none of these models was created to explain cultural driver phenomena, since they rather highlight post-industrial growth as an interesting field of application.

### 2.3.3 *Districts, networks and clusters*

Thus, at the local and regional levels, the development, whether spontaneous or planned, has thus provided a fertile field for multidisciplinary research aiming at the interpretation of components that characterize these new development models. Elements characterizing the success of any territory are increasingly given by correlation between production, social and environmental systems, respectively. Competitiveness increasingly depends on the overall context of location and influence, depending on the growth processes of the social systems where it is generated and developed. In other words, regional growth takes place through the formation of districts, with their geographical concentration of various endogenous and exogenous environmental and social elements cooperating with each another to generate the competitiveness of a territory.<sup>53</sup>

Michael Porter was one of the first to use the concept of a geographical cluster in development studies.<sup>54</sup> According to Porter, clusters come into existence in certain areas where the industry has been specialized in one product or technology. His attention is focused on how companies or public bodies within such a geographical area can form a strategy for competitiveness and future growth. Within a *cultural district*, culture is a source of synergy that offers other productive sectors with practical and tangible resources and adds value in an intangible way.<sup>55</sup> The foundation for a cultural district is a robust system, requiring complex integration between different players, such as cultural operators, public administration,

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52 Ferilli, Gustafsson and Sacco 2009

53 Della Torre and Canziani 2007; Sacco, Ferilli and Lavanga 2007b; Sacco, Ferilli and Pedrini 2007a; Ferilli, Gustafsson and Sacco 2009

54 Porter 1990; Canziani 2007

55 Della Torre and Canziani 2007; Sacco, Ferilli and Lavanga 2007b; Sacco, Ferilli and Pedrini 2007a; Ferilli, Gustafsson and Sacco 2009

entrepreneurs, universities and the general public. Policies serving to realize a cultural district are charged with values such as individual freedom, innovation, creativity and quality of life: the same kinds of intangible elements that drive post-industrial economies. Viewed in this way, cultural districts represent a great opportunity for economic and social growth for a locality and its citizens.<sup>56</sup>

One fundamental intention of the Halland Model is the establishment of comprehensive cross-sectoral collaboration. During the last decades, the accomplishment of concepts for investigations into districts, networks and clusters have increased, and methods and theories have been developed, e.g. by Porter, Putnam, Törnqvist, Cooke et al., Castells, Rosenfeld, Sacco et al. and Della Torre et al.<sup>57</sup> These frameworks provide opportunities for better analysis of the construction and regional collaborations of the Halland Model partnership, as well as enabling investigation into their conditions and results. The factors of scale, interdependence and ongoing interaction are of key importance in differentiating networks from clusters, in the concluding analysis. Komppola adds the importance of possession of common goals as a defining feature of networks.<sup>58</sup> Rosenfeld defines the differences between clusters and networks, respectively, with the help of seven key elements (Figure 3).<sup>59</sup>

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56 Very different concepts from those considering this kind of district only as a means for heritage exploitation, but not enabling in itself the stimulation of a new economic resurgence or an increase in the quality of life of residents

57 Porter 1998; Putnam 1993; Törnqvist 1993; Cooke et al. 1995; Rosenfeld 1996; Castells 2000; Sacco and Ferilli 2008; Della Torre and Canziani 2007

58 Komppola 1998

59 Rosenfeld 1996

<b>Cluster</b>	<b>Network</b>
Large scale	Small scale
Open membership	Restricted membership
Competitive with cooperation	Competitive through cooperation
Informal interaction	Formal interaction
Input–output linkages	Interdependence
Mainly exchange relations	Ongoing contractual relations
Shared identity	Agreed objectives

Figure 3. Differences between clusters and networks (after Rosenfeld).

According to the definitions presented above of clusters and networks, respectively, the Halland Model should be regarded as a network since it was operating within small-scale projects, it had a restricted membership, it was competitive with other regional public-funded projects depending on its cooperation, it had developed a way of formal interaction and, further, its participants were depending on each other and this cooperation was built on strictly agreed joint objectives.

#### *2.3.4 Theories of collaborative research*

In general, strategies and structures governed by a predominant political system are aiming at achieving effectiveness and efficiency by developing functional specialization. Hierarchies with prevailing assumptions are organized with well-defined borderlines and clearly formulated responsibilities. When new problems occur that do not fit within existing structures, they are most often solved by the introduction of new institutions or bodies with new responsibilities and the introduction of accompanying clearly defined borders.<sup>60</sup> The multitude of borders, responsibilities and

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60 Keating and Hertzman 1999

highly specialized governmental institutions at different hierarchical levels and in various geographic locations often create obscurity and significant challenges in contending with difficulties relating to boundary-spanning issues and problems.<sup>61</sup> The introduction of new strategies therefore faces these challenges, and it may often be possible to succeed with the implementation of new strategies within one single institution, but more seldom within multiple institutions. In addition, each institution has to determine its own responsibilities using a number of specially selected and functionally specialized professional groups, creating additional boundaries. Research on problems associated with institutional responsibilities or the tackling of problems associated with such responsibilities, however, are only seldom based on contemporary institutional or professional structures. The indicators and models that may emerge from successful research endeavours will not automatically match institutional or professional structures. Consequently, it may be problematic to develop them into sustainable coping strategies. The KMV clearly follows this type of logic. Hence, any introduction of new approaches will face numerous institutional and market-oriented as well as individual challenges.<sup>62</sup> Such new approaches might be decentralized policy-making and decision-making, as well as elucidating the roles of politicians and civil servants, to promote the development of innovations, entrepreneurship and cross-sectoral collaboration, and to develop education and training programmes. It might also imply the creation of horizontal multi-problem-oriented networks at the regional level, the development of project design and project management and the development of a systematic approach for process-oriented knowledge, as well as enabling better understanding of the role and possibilities for the KMV within the EU.

Recently, issues of knowledge and technology transfer have moved to the forefront of attention in economic, social and industrial policy. As the sources of future development increasingly derive from innovation, attention has to be paid to non-traditional sources that have the potential to become the basis for structuring new business and social models as well

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61 Gustafsson, Adler and Stymne 2009

62 Gustafsson 2000, 2003b; Gustafsson, Adler and Stymne 2009

as renovating old ones.<sup>63</sup> Knowledge – especially discourse-based – is not measurable and can be inferred only by means of the learning participants’ capabilities, which are manifest in observable action.<sup>64</sup> Knowledge here is understood as well-structured and goal-oriented information given in and by a specific context, and information creates opportunities for a justified true assumption and gives somebody the capacity to act. In addition, several scholars have described and explained fundamental changes in the social production of knowledge.<sup>65</sup> This includes the analysis and understanding of what is involved in the production of knowledge and its use. Further, the issue is to assess who is producing new “knowledge” and for whom, as well as considering such knowledge – i.e. how the cultural heritage sector might collaborate more effectively with other sectors. Pettigrew emphasizes that there is no one best way to frame, produce, disseminate and use knowledge, nor is there a model readily available for transferring knowledge.<sup>66</sup> Pettigrew stresses the importance of considering the impact of spatial and temporal contexts when researching change in organizations. Here, it is of interest to allow researchers to gain insight into a complex and changing environment rather than comparing snapshots of static organizational states. The changes in the social production of knowledge centre around who is involved in the knowledge production process, the actual process of knowledge production and the types of available knowledge, dissemination and use.<sup>67</sup>

According to Niclas Adler, Maria Elmqvist and Flemming Norrgren, for valid information and the production of both scientific and practically relevant knowledge, an action science approach can be the starting point, and more specifically a collaborative research approach.<sup>68</sup> Previous research has mainly been focused on research management from a macro-level perspective, e.g. policy-making, industry-university collaborations. Studies on academic research have mainly focused on strategy and policy-making

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63 Etzkovitz 2002

64 Schenkel 2002

65 Adler, Shani and Styhre 200

66 Pettigrew et al. 2004; Adler et al. 200

67 Pettigrew et al. 2004; Adler, Elmqvist and Norrgren 2009

68 Adler, Elmqvist and Norrgren 2009. For action science research, see e.g. Argyris 1993; Argyris et al. 1990. For collaborative research see e.g. Adler et al. 2004.



on the macro-level and few studies have been managing e.g. projects or groups.<sup>69</sup> In collaborative research projects, key actors are engaged in surfacing critical data that enable both the collaborative formation of new understanding and the collaborative testing of this understanding. Many managerial inventions result from practising managers experimenting in their environment and these outcomes are conceptualized and problematized by researchers.<sup>70</sup>

The stakeholders might be considered as those who enjoy some excludable benefit from the heritage items under consideration, i.e. enjoy some beneficial externality, or non-excludable, such as public-good, benefit from items.<sup>71</sup> They may also be regarded as those who bear direct costs associated with the heritage items, for example through contributing to the cost of maintenance, conservation, renovation and so on, or who bear part of the costs of such interventions when such costs are borne collectively, for example through tax expenditure. Other stakeholders might be those who assume or are charged with the responsibility of making decisions relating to particular heritage items or to cultural heritage matters more generally, such as heritage policy matters.

Contemporary collaborative research is interested in three “spaces”.<sup>72</sup> Within the known space, research focuses on known circumstances and institutionalized conditions. Concerns are how various prerequisites look like aiming at budget optimization. Research on collaboration is targeted to improving planning methodologies and avoiding deviation from the plan. The idea is that all the involved may agree upon presumptions set with the key word risk-minimizing. In the unknown space, the aim is making prognoses of the probability for something to occur. The keyword is risk-optimizing aiming at reasonable returns. Recently, in times of financial crisis, increased interest has been shown in the third space: the unknowable space. Here, real entrepreneurship is found, as well as venture capitalist and boundary-spanning activities. The trading zone might be compared with the unknowable space. Public administrators are

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69 Ernø-Kjølhede 2001; Adler, Elmquist and Norrgren 2009

70 Adler et al. 2004

71 Throsby 1997, p. 24

72 Stacy 1992; Flood 1999; Adler and Curley (unpublished paper)

educated to act in the known (e.g. authorities, bureaucrats) and unknown (e.g. planners) spaces.

### 2.3.5 *Labour market policy research*

The Institute for Evaluation of Labour Market Policy (*Institutet för arbetsmarknadspolitisk utvärdering*, IFAU), a research institute under the Swedish Ministry of Enterprise, Energy and Communications, studies and distributes information about the effects of labour market policy, education policy, social insurance policy and the functioning of the labour market.<sup>73</sup> The low unemployment rates traditionally enjoyed by Sweden have often been attributed to the country's extensive system of active labour market programmes (ALMP), and thus have often been regarded as a model for other countries to emulate.<sup>74</sup> Research in abundance has been directed towards understanding the causes of unemployment. Unemployment implies economic costs and welfare losses on a societal level. On an individual level, unemployment entails immediate income losses and reduced future earnings capacity, as well as decreased physical and mental well-being. The evaluation of macro-effects on labour market policy is to a great extent about studying how the supply of labour forces, employment and the mobility of the labour force are affected by the scope of and the direction of labour market policy.<sup>75</sup> Since it is difficult to deal with all these aspects within one specific evaluation, many of them are focused on one of these major issues. Previous empirical research on unemployment is on three major aspects.<sup>76</sup> First, unemployment has been studied as a macro-economic phenomenon; relations between unemployment, inflation, and wage-setting and bargaining systems. Second, studies based on micro-data on individuals have been concerned with the social situation, attitudes and well-being of unemployed persons. Third, micro-level studies have estimated the determinants of unemployment duration and transition from unemployment to employment. Evaluations of labour market programmes may be included as a sub-group within these types of studies.

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73 Runesson 2004

74 Sianesi 2001

75 Hemström and Martinsson 2002

76 le Grand 2000

According to Lars Calmfors et al., during the 1990s, it was difficult to demonstrate positive effects of the individual level of the labour market training programme, whereas subsidized employment seems to have had that effect.<sup>77</sup> A major problem, though, is that these subsidized employments, in contrast to the labour market action programmes, resulted in a considerable direct displacement effect on regular employment. Enabled to learn by experience from the labour market policy of the 1990s, one important aspect is how and if participation in a labour market action programme increases the individual's opportunities on the labour market compared with if the individual had not participated.<sup>78</sup> According to Kenneth Carling and Katarina Richardson, labour market action programmes, in which the participants obtain subsidized work experience and training provided by firms, have better outcomes than classroom vocational training.<sup>79</sup>

#### 2.4 Theories of Value

Theory of value is the philosophical study of characteristics of norms and valuations and their basis, where value judgement is scrutinized from logical, semantic, ontological and epistemological aspects.<sup>80</sup> It also includes valuations, e.g. within meta-ethics, aesthetic, technical science, jurisprudence and theory of science. Theory of value is not occupied with the normative ethic study of how things should be, but on the contrary it analyses the meaning of "should". Philosophy of value is differentiated from empiric research on valuations, e.g. studies of valuations by different ethnic groups or individuals. In empiric sciences, the focus is directed to those values people actually have, but in philosophy of values the interest is focused on what the values are and for whom these are real.

The concept "intrinsic value" denotes that an entity, e.g. a tangible object, a characteristic or an intangible relation, does have a value in itself. Consequently, arts and culture enrich the life of human beings by in-

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77 Calmfors, Forslund and Hemström 2002

78 Carling and Larsson 2000

79 Carling and Richardson 2001

80 Bergström 2004

trinsic values. The opposite of intrinsic values is extrinsic or instrumental values, where an entity is valued by the effects that it causes. These effects can have intrinsic values or be instrumentally valuable. Everything of instrumental value is related directly or via other instrumentally valuable agents to something of intrinsic value.

According to A. Parasuranam and Dhruv Grewal, perceived value is composed of four different types of value: acquisition value, transaction value, in-use value and redemption value.<sup>81</sup> In-use value is the utility one possesses by using the good or the service whereas redemption value is the residual benefit received at the time of trade-in, or at the end of life (for products) or termination (for services). Morris B. Holbrook states that consumer value is *comparative* (it is only possible to express a product value in relation to another), *personal* (value varies across people) and *situational* (specific to the context).<sup>82</sup> According to Holbrook, the value is not constituted by the product, brand or ownership, but by the experience of consumption itself. Woodruff and Gardiel define the value of consumption as the consumers' perception of what they want to happen in a specific use situation, with the help of a product or service offering, in order to accomplish a desired purpose or goal.<sup>83</sup> Hereby, there is a difference between value-in-use and value-in-possession. Use value can be described as the value originating from when consumptions fulfil a certain objective or solve a specific problem, whereas value-in-possession reflects the value of a product created by its possession.

The valuation of arts, culture and CBH is an individual cognitive process. Economists describe the total economic value by adding but distinguishing use values (direct and indirect values) from non-use values (options, existence and bequest values).<sup>84</sup> Individuals who do not use goods or services may still feel a loss when the resource does not exist any more.

Recently, the interest has increased among policy-makers, decision-makers and professionals, as well as researchers, in the non-economic values of culture. Economic models from other sectors of society have been

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81 Parasuranam and Grewal 2000

82 Holbrook 1999

83 Woodruff and Gardiel 1996, p. 54

84 Batemann and Willis 2001

translated into the area of culture. The background is often to defend public allowance in competition with other public sectors, by proving the input of culture to the public welfare in general. The influence of culture has been demonstrated as valuable for other matters, e.g. education and knowledge, psychical and physical health, attitudes and behaviour, social relations and networks, creative entrepreneurship, local and regional development and economic growth as well as cultural dimensions of environmental policy.<sup>85</sup> Interplay between different interests such as policy areas presuppose mutual benefit. In detailed statements of the Inquiry for National Culture Policy, the investigators discuss culture policy as an “aspect policy”, with an all-embracing aim and direction for bringing out the meaning of cultural competence used for promoting a social, environmental and economical sustainable development.<sup>86</sup>

#### 2.4.1 *Cultural value*

The cultural economy is today theoretically and empirically much more well developed. In an economic calculation, it is possible to show the financial and human capital required to produce arts, culture events or to conserve a historic building. A prerequisite to be able to express oneself on a business ratio is to understand the input and output of culture.<sup>87</sup> Input can be measured by adding the financial and human capital needed to produce a culture activity. It is more difficult to describe the output of such activities. The business ratio is not enough to give a clear picture; for this it is necessary to find terms to describe culture activities compatible with economic discourses. Hereby, it may be possible to effect economic valuation of culture activities. A culture institution, e.g. a historic building, produces experiences with several effects; e.g. affecting temper, contributing to visitors’ individual development, influencing one’s thinking or sets of values, implying critical reflection and promoting psychical and physical health. Such individual effects create values for future generations, since they transfer, preserve and communicate norms and sets of

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85 Lindeborg 1991; Fusco Girard et al. 2005; Ferilli, Gustafsson and Sacco 2009; Armbrecht 2009

86 Kulturutredningens slutbetänkande 2009b, pp. 97-

87 Armbrecht 2009

values that constitute identities of groups of people. In this sense, culture influences the self-esteem and may have symbolic meanings and culture institutions may be meeting places where individuals establish contacts and create networks.

Robert Putnam discussed the concept of social capital to analyse the meaning of social networks composed of people and organizations.<sup>88</sup> Pierre Bourdieu developed the concept further, and accordingly social capital is a resource obtained by the contacts of individuals or groups of individuals.<sup>89</sup> According to Bourdieu, cultural capital is an individual asset and has three forms: embodied state, where an individual has been exposed to culture over a long time, objectified state, where culture is used to create products and institutionalized state, where culture contributes to the development of knowledge, e.g. academic skills.

The use of a cultural good or service, e.g. consumption, creates a value for consumers. Value for consumers is determined by the way he or she uses goods or services.<sup>90</sup> Consumers often do not know the consequences or the effects of the goods and their use in time for the purchase. Therefore, the value obtained, which consumers compare with their sacrifice, e.g. in terms of time or effort, is often estimated as perceived values “invested”. To estimate perceived values better, the customers use value communicators, e.g. rumours, images, recommendations, advertising or publicity. The available value communicators will help the consumer to appreciate the values of the goods or the services. The demands of consumers of post-industrial society have changed, on behalf of the changed relationship between consumption and individual well-being. Whereas in industrial societies, the relationship between individual and social identity was static and the reference cultural models were hardly challenged, in post-industrial society, the greater flexibility of social structure enables individuals to mould their living conditions and hence their preferences, needs and social competition dynamics develop in a much more autonomous and changeable manner. This implies that, in a contemporary context, cul-

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88 Putnam 1993

89 Bourdieu and Wacquant 1992, p. 119

90 Armbrecht 2009

ture has recently been taking on increasing importance in value-creation processes. A dominant trait of post-industrial society is the opportunity for individuals to express themselves freely and to pursue their personal well-being. This is also reflected in consumption patterns, since people are increasingly looking for products with cultural value that correspond to their outlook, enabling them to confirm their own position in the world and the role they play in it.

An obvious trend today amongst regional decision-makers is to prioritize competition on a global market, where the creative class, composed of highly skilled and entrepreneurial people, rich in resources of various kinds, is considered to be the group that will strengthen its region to be successful in the global economy. What Richard Florida calls the creative class is also the target group for competition between cities and regions.<sup>91</sup> This issue has been emphasized in this context by decision-makers, namely how to entice new inhabitants into a region, to be attracted by its cultural assets, notably its cultural heritage and foremost its built environment, cared for by processes of integrated conservation.<sup>92</sup> Local building traditions and well-preserved urban environments have been given a new role: as a crucial part of a city brand and at the same time an illustrator of the city qualities and what distinguishes it from competitors. These ambiances, characterized by the integrated conservation of their built environments, are of conclusive importance for attracting the creative class in their choice to move to a new city.<sup>93</sup> In this global competition, awareness is slowly increasing among decision-makers and investors that the values of well-preserved historic centres have a strategic meaning for sustainable development, not least for urban and regional growth.

Sacco et al. claim that, once they reach a certain living standard, individuals assign different values to subsequent improvements in their living conditions.<sup>94</sup> The development of increasingly different identity models, the ability of individuals to mould autonomously their identity model –

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91 Florida 2002

92 Fusco Girard et al. 2005

93 Florida 2005b; Andersson and Andersson 2006, p. 113; Tinagli et al. 2007

94 See e.g. Sacco, Ferilli and Lavanga 2007b; Sacco, Ferilli and Pedrini 2007a; Ferilli, Gustafsson and Sacco 2009

hence their cultural model – is also reflected in the production capability of any given territory, which gradually shifts from being a producer of goods and services to being a producer of identity models, including a complex set of intangible values, attached to the conceptual model for *genius loci*.<sup>95</sup>

#### 2.4.2 *Evaluation methods for cultural assets: an overview*

The paper “System-wide cultural districts and the Halland Model: Policy design for regional development”<sup>96</sup> interprets how culture has been recognized only recently as an authentic form of capital,<sup>97</sup> with its own role in the development of mature economies, with a capacity to characterize new dimensions of production and consumption and new models of competitive development.<sup>98</sup>

Economic theory is an important tool for a further analysis of different actors’ temporal, economic and spatial understanding of CBH.<sup>99</sup> Environmental economics may be an important contributing factor to analysing individuals’ preferences for the preservation and conservation of CBH. In environmental economics, one main concern is to identify different kinds of values represented by the built environment and to transfer different values into a total value expressed in monetary terms for use in CBA.<sup>100</sup> Utilities may be understood as a sum of values of services and aggregated utilities of society correspond to the total welfare. The Hicks-Kaldor criterion of welfare is fundamental to CBA; according to this, gainers from projects might in principle compensate losers.<sup>101</sup> For analyses of costs and benefits for public investments, a number of methods and toolkits are available, customized for a particular client or application. Most of these CBA methods are targeted at local community groups, for use within highly complex decision-making circumstances.

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95 Norberg-Schultz 1980

96 Ferilli, Gustafsson and Sacco 2009

97 Throsby 2001

98 Porter 2003; Ferilli, Gustafsson and Sacco 2009

99 Hutter and Rizzo 1997

100 Wolfe 1973; Lichfield 1988; Turner, Pearce and Bateman 1994; Coccossis and Nijkamp 1995; Allison et al. 1996; Hutter and Rizzo 1997; Mohr and Schmidt 1997; Schuster, de Monchaux and Riley 1997; Throsby 1997; Olsson 1999

101 Hicks 1939; Kaldor 1939; Posner 2007 Batemann and Willis 2001



In CBA, culture policy as well as cultural heritage investments may be analysed with a socio-economic evaluation of cultural assets, where a rational choice in conservation policy would require a comparison of different costs implied in alternative plans and benefits accruing from them. Today, it is generally accepted to regard historic buildings and cultural heritage objects as exhibiting public good characteristics, though economic analyses do not determine the exact value of e.g. historic buildings. However, it is possible to explain preservations within a given class of artefacts, and it could help us to make predictions about the effects of specific regulatory instruments. In such economic interpretations, it is important not to ignore the intangible context of such valuations of each tangible object considered an included part of a particular cultural heritage.

In CBA, various models for the economic evaluation of tangible benefits and disbenefits of a proposal have been developed and adapted for the research into CBH and conservation projects. Peter Nijkamp has analysed culture, culture policy and development with CBA.<sup>102</sup> According to this approach, strategies and measures in policy situations are marked by conflicts between development and conservation. Furthermore, much attention has been devoted to conservation impact analysis with the aim of assessing foreseeable material, social and economic effects of conservation strategies, by using appropriate analytical tools for integrating conservation into development planning.

In view of the evaluation problems mentioned above, two different directions can be chosen.<sup>103</sup> The first one is to resort to standard economics and to make a systematic attempt to find indirect ways of translating different objectives/criteria for values and/or social costs and benefits into the measuring of money. The actual costs of conservation fall mainly on the present owners, while some of the benefits accrue to others, some of whom may not have been born yet. In order to value the benefits produced by the conservation of CBH, these methods have been used, e.g. the Hedonic Pricing Method (HPM), the Travel Cost Method (TCM) and the

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102 See e.g. Nijkamp et al. 1985; Coccossis and Nijkamp 1995

103 Coccossis and Nijkamp 1995

Contingent Valuation Method (CVM).<sup>104</sup> HPM uses changes in the value of property to estimate the value of the environmental goods. In this case, the intangible effects are gauged by investigating the indirect implications of social benefits for marketable commodities; for instance, the effect of environmental pollution or noise annoyance on housing prices in the relevant area. Hedonism is a theory of what intrinsic is valuable and according to this theory pleasure is intrinsically good, in contrast to pain, which is intrinsically bad. TCM is based on the premise that visitors reveal the value they put on a site by the amount they are willing to spend on travelling there. CVM seeks to find a monetary value for a non-priced commodity by measuring indirectly the willingness to pay for this commodity on the basis of questionnaires, interviews and controlled experiments. CVM relies on using questionnaires to ask people to declare the value they put on environmental goods. Several investigations have been carried out with this method, often to study increased property value.

David Throsby has pointed out that the definition of cultural heritage does have an economic dimension, insofar as the expression of cultural value derives from individual utility functions and might be measured in terms of willingness to pay.<sup>105</sup> Willingness-to-pay is an assessment of the potential economic value of a site, i.e. what people may pay to conserve, visit or save it.<sup>106</sup> The notion that heritage value can be interpreted as cultural capital opens up potentially fruitful ways for approaching social decision-making in this area. Further, according to Throsby, there are clear theoretical grounds for identifying a public interest in matters pertaining to cultural heritage, and hence a presumptive case for collective action to rectify the consequential market failure. The matter of instrumental choice is in most cases likely to be resolved, as it is elsewhere, in strategies containing a mix of tools, rather than in policies relying on a single instrument alone. Finally, the identification of the range of potential beneficiaries from the preservation and enhancement of cultural heritage can help both to identify appropriate fiscal jurisdictions as well as to locate

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104 Allison et al. 1996

105 Throsby 1997, pp. 27-

106 See e.g. Kobalt 1997

the financing of delivery of public benefits in this area and the appropriate focus for decision-making. In Community Impact Evaluation (CIE), developed by Natanael Lichfield, evaluation is accomplished of the impact of proposals on the tangible and intangible values of features of the local environment.<sup>107</sup> The objective of CIE is to avert a threat to undermine the heritage, such as where the building or object is at risk through decay, and thereby could reach the point of requiring demolition.

#### 2.4.3 *Cultural heritage and historic value*

In 1975, David Lowenthal provided a different perspective on the valuation of the historic environment, focusing on intangible values that “the past” holds for current generations.<sup>108</sup> He argues that if the character of the place has disappeared in reality, it still remains preserved in the imaginal mind of the beholder, formed by historical conceptualization. The International Council on Monuments and Sites, ICOMOS, asserts that each generation finds itself equipped with a huge amount of capital resources, to which each individual has access simply through being born into the human race.<sup>109</sup> This capital is broadly made up of three kinds:

- natural resources,
- man-made resources, comprising – broadly speaking – the immovable and moveable and
- human resources.

Recently, it has become a consensus that cultural heritage may be defined as material in the environment of human activities, e.g. settlements, buildings, structures and cultural landscapes, as well as e.g. traditions, usage, practice and attitudes connected with the objects.<sup>110</sup> In this respect, cultural heritage consists of tangible resources as well as intangible assets.<sup>111</sup> According to e.g. Michael Hutter and Christian Kobalt, cultural capital embodies the community valuation of assets in terms of their

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107 Lichfield 1995

108 Lowenthal 1975

109 ICOMOS 1993; Kobalt 1997, pp. 51-

110 Feilden 1988; Rosvall et al. 1988; Weissglas et al. 2002

111 Vaughan 1990

social, historical and cultural dimensions, and cultural heritage objects may therefore be regarded as an expression or representation of the cultural identity of society in a particular period.<sup>112</sup> Outside the conventional market, culture is distinguished from “normal” goods and services. Heritage is that part of culture that is transmitted from one generation to the next one.<sup>113</sup> The socio-economic and historical–artistic value of a cultural good is a multidimensional or compound indicator that cannot be reduced to one common denominator such as the measuring of money.

David Throsby states that culture capital exists in a tangible form. A historic building has a tangible value – and thus it may be rent out or sold – but it also has a cultural, mainly intangible, value.<sup>114</sup> According to Throsby, a building without a cultural value has less market value than one with a cultural value. Consequently, there is a connection between the economic value and the cultural one. In excess of the tangible form of cultural capital, there is also an intangible form. If cultural value is the combined value of tangible objects and intangible matters, then it might be possible to measure cultural value in units in a similar way to monetary units in economy. From an economic perspective, various kinds of characteristics applicable to cultural goods can be measured on quantified or nominal scales, even if the values of various parameters and their scales differ from one individual to another, or even between different monitoring situations for one and the same observer. From the societal perspective of Throsby, conclusions may be made about how different cultural goods relate to each other. From this perspective, cultural capital might be described as value-in-trade. Throsby asserts that culture can have effects on individuals’ sets of values and opinions related to social and economic objectives of society at large.<sup>115</sup> In this context, the interest and consumption patterns in the value creation process have increased in a similar way for architectural heritage and CBH as for culture in general. Culture – according to Throsby – also has a considerable impact on economic growth, innovations and group dynamics, as well as improved decision-making

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112 Hutter 1997; Kobalt 1997

113 Coccossis and Nijkamp 1995

114 Throsby 2001

115 Throsby 2001

processes in various sectors of society.

According to the Swedish Building and Planning Act, the protection of buildings is legally justified with regard to their historic, culture-historic, environmental and artistic values.<sup>116</sup> In many cases, the protected buildings are ordinary well-preserved structures, where occurring extensions, conversions and rebuilding are adjusted to the characteristics in a way implying that these have not been destroyed or reduced. The core interest of professional conservation and preservation advocates in Sweden has been focused on the intrinsic values of CBH. During the last decades, the historic environment sector has mainly classified the historic values of CBH in two categories: as “documents” and for their experience values.<sup>117</sup> The former class of values includes quantifiable and comparable historic values, e.g. of building traditions, construction techniques, materials, community matters and in memory of specific individuals. Every single building has document values informing e.g. about technical innovations in construction, new planning design, various functions of buildings, the socio-economical aspects of buildings and values directly associated with specific historic events or persons. Age in this context is considered as a value in relation to other values and to the buildings themselves. All document values provide information about different aspects of the development of society. Experience values might be regarded independently, but also as factors strengthening other historic values. Aesthetic, architectural, symbolic and identity values as well as patina are examples of experience values. In addition to these two main categories of historic value, there are all-inclusive concepts that may strengthen the others, e.g. *authenticity*, *continuity*, *uniqueness* and *representativity*, respectively.

In terms of management, Dupagne et al. propose a distinction between the twofold aspects of CBH:

- heritage by designation: all cultural objects that are listed, institutionalized and labelled by experts and
- heritage by appropriation: the social or ethologic heritage that includes landscape, townscapes, living places and non-exceptional building ensembles.<sup>118</sup>

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116 Plan och Bygglagen; Svensk författningssamling 1987:10

117 Unnerbäck and Nordin 1995

118 Dupagne et al. 2004

Economic theory can be a starting point for a further analysis of different actors' temporal, economic and spatial understanding of the built cultural heritage. Still, in Sweden, research into the economic valuation of CBH is in its initial phase. Internationally, there is a general agreement among researchers of the cultural economy that historic preservation is a significant activity of society with a higher degree of benefits compared with its costs.<sup>119</sup> Randall Mason has proposed a framework for including economic discourse as a part of the economic practice of CBH.<sup>120</sup> Historic buildings have a number of other, contemporary values, especially in relation to sustainable development with its three dimensions of economic, social and environmental values. The KMV, so far, has mainly been interested in intrinsic values, a fairly closed practice pursued as an end in itself, but now is increasingly facing the discourse of extrinsic values, e.g. sustainable development and cultural diversity. This has implied that conservation activities have been brought into partnerships with forces for economic development and community improvement.<sup>121</sup> According to Mason, it is urgent for conservation professionals to reach fluency with applications of economic discourse. In a similar way, historic values are discussed by Vestheim et al., and accordingly preservation is connected to three kinds of interrelated interests: political, economic and cultural.<sup>122</sup> The economic interests include the private market as well as public and non-profit budgets, while the cultural interests may be defined as the sector dealing with cultural activities.<sup>123</sup>

Krister Olsson points out that, from an economic perspective, it is reasonable to regard all built-up areas as public goods.<sup>124</sup> Economic theory defines public goods as goods that are non-rival in consumption, i.e. consumption by one individual does not prevent other individuals from consuming. Furthermore, public goods are characterized by non-excludability, i.e. it is not possible to exclude anyone from the benefits of consumption.

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119 Lehtovuori and Schmidt-Thomé 2007, p. 7

120 Mason 2007

121 Ibid.

122 Vestheim et al. 2001

123 Muñoz Viñas 2005, pp. 178-179

124 Olsson 1999

There are today several surveys compiled that try to calculate the economic impact of conservation projects. For example, English Heritage has developed a methodology together with the London School of Economics and Urban Practitioners in the set of Heritage Dividend.<sup>125</sup> Here, the calculation is based on the total grant from public sectors, including the cultural heritage sector, together with the total private sector sources. Then, the number of buildings, commercial floor spaces and dwellings improved are investigated together with the number of jobs created and safeguarded. When examining the regeneration impact of area-based heritage funding through Conservation Area Partnership schemes and Heritage Economic Regeneration schemes, it was shown that heritage funding was making a highly significant contribution to the regeneration and sustainable development of communities across England.<sup>126</sup> The Heritage Dividend demonstrated clearly that the heritage funding acted as a catalyst for further public and private sector investment, and that investment in the built heritage in areas of social and economic deprivation makes a strong contribution to economic regeneration and the creation of new opportunities for local people.

Anna Krus deals with how values in real estate are created, what they represent and how formal demands regarding overall objectives of value management are expressed, and further how they are defined and balanced on an operational level.<sup>127</sup> The focus is set on the process of balancing values related to cultural heritage, function and economy in market-adjusted restoration projects. In her theoretical analysis, Krus describes and analyses values by combining a value-relativistic perspective with a theoretical outlook of value production within conservation, space planning and estate management. Value here is regarded as a contextual intangible construct, but not as an objective characteristic tangible inherent in the building itself. Krus therefore defines values as potential characteristics of all buildings, triggered by certain conditions. Applied to conservation processes, buildings might represent different grades of values during different phases of the projects, with their initial values, potential values, intended values and realized values.

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125 Fraser 1999; Wagner 2002; Carlile 2003

126 Fraser 1999; Wagner 2002

127 Krus 2006

#### 2.4.4 Conservation research

Theoretical approaches of conservation have been developed during the last two centuries, evolving from two extreme attitudes: French architect Eugène Emmanuel Viollet-le-Duc asserted that a building should be restored to its pristine condition, a condition that might never had existed,<sup>128</sup> while the English art historian and philosopher William Ruskin on the contrary declared that “restoration was a lie” and that nothing present should be accepted to disturb the original.<sup>129</sup> The latter may be described as the winner of this theoretical combat and during the twentieth century monuments eventually became regarded in general – at least in concerted professional circles in most Western regions – as historical documents where restored parts have to be clearly discernable, and reversibility in combination with minimum intervention became strongly advocated.<sup>130</sup> Since the mid twentieth century, several well-prepared charters have eventually been developed and adapted by the international heritage conservation community, and other national and regional affiliations.<sup>131</sup>

Nowadays, conservation is an established research field with several theoretical discourses.<sup>132</sup> According to Cesare Brande, restoration is understood as the methodological moment in which the work of art is appreciated in its material form and in its historical and aesthetics duality, with a view to transmitting it to the future.<sup>133</sup> Restoration will have to aim to reestablish the potential unity of the work of art, as long as this is possible without producing an artistic or historical forgery and without erasing the trace of the passage of time left on the work of art.

CBH may be considered as part of the built environment, which the contemporary generation resolves as having cultural value. CBH accordingly merits special protection from naturally developed deterioration and anthropogenic-based demolition,<sup>134</sup> in order for it to be better enjoyed by

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128 The most famous representative of this opinion (see e.g. Muñoz Viñas 2005, pp. 3-)

129 Ruskin 1989

130 The Italian architect Camillo Boito's idea of a monument as a historical monument (see e.g. Muñoz Viñas 2005, pp. 5-)

131 E.g. Charter of Athens 1931; the Venice Charter 1964; the Burra Charter 1979; the Nara Document of Authenticity 1996; Charter on Built Vernacular Heritage, Mexico City 1999

132 See e.g. Jokilehto 1999

133 Brandi 1996

134 Rosvall and Aleby 1988



the current generation and passed on to the future.<sup>135</sup> The aim of conservation planning consequently is primarily to prepare adequate measures of prevention to avoid such complex kinds of decay and indeed to achieve the enhancement of CBH in the proper respect. Further, cultural elements of CBH are made up of components from various streams that are of value to society, such as art, history, religion, aesthetics and education. The degree of appreciation of such elements – from the side of behaviour – is linked with the cultural values of a particular generation taking action in the protection and enhancement of the heritage. CBH comprises real estate (as opposed to personal property), is owned and occupied by particular public or private agencies and is subject to the legal structures for real estate in practice in the country of concern. This may or may not carry with it financial transfers (normally various forms of economic compensation) between the government and property owners.

During the second half of the twentieth century, the main interest in “monuments” in the cultural heritage sector was replaced by the more general concept “cultural heritage”, including both the tangible and the intangible heritage.<sup>136</sup> Integrated conservation as a well-developed theoretical scholarly professional discourse and a multi- and trans-disciplinary-oriented platform has gradually become a well-accepted general approach to conservation applications in planning at various levels of society, but notably in direct interface with citizens and respecting historic dimensions, local identity and a profoundly humanistic attitude to heritage, especially comprising intangible multi-factor quality dimensions.<sup>137</sup>

Referring to the well-established conceptual framework within conservation as a profession and its supporting academic discipline, it has been an axiomatic condition to respect the principle of *minimum intervention*.<sup>138</sup> For a long time, this theoretical approach as well as its depending formula of *reversibility*, which is required to be applied in normal conservation interventions, has gradually begun to be increasingly questioned.

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135 Lichfield 1995

136 See e.g. Feilden 2003

137 See e.g. Appleyard 1979; Engelbrektsson 1987; Engelbrektsson and Rosvall 2003; Muñoz Viñas 2005; Kulikauskas 2007; Gustafsson and Rosvall 2008b

138 Rosvall et al. 1995

This has been discussed, i.e. by Barbara Applebaum, who started a big professional debate about the relevance of reversibility, and introduced the concept of *re-treatability*, based on a sound discourse.<sup>139</sup> Later, this scholarly scientific-professional discussion was continued, i.e. by Salvador Muñoz Viñas. The latter noticed that it is not possible to achieve full reversibility in conservation, and that it is impossible according to the scientific laws of physics for an object theoretically to be brought to its preceding state of preservation.<sup>140</sup> The conceptual framework, however, is still in general use, which implies that an object is recommended to be preserved, more or less in its actual state.

*Integrated conservation* as a well-developed theoretical scholarly professional discourse and multi-disciplinary-oriented platform has gradually become a well-accepted general approach to conservation applications in planning at various levels of society, but notably in direct interface with citizens and respecting historic dimensions, *local identity* based on *genius loci analysis* and a profoundly humanistic attitude to heritage, especially intangible multi-factor quality dimensions. One of the original theoretical roots of this concept can obviously be found in the formation of *conservazione integrata*, introduced in Italy by Piero Gazzola and promoted by the Council of Europe as an important component of its launching of the Amsterdam documents and accompanying policy in 1975, after manifold and profoundly well-undertaken preparation during the period following the Charta Venezia in 1964. In parallel, the American town planner Donald Appleyard prepared his overview of this European phenomenon, originally published in the same period.<sup>141</sup> This field of inquiry and policy concern still has not more than just started its coming movement and anticipated growth. As examples of strong indications from this field, two references may provide sufficient openings for a coming development of this inter-, intra- and trans-disciplinary field: knowledge and applications.<sup>142</sup>

Already in the mid 1960s similar observations and knowledge forma-

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139 Appelbaum 1991

140 Muñoz Viñas 2005, pp. 186-189

141 Appleyard 1979

142 Engelbrektsson and Rosvall 2003; Engelbrektsson et al. 2003; Fusco Girard et al. 2005; Fusco Girard 2006

tion simultaneously took place in Sweden, where Nanne Engelbrektsson at Göteborg University and Chalmers University of Technology was introducing a comprehensive model for humanities-oriented analysis and historic planning,<sup>143</sup> based on urban and local identity-oriented research.<sup>144</sup> This early initiative in many respects was related to the destructive urban effects of the specific Swedish welfare planning, aimed at excluding historic dimensions and directed to demolishing authentic evidence of earlier phases of society. The outcome of this research and university education initiated in the later part of the 1960s was the strongly focused establishment and further development of integrated conservation, initially as part of existing programmes, later of conceptualization of new and special courses in this field and ultimately leading to their formation in 1978.<sup>145</sup> This was one of the very first at the international level of a comprehensive graduating university programme in this new profession and discipline,<sup>146</sup> finally organized as one of the still relatively few existing complete university institutions with a complex and comprehensive course system in the various branches of conservation, and on all levels, including since 1991 a full Ph.D. programme (in Conservation) – i.e. a complete structure in Integrated Conservation, according to the Bologna Process. This complex structure is forming the gradually established “Göteborg Model”,<sup>147</sup> together with other cooperating academic departments of conservation as well as other relevant disciplines worldwide, and in joint clusters together with external cooperation partners in the public sector as well as with private enterprising of relevance.<sup>148</sup> From this perspective, the Halland Model – even if established in full independence – owes its core value to this branch of *integrated conservation of the built environment*, forming the “Göteborg Model”.<sup>149</sup>

The contemporary theory of conservation calls for common sense for understanding why, and for whom, things are conserved.<sup>150</sup> Muñoz Viñas

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143 Swedish: “kulturvårdande samhällsplanering”

144 Engelbrektsson 1982; Engelbrektsson and Rosvall 2003

145 Engelbrektsson 1987; Engelbrektsson and Rosvall 2003; Engelbrektsson et al. 2003

146 Swedish: “Bebyggelseantikvarisk utbildning” and “Kulturvård”

147 Rosvall, Johansson and Meiliing 2004

148 Rosvall et al. 1995; Rosvall et al. 2004

149 Gustafsson and Rosvall 2008b

150 Muñoz Viñas 2005

defines the contemporary theory of conservation as based on negotiation, on equilibrium, on discussion and on consensus. Consequently, the values of cultural heritage have to be analysed and described as values-in-trade and conservation should leave the expert-only zone to enter the trading zone, where the objective is to trade to reach an agreement between affected people.<sup>151</sup>

In such value-driven conservation, decision-making based on the analysis of the values possessed by an object has to be related to different groups of sectors.<sup>152</sup> According to David Throsby, and Engelbrektsson and Rosvall, there are parallels observed between natural and cultural capital, which implies that the concept “sustainable development” can be applied to culture.<sup>153</sup> This field of inquiry and policy concern still has not more than just started its coming development of an important movement and anticipated growth. Examples of strong indications from this field may provide sufficient openings for the coming development of this inter-, intra- and trans-disciplinary field of knowledge and applications and there are parallels observed between natural and cultural capital, which implies that the concept of sustainable development can be applied to culture and cultural heritage.<sup>154</sup> Conservation of different forms of nature, human, social and man-made capital, which guarantees their performance over time, according to Luigi Fusco Girard is the primary criterion for sustainability; each generation hands down to future generations capital that is at least equivalent to that which is available today.<sup>155</sup>

This problematic legacy calls for a relevant problem-focused, cross-disciplinary and application-oriented methodological approach to scholarly scientific research, in order to achieve a strongly needed breakthrough in progressive and sustainable resource management of CBH. The concept of integrated conservation, with its material, cultural and social dimensions, enables a model for the identification of appropriate means to deal with

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151 See e.g. Engelbrektsson 1987, 1989; Sörlin 2001; Gustafsson and Polesie 2007; Gustafsson and Rosvall 2008a, 2008b

152 Muñoz Viñas 2005, pp. 178-

153 Engelbrektsson and Rosvall 2003; Rosvall et al. 2004; Throsby 2006

154 See e.g. Vestheim et al. 2001; Della Torre 2003; Engelbrektsson and Rosvall 2003; Fusco Girard et al. 2005; Throsby 2006; Gustafsson and Rosvall 2008; Johansson 2008

155 Fusco Girard et al. 2005, p. 24

contextual and complex issues of planning, interventions and identification of human values related to urban and architectural structures of the everyday built environment.<sup>156</sup> The crucial comprehension of the cultural landscape as an integrated material, economic and social resource emphasizes the need for long-term resource conservation and its close relation to the concept of sustainable urban development.<sup>157</sup>

During the twentieth century, CBH to a great extent was unfortunately considered as a major impediment to continued urban development and regarded as an obstacle to economic growth, and therefore was seen as a cost to the progress of society. Nowadays, CBH has instead become successively regarded as an enormous treasure, and the conservation of CBH appears to be one of the cornerstones of the urban renaissance.<sup>158</sup> Increased interest has been directed to the economic values of cultural heritage, i.e. its extrinsic or instrumental values. As mentioned above, many researchers, policy-makers and decision-makers on European, national, regional and local levels, as well as NGOs are beginning to be convinced that investments in CBH will have a major impact on economic development, regional growth and social stability. For instance, the European Commission for a long time has regarded cultural tourism as the most obvious way to seek economic benefits from culture, and therefore this field is recognized as such in European regional development policies and programmes.<sup>159</sup>

The conservation of CBH might be regarded as a catalyst in the new process of economic development, since it enables cities to attract investments and stimulate regeneration of economic activities.<sup>160</sup>

In order to be successful, SD has to proceed from the existing resources of the region, and in this context the cultural heritage is of crucial importance. The concept of sustainable conservation has been increasingly recognized and frequently used during the last period. The sustainable conservation approach implies the firm involvement of citizens. Decision-

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156 Appleyard 1979; Engelbrektsson 1987; Engelbrektsson and Rosvall 2003

157 Hassler et al. 2004

158 Dupagne et al. 2004

159 Kilday 1998, p. 8

160 Fusco Girard et al. 2005

making in favour of a process of preserving – or not – implies that a great variety of factors has to be taken into account, long before concluding what should be preserved and how.<sup>161</sup> In the paper “The Halland Model and the Gothenburg Model: A quest towards integrated sustainable conservation”, an approach to formulate the concept “sustainable conservation” is presented, referring to the concept of sustainable development as it was initially defined in the Brundlandt report.<sup>162</sup> Sustainable conservation is understood as a valid set of contradictory conclusions, concerning long-term conditions for the preservation of material structures (e.g., cultural heritage of any kind), and how principally to act in order to minimize their deterioration mechanisms, under various kinds of conditions.

## 2.5 Theories of Resources and Activities

### 2.5.1 *Resource-based economic studies*

A study on the regional community impact of the Halland Model shows the need for an emergence of impact analysis aiming at anticipating the consequences of policy actions by providing a systematically organized procedure for impact assessment. The model of “impact analysis” developed in the research of Harry Coccossis and Peter Nijkamp has shown that this may be a meaningful tool for integrated and coordinated planning strategies, as such analysis describes systematically the effects of changes of control variables on all the other components of a system.<sup>163</sup> Consequently, an impact analysis should pay attention to the variety, coherence and institutional framework of a system at hand. This implies that economic, spatial, social, cultural and environmental variables should be included as relevant components of the system. Preferably, an impact analysis should be based on a formal model.

A major problem that is inherent in impact assessment is the friction between the need for reliable quantified information, and the usual availability of only qualitative, intangible information that cannot readily be quantified. Impact assessment has to play a role as a communication tool

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161 Englbretsson 1987; Zancheti 1999; Englbretsson and Rosvall 2003; Nanda et al. 2005, pp. 61-62; Johansson 2008

162 WCED 1987; Gustafsson and Rosvall 2008 a, 2008b

163 Coccossis and Nijkamp 1995

between different interest groups related to a complex decision problem.

A multidimensional profile approach is often a meaningful analytical method for considering systematically a wide variety of different aspects in such systems. Furthermore, it is noteworthy that costs and benefits have to be assessed over a long time horizon, implying the use of a social rate of discount. This also implies that the interest of “the present” is traded off against that of “the future”.<sup>164</sup> Altogether, for the measurement of costs and benefits of a plan or project, there is no single method available. The first starting point is a solid impact analysis, followed by an intellectual use of the economist’s tool box.<sup>165</sup>

In any of these kinds of actions, there will be an input of resources (costs) and an output of values (benefits), which can be used in the study of alteration (diminution and enhancement) in the quality of CBH. If costs are ignored, and decisions are based simply on cultural values, it might follow that a significant share of all the available resources would be needed for a comparatively insignificant enhancement in total cultural value. If on the other hand only minimal costs are employed, it may be that there would be unacceptable erosion of cultural quality, and the resources so used would be wasted in terms of their contribution to conservation.

Mason uses the concept “hybrid methodologies” when discussing how to gauge both economic and cultural values of preservation.<sup>166</sup> Here, planning and management research might be incorporated into case studies documenting the community-level impact of conservation projects or policies in both quantitative and qualitative terms, and presenting new ways of advocating the benefits of conservation to decision-makers.

Research in economics has extended to matters in which not only quantitative but also qualitative data are used for interpretation purposes.<sup>167</sup> Thomas Polesie, jointly with his colleagues at the School of Business, Economics and Law at the University of Gothenburg, has developed a methodology to investigate urban development from a broad perspective

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164 Ibid.

165 Ibid.

166 Mason 2007

167 Ost 2005

and incorporating its economical impact.<sup>168</sup> The methodology for “resource-based economic studies” is focused on the use of resources, which are understood to be costs. Resources are economical assets: objects (e.g. products, buildings), knowledge and skills, and activities. Here, the calculations are describing the resources, which are not expressed in monetary terms. The return on investments consists of results, increase in value and dividend. In their research, they have studied how the infrastructure has developed in various businesses such as the real-estate business, energy supply, transport and financing companies. The results have been fitted into historical and geographical perspectives. The basic theme is how different owners create increased values in their properties, and how they deal with existing buildings and the construction of new buildings.

This doctoral dissertation has used resource-based economic theories where the calculations are based upon the resources. The prerequisite of conservation projects is the existing historic buildings with their surroundings, financial assets and performers with their knowledge, skills and strategies, as well as the involved organizations. These calculations have not estimated values expressed in monetary terms. For real estate, the location determines the value, and in this context a building is impossible to move. All historic buildings – with a few exceptions – are objects for alterations, especially concerning function. A new function affects the value, and therefore it is of interest in the calculation to take possible future needs into account. Time spent in calculations is understood as the contractors’ and construction workers’ investments in the conservation projects.

The interaction between the performers involved and the knowledge increase among the participants are subject matters to be documented. New knowledge and skills learned by the participants in the training programmes and through experience from their apprenticeship periods are regarded as “appeared” in the conserved building.

### 2.5.2 *Action research*

Today, action research (AR) is a well-established methodology for re-

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168 E.g. Polesie 1995; Berglund and Blume 1999; Johansson, Polesie and Schürer 2002



search in social and human sciences. AR is a systematic form of inquiry that is collective, collaborative, self-reflective, critical and undertaken by the participants in the inquiry.<sup>169</sup> AR, sometimes called “practitioner research”, is a reflective investigation into a personal interest, problem or challenge. The process begins with the development of questions, which may be answered by the collection of data. Action implies that the practitioner will be acting as the collector of data, the analyst and the interpreter of results. AR is a form of applied research that helps change practices in operating, where the instructor is actually the researcher. Simply put, AR is the study of a social situation with a view to improving the quality of action within it.

Central to the work of Chris Argyris and Donald Schön is the concept of a *theory of action*.<sup>170</sup> Theories of action might be described as “mechanisms” by which thoughts are linked with actions. Theories of actions have a number of elements, e.g. action strategies, consequences for self, consequences for others, governing values and action strategy effectiveness. Argyris and Schön divide theories of action into two types: *espoused theories* and *theories-in-use*. Espoused theories are those that we know about: which we espouse to ourselves. Theories-in-use are the theories of action implied by an individual’s behaviour; they are more likely to be unknown to us. *Action strategies* are the behaviours in which immediate surroundings, especially social surroundings, are managed.

The models and conceptualizations developed by Argyris and Schön are for the purpose of helping individuals to make more informed choices about the actions they design and implement.<sup>171</sup> To this end, they have developed models that seek to explain the processes that create and maintain people’s theory-in-use, which can be explained in three phases:

- *Governing variables* are values that the person is trying to keep within some acceptable range. Any action will likely impact upon a number of these variables and any situation may trigger a trade-off among governing variables.

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169 McCutcheon and Jung 1990

170 Argyris 1993; Argyris and Schön 1993

171 Argyris and Schön 1993

- *Action strategies* are strategies used by the person to keep their governing values within the acceptable range.
- These strategies will have *consequences* that are both *intended* – those the actor believes will result – and *unintended*.

These conceptual frameworks have implications for our learning processes. When the consequences of the strategy employed are as intended, then there is a match between intention and outcome; hereby, the theory-in-use is confirmed. However, the consequences may be unintended, and more particularly they may be counterproductive to satisfying their governing values. In this case, there is a mismatch between intention and outcome. Argyris and Schön suggest that there are two possible responses to this mismatch, and these are represented in the concept of single and double-loop learning. The first response to this mismatch between intention and outcome is to search for another strategy that will satisfy the governing variables.<sup>172</sup> A change is in the action only, not in the governing variable itself: Argyris et al. call this single-loop learning. Another possible response would be to examine and change the governing values themselves. This may lead to discarding this value and substituting a new value such as open inquiry. The associated action strategy might be to discuss the issue openly. Therefore, in this case, both the governing variable and the action strategy have changed. This, according to Argyris et al., would constitute double-loop learning. In its simplest form, single-loop learning involves the generation of new action strategies to achieve existing governing values. Double-loop learning, on the other hand, involves the adaptation and modification of the governing values themselves. Double-loop learning is seen as the more effective way of making informed decisions about the way we design and implement action.<sup>173</sup>

According to the interpretation of Bob Dick and Tim Dalmau of the concepts of Argyris,<sup>174</sup> the action strategies are to keep a governing value within an acceptable range, i.e. to maintain an important belief. Consequences for self are the end effects for us of our action strategy and of the response it engenders in others. It often includes what we feel obliged

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172 Argyris, Putnam and McLain Smith 1990

173 Argyris 1993

174 Dick and Dalmau 2000

to do or prevented from doing. Consequences for others are understood as the end effects for others of our action strategy and the response it engenders in them; often, they include what they feel obliged to do or prevented from doing. “Others” can include people, groups, organizations or systems. Governing values or governing variables are constancies that we seek to keep within acceptable ranges. They are goals we seek to satisfy, beliefs we seek to operationalize or defend, values we seek to express, e.g. to maximize winning and minimize losing, to minimize expressing negative feelings, to be rational, to decrease the opportunity for confrontation, to define the group task unilaterally and have the others agree to it, to maximize cooperation and collaboration and to maximize free and informed choice.

As a consequence of the conditions and settings of an AR initiative, Darek Eriksson points out that it tends to be cyclic, participative, qualitative and reflective.<sup>175</sup> According to him, AR comprises three central components: the area of interest that is to be investigated, a framework of ideas and a methodology.

The empiric materials on which this dissertation research project rests consist of the author’s observations during the conservation process, the various reports on the Halland Model and conservation reports.<sup>176</sup> This opens the way for a unique situation, in which the researcher has been an agent involved in the whole process of conservation of more than 90 historic buildings within the instituted collaboration of the Halland Model

Hereby, the research has the possibility to be based on full access to the proceedings and internal knowledge of the various values negotiated, policies discussed, resources used and strategic decisions made. The alterations after the completed conservation of the historic buildings are now analysed with accumulated experience ten to fifteen years later. This gives an opportunity for observation and interpretation of all the perspectives used in the collaboration and the conclusions of the trading, which might not been possible for a researcher coming from outside.

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175 Eriksson 2004, p. 43

176 Gustafsson 1992, 2000, 2003, 2004; Reit 1998

## THE HALLAND MODEL