

**PEOPLE NOT STONES:  
PRESERVING THE PAST BY PROVIDING A FUTURE**  
*Personas, no piedras: preservar el pasado manteniendo un futuro*

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**ABSTRACT**

Best practices in cultural heritage management must include economic, social and cultural benefits to the people and communities where they are located; that is, in the words of the conference organizers, they must serve as local “wealth increasers”. Yet far too often even when site management plans include “wealth increase” as a goal, few such benefits are actually realized, most frequently the result of either poorly conceived or implemented plans, or both.

The processes by which heritage serves as a “wealth increaser” have been badly under theorized, and site managers receive little or no training in the subject. In this paper, I set forth some theoretical considerations and practical steps to generate economic, social and cultural benefits in communities where cultural heritage sites are located. Rather than top-down mass tourism models in which most of any economic benefits accrue outside of the local community and there is little or no incentive to preserve a site, I propose a model predicated upon social entrepreneurship, economic sustainability and enhanced local control, and provide case studies that demonstrate significant economic, social and cultural benefits. I utilize projects of the work of the Sustainable Preservation Initiative in order to demonstrate the efficacy of this model.

**Key words:** community, economic development, sustainability, preservation, social entrepreneurship, local control.

**RESUMEN**

*Las mejores prácticas en gestión del patrimonio cultural deben incluir beneficios económicos, sociales y culturales para las personas y las comunidades donde están ubicadas; es decir, en palabras de los organizadores del Congreso, debe servir como “incrementadores de riqueza”. Todavía demasiado frecuentemente incluso cuando la gestión de un sitio incluye “aumento de la riqueza” como un objetivo, en muy raras ocasiones esos beneficios realmente se llevan a cabo; con mayor frecuencia el resultado son planes mal concebidos o mal implementados, o ambos.*

*Los procesos por los cuales el patrimonio sirve como un “aumentador de riqueza” han sido mal implementados, y los administradores del sitio reciben poca o ninguna preparación para ello. En este artículo, se establecen algunas consideraciones*

*teóricas y pasos prácticos para generar beneficios económicos, sociales y culturales en las comunidades donde se encuentran sitios de patrimonio cultural. En lugar de un modelo de turismo masivo, siguiendo un esquema piramidal de arriba a abajo, donde los beneficios económicos se acumulan fuera de la comunidad local y hay pocos o ningún incentivo para preservar un sitio, propongo un modelo basado en el emprendimiento social, la sostenibilidad económica y un control local mejorado, proporcionando estudios de caso que muestran importantes beneficios económicos, sociales y culturales. Utilizo proyectos de trabajo de preservación sostenible para demostrar la eficacia de este modelo.*

**Palabras clave:** *comunidad, desarrollo económico, sostenibilidad, preservación, emprendimiento social, control local.*

## 1. INTRODUCTION

Best practices in cultural heritage management must include economic, social and cultural benefits to the people and communities where they are located; that is, in the words of the conference organizers, they must serve as local “wealth increasers”. Yet far too often even when site management plans include “wealth increase”<sup>1</sup> as a goal, few such benefits are actually realized, most frequently the result of either poorly conceived or implemented plans, or both.

In recent years, terms such as ‘community-based’, ‘local’, ‘economic development’ and ‘sustainability’ have featured prominently in the discourse of cultural heritage preservation and management. World heritage list proponents have frequently cited economic benefits as a reason and justification for investments in conservation, tourist infrastructure and local capacity building. Heritage specialists also argue that these investments support UNESCO’s World Heritage mission to “encourage participation of the local population in the preservation of their cultural and natural heritage” (UNESCO 2015) and to “enhance the role of Communities in the implementation of the World Heritage Convention” (UNESCO 2007).

Numerous organizations claim to be initiating and implementing projects utilizing these concepts, providing vague anecdotal evidence and unsupported claims of the successful application of these notions (Coben 2014). Most organizations, to the extent that they have disclosed any information at all, have published broad, vague missives about economic potential and community benefit rather than providing meaningful measures of their results or discussing failures. These projects not appear to provide sustainable economic benefits to the local communities in which they are situated, nor any meaningful way to evaluate their success or the return on their dollars or euros “invested”.

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<sup>1</sup> I will use term “wealth increaser” and variations thereof as it is a stated theme of this conference and proceedings.

The talks delivered in the “wealth increaser” portion of this conference in Menorca reflect this unfortunate and very common tendency. Speakers rarely provided clear statements of their projects’ objectives and goals, much less the metrics by which they would evaluate their success in achieving them. To the best of my recollection, no one other than myself provided a project budget, making analysis of return on investment, a critical metric in the consideration of “wealth increase”, impossible. Measurement of the economic impact of sustainable development has been described as “nebulous” due to the difficulties of data collection (Rypkema & Chong, 2011: 754) and data has been described as “hard to come by” (Silberman, 2011: 48).

The failure to address these critical issues is puzzling, though I suggest several reasons for this absence of discussion. Almost every heritage professional (including me!) believes that there are intrinsic and intangible values in both cultural patrimony and community involvement and collaboration. This belief instills a reluctance to “reduce” these projects to a mere investment or quantitative outcome. Strong theoretical trends toward multivocality and decolonization reinforce this tendency. Also, measurement of outcomes may demonstrate that these projects are not bettering the lives of residents of these communities, undermining the pervasive belief of their benefits in the heritage community and our own sense of serving as “do-gooders”. And no one likes to publish his or her failures, regardless of the knowledge that could be gained by colleagues and fellow practitioners. Further exploration of these potential reasons is beyond the scope of this article.

Perhaps the most prevalent reason for the failure to specify objectives and metrics is the lack of training and experience of many archaeologists and heritage professionals. Most lack the knowledge required to design and implement these types of projects, which truly require the same skills found most frequently in venture capital funds and other investment vehicles that relate to startup businesses.

Nor does academia encourage this type of rigorous preservation or community engagement. Little if any career advancement or tenure consideration is predicated upon these factors. Indeed, the tenure system provides a disincentive to this engagement, since after conducting research, publishing, and teaching and serving on committees, archaeologists have little time to implement effectively any sort of preservation or community program.

The processes by which heritage serves as a “wealth increaser” have been badly under theorized, and site managers receive little or no training in the subject. In this paper, I set forth some theoretical considerations and practical steps to generate economic, social and cultural benefits in communities where cultural heritage sites are located. Rather than top-down mass tourism models in which

most of any economic benefits accrue outside of the local community and there is little or no incentive to preserve a site, I propose a model predicated upon social entrepreneurship, economic sustainability and enhanced local control, and provide a case study that demonstrates significant economic, social and cultural benefits. I utilize the work of the Sustainable Preservation Initiative in order to demonstrate the efficacy of this model.

## **2. OBJECTIVES OF COMMUNITY-BASED ECONOMIC DEVELOPMENT**

Two goals are particularly important with respect to any economic development project. First, any economic development must not destroy or materially diminish cultural heritage, and should provide economic and social incentives to preserve it. Economic development must contribute to the sustainability of cultural heritage, where sustainability is defined as balancing the current exploitation of such heritage while preserving its availability and potential for use by future generations. Second, given the dearth of funding available for cultural heritage preservation and related community programs, such development must ultimately result in businesses and other economic activity that is self-sustaining and not perpetually dependent upon grants or other funding from governmental or non-governmental sources - that is, economically sustainable.

Ideally, these types of projects will include a strong element of local control as to the nature and scale of economic development. In other words, they will truly be community-based development. Recent research by Nobel Prize winner Elinor Ostrom (1990, 2009) and others demonstrates that bottom-up, locally formulated solutions to resource exploitation issues and conflicts, such as those involving the appropriate use of heritage sites, are optimal and more efficacious than those imposed from outside the community.

For economic development to be community-based, a substantial portion of the economic benefits of such development must accrue to the local community. If tourists are bused in from another town, visit a heritage site and leave, and are guided by someone not living in the community, that may constitute economic activity, but since no money or jobs are being created in the immediate locality of the site, it would not be community-based development.

Successful community-based development also provides an economic incentive for local communities to continue preserving their heritage sites long after the departure of archaeologists and conservators. The greatest threats to cultural heritage and archaeological sites are alternative economic uses that are destructive, including looting, agricultural development, grazing, and residential and commercial uses (Coben 2014). In the absence of some form of local economic

activity, all of these uses are economically superior uses of the archaeological site to that of maintaining and conserving them. I suggest that the best way to preserve cultural heritage is creating or supporting locally-owned businesses whose success is tied to that preservation. These businesses will frequently serve and sell products to tourists, and thus would be adversely effected by site deterioration or destruction. Such development provides a two for the price of one benefit: it creates transformative economic opportunities for the local residents while saving heritage sites for future generations to study and enjoy.

### **3. PLANNING AND IMPLEMENTING A SUSTAINABLE COMMUNITY-BASED PROJECT**

Planning a sustainable community development project requires that heritage professionals act like venture capitalists and management consultants. In addition to macro assessments of potential tourist flows and risks to a heritage site, community development workers must consider and evaluate the potential success of micro and small enterprises that could be established in the vicinity of the site, decide whether and to what extent such enterprises should be funded, and then advise and work with such businesses with respect to strategy, finance, marketing, operations and other business related and startup company related issues. While a detailed description of this process is well beyond the scope of this paper, I describe the most important stages below.

#### **Identification of Opportunities**

Potential opportunities are generated by archaeologists, preservationists, community members and groups, NGOs, governmental entities and other persons or groups who have strong relationships with and experience in locations where heritage sites are located. These opportunities must be submitted to an NGO or other organization interested in supporting and funding these types of projects. While ideally these submissions would constitute completed business plans that include all necessary information for evaluation (see Sustainable Preservation Initiative 2015 for a list of such information), in practice these project proposals are rarely so extensive, and often are limited to discussions of sites, touristic potential, local artisans skills and locally produced products.

#### **Evaluation of Opportunities and Project Design**

Potential opportunities must be generated against established criteria for sustainable economic projects, as well as for the ability to provide the necessary training and capital to achieve sustainability. Evaluation criteria include the potential for achieving economic sustainability, the proposed project participants and their abilities, the proposed business and management structures, the level of community engagement with the site and proposed project, the project budget,

and the threat to the heritage site and the potential for the project to ameliorate it.

The evaluation and project design processes are closely intertwined. For example, evaluation of the potential project participants provides the information necessary to determine the type and extent of capacity training that might be required for those involved. An evaluation of products already produced in the community reveals whether technical skills or designs need to be enhanced.

Most frequently, unlike most heritage projects, two types of capacity training are required---one with respect to product production and design, and the other with respect to business practices and knowledge, including accounting, tax, inventory management, marketing, sales and client service. Project participants and the sponsoring organization work together to develop a business plan that includes such training.

### **Implementation**

Once the business and other project plans and budgets are agreed to and approved, projects are funded and rapidly launched. Capacity and studio programs are rapidly begun, construction of any facilities and product development begins, and markets are developed. One goal of rapid implementation is that the participants sell products and make money as expeditiously as possible, and in no event more than one year after beginning the project. Rapid revenue generation is critical to community and participant engagement.

### **Monitoring and Advising**

Projects are monitored on a regular basis, including meetings and frequent communication with project, capacity trainers, and local organizations. These interactions allow for the advising of project leaders with respect to future business decisions, the early identification of potential problems and their resolutions, and realizing the need for additional selected investments or capacity training. Such communications also gives project participants and leaders access to expert counsel with respect to their business issues, both foreseen and not.

The final phase of the project implementation process is data collection and analysis, discussed below.

## **4. DATA COLLECTION AND METRICS FOR COMMUNITY-BASED DEVELOPMENT**

Every project must collect quantitative and qualitative data to assess the achievement of its stated objectives. Data collection must be designed and undertaken in a manner that permits for the evaluation of both economic and preservation results, and consistently with the project design and

planning.

Economic data must be collected on a business-by-business basis in order to assess the sustainability of each individual enterprise. Obviously, this data can be accumulated in order to do a project-wide assessment, but project-wide data can hide inequalities and problems in the underlying project. In order to assess the sustainability of a project, data should be collected for a three to five year period in order to ensure that businesses are truly viable beyond their initial funding. Economic metrics should at a minimum include:

- Jobs created
- Revenue generated
- Profitability
- Additional economic activity generated
- Tourist visits stimulated.

Preservation metrics will be tailored more specifically to the site or area to be preserved. Such metrics should also be collected over at least a three to five year period. These metrics can include, among others:

- Site deterioration
- Absence or reduction of destructive activities at a site (e.g. agricultural activities, grazing, commercial development, looting)
- Encroachments (if any) on a site's boundaries
- Preservation measures taken by the local community in order to preserve their 'asset'.

In addition to assessing project success, collected data should be utilized to modify both the planning and execution of future projects, and the development of sustainable paradigms. For example, the Sustainable Preservation Initiative ("SPI") has modified its paradigm to increase the amount of basic business skill capacity training for community members after analyzing the results of its early projects. All economic and preservation data should be published so that others can learn from and comment upon project successes and failures.

## **5. CASE STUDY: THE SPI PROJECT AT SAN JOSE DE MORO, PERU**

### **The Site of San Jose de Moro, Peru**

Located near the northern coast of Peru, San Jose de Moro's archaeological excavations have yielded a treasure trove of archaeological artifacts and information. The site is one of the most important ceremonial centers of the Mochica culture and subsequent cultures. The San José de Moro Archaeological Program (SJMAP) began in 1991 and is directed by Luis Jaime Castillo, professor

at Pontificia Universidad Católica del Peru (PUCP) in Lima (For information on these excavations see SJMAP 2009).

### **The Community of San Jose de Moro, Peru**

San José de Moro is a small, poor rural community of approximately 5,000 inhabitants, located on the North Coast of Peru about 700 km north of Lima between the provincial capitals of Trujillo and Chiclayo. The local economy is largely agricultural based, producing primarily rice, corn, and onions. The average daily income for residents is approximately \$9.50 per day.

### **The SPI Project**

Dr. Castillo sought an SPI grant after trying numerous non-sustainable paradigms to preserve the site and help the local community, including conservation, local education, and small modular museums. By his own admission none of these were effective, either in preserving the site or benefitting the community in a sustainable way. According to Dr Castillo, “For years we were doing little contributions to the towns, schools, and to some pressing need, but we could never focus on a long term and sustainable effort that was both different from and integrated with the values and goals of the project,” (L.J. Castillo, pers comm, 2012)

SPI awarded a \$40,000 grant for artisanal and touristic development around the site of San José de Moro in March 2010. The development plan featured a visitor center, incorporating a crafts workshop and training center for young local craftspersons, a store, and an exhibition/store area. The workshop includes training for local artisans and provides tourists with the unprecedented opportunity to witness and participate in the ceramic making process. Adjacent to the exhibition center are a picnic and rest area, small snack bar, and toilet facilities, also constructed with the SPI grant. Peruvian archaeologists and residents of San Jose de Moro prepared a guidebook and brochure for the site.

Two local artisans, ceramicist Julio Ibarrola and blacksmith Eloy Uriarte, direct and teach the workshop, and designed with SPI a program to train new artisans. Both men are lifelong residents of San Jose de Moro, and the project has empowered them to become full time artisans and employ their artistic and entrepreneurial talents.

## **6. OUTCOMES**

### **Initial Job Creation**

The initial project goal was to create ten direct permanent jobs for local artisans that provide sustainable income to the community, and an additional 20 temporary jobs during the construction period of the workshop and other facilities. Twelve permanent jobs and 20 temporary ones were in fact created



in the first several months in 2011 after construction was completed, and those permanent jobs remain in place today. Felix Salmon, then a financial columnist for Reuters, described this level of job creation “impressive”. Salmon (2010) noted that as with SPI-type projects, “if you want to create the maximum number of jobs for the smallest amount of money, the best way of doing so is to provide catalytic capital which helps to give a small business the step-up it needs to sustain new jobs on a permanent basis”. Additional jobs have since been created, as described below in the section “Additional Economic Benefits of the Project”.

### **Revenues**

Prior to the start of the project, sales for local artisans amounted to roughly \$US 295 in 2010. Sales at the visitors’ center in 2011 reached \$US 5,100.00. \$US 2,000.00 in sales occurred on a single day in July 2011 to an affluent fifty-person tour group. Unfortunately, this sales volume, unexpected by the local artisans, depleted their inventory, leaving little for subsequent tour groups and resulting in missed sales opportunities. The artisans (and SPI!) have learned from this experience, and it is unlikely to be repeated. Sales in 2012 more than doubled to approximately US\$11,000 in 2012 and increased to \$13,500 in 2013. These sales substantially exceeded the initial project goals. Each artisan retains 80% of the proceeds of the sale of his or her work, while the remainder is placed into a common fund for materials, workshop maintenance and other costs. The artisans determine the level of retention, who increased it from 10 to 20 percent in 2012.

Most sales initially occurred at the site. However, in recent years several new sales channels have been opened, including the Museum of Art (Museo del Arte) in Lima and the Bruning Museum in Lambayeque, Peru and online thru novica.com, a website specializing in the sale of artisanal craft products.

### **New Tourist Visits**

No data on tourist visits to the site was collected before the project began, and today no data on visits is captured, as there is no charge for admission. Testimony from local residents and archaeologists of SJMAP suggests strongly that prior to the project almost all visitors to San Jose were local Peruvians, school children and the occasional foreign tourist who was very knowledgeable about North Coast Peruvian archaeology. The new center and project have attracted visitors and buses from several international and foreign tour companies, many of which are now incorporating the site into their regular itineraries. These tour company visitors purchase almost all of the goods and services sold at the site.

### **Additional Economic Benefits of the Project**

A well-planned and implemented local development project frequently acts as a catalyst to inspire additional economic activity within a community. These new businesses frequently serve the new visitor flow at a site, or can provide goods and

services to those selling directly to tourists and tour companies. In San Jose de Moro:

- A non-SPI sponsored ceramic replica stand in competition with ours was established just outside the site's borders.
- Seven local women are now serving traditional lunches in their homes for tourists and other visitors. These women reported to SPI that these activities generated \$US 2,530 in 2012.
- Three local women artisans are selling textiles in the visitor's center.
- Two new small snack bars (for a total of three in the town) have opened to serve tourists.

**Additional Governmental and Institutional Economic and Preservation Support:**

As a result of the project, local governments are recognizing the economic potential of and advantage to preserving both the site of San Jose de Moro and the cultural patrimony of the region as a whole. This recognition is epitomized by:

- Local municipality of Pacanga is paying for and installing a new entrance, and signage on the Pan-American Highway.
- Larger municipality of Chepén paid for the publication of 5,000 additional guidebooks for use in their schools and by their tourist board
- For the first time ever, the Mayor of Chepén visited the nearby archaeological site of Cerro Chepén to denounce an incursion, ejected the squatters and placed security there.
- Pontificia Universidad Católica del Perú, Peru's leading university, has signed an agreement to conduct multidisciplinary work on this and other SPI projects, focusing on branding, education, architecture and community. The university also paid for additional site brochures and has purchased 100 ceramic replicas to be used as gifts for dignitaries visiting its campus.

**Preservation**

Local residents now view the site as a valuable economic asset and the key to sustainable community income, a complete change from its prior attitudes that ranged from outright hostility to total indifference (L.J. Castillo, pers. comm. 2012). The two greatest threats to the site, looting and encroachment upon its boundaries, have ceased.

## CONCLUSION

This paper demonstrates the potential for true community-based, sustainable economic development to increase wealth. For many cultural heritage sites, this approach represents the best way to both improve the lives of impoverished people as well to preserve those sites for future generations. This paper also provides a methodology to design and implement these projects that is distinct from that most commonly employed in the cultural heritage arena and far more likely to result in sustainable economic success. The paper also sets forth key metrics to evaluate these types of projects, and demonstrates that it is possible to collect the data necessary to judge both the economic and other results of a particular grant or investment. All heritage projects should be similarly evaluated.

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