# A methodology for diagnosing the current situation regarding the cultural industries in cities

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## Summary

Local cultural heritage and cultural industries have assumed increasing importance in recent years, in particular as a strategic element in constructing virtual trials of local development (from economy and identity points of view). From a different perspective, it is necessary for local governments to use complex and concise coordinates which can provide in depth and up-to-date information on territorial transformation and their *performance*, and which permits reflection regarding the availability of appropriate public policies of supporting territorial development and planning.

The aim of this paper is to propose a methodology for diagnosing the prevailing situation of cultural industries in cities, thereby identifying a type of territory in which the city is located in a so-called "cultural planning" perspective, according to the Colin Mercer definition[1]. The objective of this typifying will be to identify directions of development for economic potentialities as concerns cultural heritage and cultural industries, and to provide alternative approaches for making the most of local heritage.

This methodology follows general descriptive statistical models, with regards to the quantitative data, and strategic planning models for the qualitative ones. The information collected regarded socio-demographic issues, context type and questions regarding cultural activities with the aim of describing cities from the perspective of heritage, culture and creation, as separated by themes, sectors, and common and transversal problems.

## 1. Introduction

The term 'creative industries' has become a buzzword in economic policy discussions. Aside from biotechnology and information technology, cultural industries are about to become the third most promising sector in economic policy. However, the requirements and expectations are much more difficult to define for this sector as compared with those of biotechnology and information technology. Creative industries are a conglomeration of very heterogeneous economic branches where creativity is the essential input for creating products and services (Florida, 2002).

The corporations in this field follow various directions: in some areas, market-economic objectives are predominant, whereas others operate on the cusp of art and economy, with varying objectives and value systems for their respective activities. Furthermore, new technologies - particularly those that were constitutive for the New Economy - have noticeably propagated the growth and positive perception of this sector.

On the one hand, the relevance of creativity in connection with market logic and artistic objectives creates an interesting starting point for new creative products and services (Colbert, 2000); on the other hand, this constellation also generates stimuli for public discourse and the desirability of the corporate location. However, the combination of economy and culture may also result in apprehension: in ongoing talks, the questions relating to the mode in which such systems shall interact, and what effects can be expected as a result of this interaction, have been discussed for a long time.

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[1] According to Mercer (1991 e 1996), 'cultural planning' is the strategic and integrated planning and use of cultural resources in urban and community development

Investigating the innovation and employment potential within the cultural production of a territory (including disciplines as: Music; Architecture; Literature, publishing and print media; the Audiovisual field; Fine arts and the art market; Graphic arts, fashion and design; the Performing arts and entertainment; Museums and libraries; Advertising) is, therefore, necessary in order to understand how culture can become a powerful engine for local development.

In order to arrive at a complete vision of the cultural sector in a city, together with cultural production, cultural infrastructure has to be considered both as historical and artistic attractions (monuments, churches, cultural heritage) and as available spaces for the staging of events.

However the quantification of the economic impact of the cultural sector at a city level is a common problem in collating official statistics. Especially with regards to the most important factors in this matter, i.e. level of created employment and turnover, data are not easily available. The cultural sector is moreover connected with tourism flows, the economic development of a territory and the qualitative management of local cultural services (Giaimo et al., 2005).

Some studies has been undertaken regarding the relationship between tourism, culture and economy, and analyses were done in the past on the impact on the local economy of being a UNESCO Word Heritage site. Other studies concerned particular events, such as the impact of becoming "European Capital of Culture" or the impact on local economies of the realisation of big events as, for example, the International Forum of Cultures in Barcelona in 2004. Culture and cultural activities can be considered as a constant source of employment and enrichment in a city, depending on the effectiveness of their use and the transformation of local cultural resources into products (Landry, 2000).

This paper will present the methodology applied to the information collection, data treatment and their interpretation within the Interreg IIIC Project "*Σ3C Culture, Competitiveness and Creativity - Strategies for the Promotion of Competitiveness and Creativity in the Cultural Industries*", coordinated by IMDEEC, Cordoba's Municipal Institute for the Development of Employment and Economy and funded by ERDF - European Regional Development Fund.

The first results of the analysis undertaken on the cultural sector of five pilot cities in Europe - Cordoba (Spain), Siena (Italy), Pisa (Italy), La Valletta (Malta), Kavala (Greece) - are also briefly described.

## 2. The "∑3C: Culture, Competitiveness and Creativity" Interreg project and its research

The aim of the project is to demonstrate that preserving cultural territorial identity is a key factor for its competitiveness and that culture can be a powerful engine for economic development. The project, financed by the European Union, started from the consideration that a city's development, by number of residents and tourists, does not usually come with the parallel development of the cultural sector. In order to culturally dynamize a city, it is therefore necessary to carefully study its characteristics and strategically planning its future development in this direction.

The locations involved in the project, Cordoba, Siena, Pisa, Malta, and Kavala, are each marked by their important cultural history and heritage. The historic centres of Cordoba, Siena and La Valletta (Malta) as well as the Piazza del Duomo in Pisa are registered UNESCO World Heritage Sites, and Kavala is near the ancient Greek site of Thasus and other archaeological sites of historic importance. Moreover, the cities of Cordoba, Siena, and Kavala share the distinction of being capitals of their province (NUTS III level), which gives each of them a special position in their local economies and administrations.

The aim of the project "Σ3C Culture, Competitiveness and Creativity - Strategies for the Promotion of Competitiveness and Creativity in the Cultural Industries", is to use this historical and cultural heritage, together with other institutional, social and economic factors in the best way to develop the infrastructure for the cultural industries in each location. As stated in the project's proposal, submitted by Cordoba's Municipal Institute for the Development of Employment and Economy (IMDEEC) for the European Union, "the preservation and projection of a cultural identity of a territory is a key factor for its ability to compete, (and) cultural factors, if they are well utilized/focused, can be an important motor for economic activity and employment, and as such, the cultural policy of the Union deserves to have a greater position within the regional policy if it wishes to achieve a Europe which is more cohesive and sustainable in terms of competitiveness".

The aim of the research phase of the project was the appraisal of the characteristics of each city. For this purpose, questionnaires were drawn up, including a series of mostly quantitative questions, which were completed by the local experts in each town. This was called the "appraisal form". Following the collection of quantitative information, and on the basis of the social-economic context described by the appraisal form, each city implemented a set of qualitative methodologies in order to collect some qualitative information (included in the so-called "diagnosis form") and summarize them in a SWOT matrix. It was also strongly suggested to examine for each city previously locally-produced additional documentation (previous research, strategic plans, etc.).

The combined answers to the questions in the "appraisal form" and the "diagnosis form" together with the additional documentation were intended to:

- Define and identify existing activities in the local economy and labour market and, in particular, the area of cultural industries;
- Evaluate the current level of influence that the cultural industries exercise at a local level;
- Identify levels of administration in order to analyze possibilities for intervention and interaction;
- Identify exploitable resources for the cultural sector in general and for the cultural industries in particular;
- Make connections between different socio-geographic and institutional factors in order to define the potential capacity of the city to attract employment in the cultural industries, as well as a public, for the consumption of the goods and services produced by the cultural industries;
- Review existing strategies of the city intended for the promotion of industry in general, cultural tourism, and in particular the development of cultural industries in order to evaluate their success until now, and to make recommendations on how they can be adapted in accordance with existing factors and potential synergies.

The second step of the project was, on the basis of the results of the "appraisal form" and the "diagnosis form", to measure certain physical elements, human capacity, policy instruments, financial options, and marketing and distribution actions that serve as the basis for the strategies for the promotion of the competitiveness and creativity of the cultural industries.

The objective of the research is to provide a complete frame of the cultural sectors of the cities, compare the results of the five different contexts and set up a set of strategies for a territorial development, which is based on cultural industries and the cultural sector.

## 3. Description of the analysis tools

As previously stated, in order to collect the necessary information from each city two main tools were created: an "appraisal form" and a "diagnosis form"[2]. The objective was to measure physical elements, human capacity, policy instruments, financial options, and marketing and distribution actions that serve as the basis for the strategies for the promotion of the competitiveness and creativity of the cultural industries.

In order to collect the most useful statistical information, previous studies, such as the Urban Audit, an initiative of the Directorate-General for Regional Policy at the European Commission (2004), in cooperation with EUROSTAT and the national statistical offices of the 25 current Member States plus Bulgaria and Romania, and Factus, an information services provided by Interarts on urban and regional cultural policies, were used to define some of the basic macro-areas.

The approach was close to territorial marketing, considering the city and its resources as the offer while tourists and above all local population were considered as the actual and potential demand of the cultural product.

Most of the questions asked for the figure regarding the city, the Large Urban Zone (after having been changed in the Province of reference due to a lack of available data) and the historic centre. In most cases it was asked to provide information for the last five years (from 2000 to 2004).

The **APPRAISAL FORM** consisted of three sections corresponding to the above mentioned approach, i.e. supply, demand and creative capacity.

In the **demand section** the questions regarded:

- Population: Total resident population, men and women; Non-resident inhabitant population, men and women; Activity rates, men and women; Mean average age, residents and non-residents; Employment rates, men and women; Unemployment rates, men and women, also according to level of education; Unemployment rates for young people (between 18 and 25); Median disposal annual household income; Average household size; Employment distribution in the main sectors of the economy (agriculture, industry and services); Percentage of registered voters participating in the last city elections; Participation in associations (Neighbourhood, Business/Professional, Volunteer for social causes, Cultural, Local Popular Traditions, Sports, Youth).
- Tourists: Tourist arrivals in hotels accommodation per year, national and foreign; Tourist arrivals in alternative accommodation per year, national and foreign; Tourist overnight stays in hotels accommodation per year, national and foreign; Tourist overnight stays in alternative accommodation per year, national and foreign; Purpose of tourist stays (Business, Culture, Other Leisure, Conferences-Congresses-Fairs, Other); Number of visitors in the principal city's leisure attractions.
- Heritage: Total number of visitors to museums; Total number of visitors to archaeological sites and historical buildings; list of the principal museums and monuments (with name, number of visitors, entrance fee, financing source);
- Cultural Industries: combined revenue figures; Annual Theatre attendance per resident; Annual Concert attendance per resident; Average admission per screen in local cinemas; Average yearly revenue per screen; Total book and other media loans per resident; Number of books bought per capita; Number of newspapers purchased per capita.

[2] The appraisal form and the diagnosis form are available in the project's internet web site www.s3c-project.net

In the **supply section** questions regarded:

- Territory, Property Rates, Transport, Climate, and Crime Rate: Territorial extension of the city; Territorial dimensions of the Historical Centre; GDP per person; Average price per $m^2$ for residential space within municipal limits; Average price per $m^2$ for commercial space within municipal limits; Local transportation (Total Number of service routes and number of kilometres covered by buses/night buses/trams etc.); Average commuting time to work; Local airports (distance in km from city, whether international or only national, available connections, total annual number passengers); High speed rail connections; Major highways connecting the city to other important cities or regions; Average number of sunny days per year; Average days of rain per year; Average temperature of warmest months; Average temperature of coldest months; Total Number of recorded crimes per 1000 inhabitants (national, municipality, historic centre); Number of murders and violent deaths per 1000 inhabitants (national, municipality, historic centre).
- Tourism: Available Accommodation (subdivided per hotel categories, Hostels/ pensions/ residences, other accommodation); Average occupancy rate of accommodation (for hotels and alternative accommodation); Available Facilities as Convention Centres, Fairgrounds and Congresses (including their Visitor Capacity as the maximum number of people which can enter the space); Restaurants, Bars, Discotheques, Clubs; Sports facilities; Number of Public Parks; Total hectares of public parks; Pedestrian Areas; Bicycle Paths; Length of the coastline in the municipality.
- Heritage: Description of UNESCO's World Heritage Sites in the city or area; Patrimonial infrastructure of the location: Museums, Archaeological sites, Historical Buildings, Other historical sites, Registered monuments, Libraries, Media Libraries, Archives, Other; Internet web sites, online ticket sales, online consultation for some of the above categories; Intangible heritage subdivided between local traditions, folkloric expressions, and popular festivals (Local, Tourist or Mixed Participation, Time of Year of Celebration/Practice, Habitual Location of Celebration/Practice).
- Industrial infrastructure: GDP produced in the main Economic sectors; Employment figures for some occupational areas (Hotels and restaurants, Transport and communication, Financial and business services, Computing and Mathematics, Architecture and Engineering, Life Physical and Social Sciences, Education Training and library services, Sports and Media, Private Legal Services, Healthcare practitioners and related technical occupations, High-end sales and sales management, Public Administration).
- Cultural Industries: Local creators (Actors, Dancers/Choreographers, Artists, Artistic Printmakers, Musicians, Composers, Journalists, Authors, Translators, Designers, Artisans, Architects, Artistic Technicians); Active companies (Theatre Companies, Dance Companies, Circuses, Music Companies, Recording Studios, Local/Regional Newspapers, Local/Regional Radio, Local/Regional Television, Film production companies, Publishers, Ateliers, Architectural Bureaus, Other technical production companies); Theatres and other additional performing arts venues; Clubs or other venues which offer live music presentations; Cinemas; Museums and art Galleries; Alternative Venues for Visual Arts /Multimedia/ Audiovisual viewing; Temporary exhibitions; Libraries or Public Collections; Bookstores; Design or Speciality boutiques or stores; Festivals, fairs and other popular events in the city; Craft products (non-enogastronomic) in economic and occupational terms; Typical/traditional enogastronomic products; Particular events (festival or fairs) related to a particular product or cultural industry.

Questions about cultural industries were formulated according to the widely known process of creation, production, presentation and distribution.

Finally, the quantitative questionnaire included a **section** regarding the "**creative capacity**" indexes. The indexes for *High-tech*, *Innovation, Talent* and *Diversity* are based on the classification system used by Richard Florida (Florida, 2002) to evaluate the level of creative potential of a certain location. We adapted his definition of high-tech index in order to take into account the need for access to internet and broadband networks. In this section questions regarded:

- High-Tech: Households with a PC, internet access, access to broadband; Locally-based companies with a PC, internet access, access to broadband; Public Internet access points; Companies producing ICT products and services and the services and contents they provide; Hits per month on the city internet website; Administrative forms that can be electronically submitted.
- Innovation: Researchers working either for universities or research institutes; New business registered; Patents registered per year.
- Talent: Educational level of the population; General Higher-Level Educational Options; Departments or special programmes related to cultural creation, production, management or other related topics; Professional schools dedicated to visual and performing arts, cinema, craft production, publishing, architecture, design, and all other cultural occupations; Informal, non-professional Training offered in cultural creation and production.
- Diversity: Resident population by origin; Principal nationalities of the foreign population; Foreign languages spoken in the city; Religious Affiliation; Institutions and associations related to foreign culture; Publications (newspapers, magazines) published for distinct foreign communities or visitors available for purchase or distribution; Restaurants offering cuisine from different nationalities; Gay and lesbian associations.

The **DIAGNOSIS FORM**, as also specified in the methodology in the following chapter of this document, was considered as the basic framework, a working tool for the qualitative methodology, which was applied in order to make a complete diagnosis of each city. The lines constituting the forms were the starting points for a deeper discussion to be undertaken (through focus groups and interviews) in order to give the most complete picture of the territory and its characterisation with regards to cultural industries and heritage.

In this qualitative questionnaire, following the same approach of the appraisal form (then subdividing the questions between the sections: General, Tourism, Heritage, Industrial Infrastructures and Cultural Industries), a set of open-answered questions were given. They particularly regarded policies and actions previously undertaken (or planned in the future) by the local Municipal government: promotion and communication activities addressed to citizens, tourists and cultural industries to further promote the city in local, national and international markets; local strategic planning and its main priorities; development plan and projects in the cultural sector; local, national and international networking; main tourist policies; policies for the preservation and exploitation of local cultural heritage; policies for the preservation of local cultural traditions; particular programmes designed to improve the access to cultural activities and encourage cultural consumption; cultural policy priorities; cultural projects currently planned; cultural cooperation programs/projects; projects of investment in cultural infrastructure; main trends in public support for cultural industries on a local level; policies for collaboration or support for cultural projects coming from private initiatives; non-public sources available for financing for the cultural industries; potential barriers that exist for cultural industries to access financing from public or private sources.

## 4. The applied methodology for the cities' diagnosis

The applied methodology followed the classical phases in the strategic planning methodology. Strategic planning, as widely known, foresees as main phases:

1. *strategic diagnosis:* context analysis of the situation to identify problems and competitive asymmetries, also in comparison to competitors;

2. *exogenous analysis:* analysis of the environment to gather threats and opportunities and to define potential strategies;
3. *endogenous analysis:* analysis of points of strength and weakness in order to evaluate the feasibility of strategic alternatives and to better define them;
4. synthesis of endogenous/exogenous analyses: *SWOT analysis*;
5. *cultural evaluation and transversal cooperation agreements* (among stakeholders) in order to select strategic policies;
6. *implementation and plan*.

The first phase, context analysis, required a relatively large amount of information which was necessary in order to undertake each city's diagnosis. The quantitative information (included in the appraisal form described above) was collected through official statistics and a process of meta-analysis, combining the results of several studies in the cultural sector, which had been previously undertaken in each territory.

As previously stated, qualitative techniques (Corbetta, 2003) were applied in order to undertake the following phases of strategic planning. The chosen typology was the double moderator focus group methodology. One moderator acted as the facilitator for the session and one acted as note taker.

Focus-group research involved organised discussions with a selected group of individuals to obtain information about their views and experiences in the cultural sector of each city. The objective of the discussion was to obtain several perspectives about the topic. It necessitated the presence of technical assistance and the active cooperation of the key actors and stakeholders of the territory, part of the local network in the project's development (the average composition of the focus-groups in each city was 8 participants for each session).

Two focus-groups for each city were organised, including local actors, and people who agreed to participate were subdivided into two groups according to their professional background. The groups focused on the culture, heritage, tourism and cultural enterprises for the city's territory.

Both the meetings started with a presentation of the project and the explication of the general objectives of the discussion. The group facilitator provided clear explanations of the purpose of the group, helping people feel at ease, and facilitating interaction between group members. The discussion was then guided by promoting debate through a set of the open questions mentioned in box 1. Each focus group session, according to the methodology, lasted about two hours.

Information collected through the focus groups were enhanced by face-to-face interviews. The working methodology, in this case, was firstly to identify local experts, i.e. people working in the city who know the topic very well (local heritage, local cultural development, cultural management, tourism, local cultural industries, etc.), from the private and public sectors. The selected experts were then contacted to fix an appointment for an interview (of about 1-hour).

The objective and project contents were explained during the interview. Then each expert freely answered the same open questions used for the focus- groups, which were recorded for later transcription.

The results were used to perform a SWOT analysis (Strengths-Weaknesses-Opportunities-Threats) for the cultural sector of each city. The objective of the analysis was to obtain a concise (but complete) representation of the main characteristics of each territory, thereby facilitating the highlighting of viable alternatives of development, providing fundamental information for the definition of policies and paths of intervention in the cultural sector (Ferrandina, 2004).

*Box 1 - Questions asked by moderators*

1) The local economy is traditionally based on the industrial and social structure of the territory, but in recent years culture (taken to mean heritage and creative industries) is becoming increasingly important as a development tool from an economic and social point of view. What do you think is the situation in your town ?

2) Citizens are the first "actors" in the local economy and economic development. Do they actively participate in local political and cultural life? How do you think your town communicates with its citizens? How do you think this interaction can be improved?

3) Tourists play an important role as consumers of cultural activities and in bringing wealth into the territory. What are the main services and tourist products offered and what aspects you think could be improved? How is tourist information provided in you city? What do you think about the main tourist policies and projects currently being in progress?

4) A Strategic Development Plan is considered a fundamental tool for cities in promoting local development. Regarding to cultural aspects, what do you think a development plan should contain? Please describe the main priorities of your city's cultural strategic development policy and the most important development projects that the city should undertake.

5) What do you think the city's policy with regards to relationships with other local administrations (networking) should be? In your opinion, what are the international networks in which the local administration should participate: culture, tourism, industrial activities, economy, or general urban development?

6) What is the current state of cultural industries? What is and what should be the main cultural policy priorities of the city? What are and what should be the main issues of public support for cultural industries? What means of information/communication are employed in order to identify them?

7) Heritage and local cultural traditions are an important part of local identity. How do you evaluate local heritage? Do you think it is sufficiently exploited? What can be done to maximise the contribution and preservation of local heritage, as communicated to local people and tourists?

8) With regard to promotion and communication and local cultural industries, how does local government disseminate information? What do you know about new policies, funding and training opportunities?

9) What is and what should be done by the public and private sectors in the cultural sector? Which cultural projects should be implemented in the future? How would you manage investments in cultural infrastructure?

A SWOT Analysis is a strategic planning tool used to evaluate the ***S***trengths, ***W***eaknesses, ***O***pportunities, and ***T***hreats involved in a project or in a business venture or in any other situation requiring a decision. It involves monitoring the marketing environment internal and external to the company or territory (Grea, 2000).

The aim of any SWOT analysis is to isolate the key environmental factors that are important to a marketing plan. SWOT groups key pieces of information into two main categories:

- Internal factors: the strengths and weaknesses internal to the organization / territory, i.e., its strategies and its position in relation to its competitors.
- External factors: the opportunities and threats presented by the external environment and the competition.

The internal factors may be viewed as strengths or weaknesses depending upon their impact on the its own positions. That is, they may represent a strength for one organization/territory but a weakness, in relative terms, for another. The external factors may include macroeconomic matters such as technological change, legislation, and socio-cultural changes, as well as changes in the marketplace or competitive position. The results are often presented in the form of a matrix.

The SWOT analysis phases were :

1. Information and data collection, analysis of territorial context where cultural planning has to be realised (social-demographic, cultural and economic indexes) and identification of main trends and problems;
2. Classification of data/information in order to select the most relevant;
3. External context analysis and identification of opportunities and threats (O&T);
4. Planning context analysis and identification of factors, even those partially under one's control, which can facilitate or hinder local development (S&W);
5. Classification / selection of possible action on the basis of their relevance, i.e.: identification of actions (strategic guidelines) which (using strengths, reducing weaknesses, maximizing opportunities and minimizing threats), are considered the most suitable for reducing development problems.

Phase 1 made use of the information collected from the appraisal form.
Phase 2 was undertaken by focus-group moderators, together with personnel from each Municipality.
Phase 3 and 4 were implemented through the focus- groups.
Phase 5 is in progress, thanks to the appraisal form data, focus- groups results and the results of the interviews.

Each SWOT analysis took into account the context in which cultural heritage and cultural industries operate and connected them to territorial development and exploitation policies applied by the local administration.

The SWOT analysis, in addition to underlining the Strengths-Weaknesses-Opportunities-Threats of the cultural sector, will be useful in the "crossover " phase in order to prepare the following phase of determining strategic development paths. In this way, future scenarios can be agreed on the basis of a joint analysis among experts and stakeholders, using context data.

## 5. An initial comparison between the five pilot cities

The above described methodology was applied to five cities in different European countries: Siena (Italy), Cordoba (Spain), La Valletta (Malta), Pisa (Italy), Kavala (Greece). These cities were chosen according to specific characteristics: they are located in the Mediterranean area, they are all of small or medium size (total population for each one varies from between about 7,000 and 300,000 inhabitants), and each one is distinguished by its own important cultural history and heritage.

The methodology basically followed general descriptive statistical models, with regards to the quantitative data: strategic planning information, included in the diagnostic part, were examined through qualitative methods.

Concerning the quantitative analysis, some brief remarks must be made:
1. The data were standardised according to two main factors, i.e. local population and territorial extension: the choice of one of the two factors depending on the information typology (for example, employment is obviously compared to the population while the number of cultural attractions is compared to territorial extension). Some data however make sense if standardised for both the factors: for example number of tourists / territorial extension measures the "tourist index", while number of tourists / population measures the "carrying capacity" of a territory.

2. Of the information which was provided by all the cities, we selected aspects which seemed particularly different among the analysed territories. Similarities will be underlined in any case but not highlighted through the use of graphs.
3. Information about Malta and the other partners differs; regarding Cordoba, Kavala, Siena and Pisa, it was easy to distinguish between The City and the LUZ (Larger Urban Zone), and within the city between the entire municipal area and the historic centre: this was not possible in the case of Malta, for the reduced dimensions of its capital and the entire territory. In this comparative introductory document, we firstly examined the city dimension to enhance comprehension, with the exception of Malta which was considered in its entire territorial extension.

***Table 1. Main population and economy data in the five cities of the project***

| | **Cordoba** | **Kavala** | **Malta** | **Pisa** | **Siena** |
|---|---|---|---|---|---|
| Territorial extension (in $Km^2$) | 1,253.30 | 1,959.90 | 316.00 | 187.1 | 118.71 |
| Territorial dimensions of the Historical Centre (in $Km^2$) | 3.10 | 38.00 | 8.41 | 8.00 | 13.40 |
| City Population, 2000 | 316,516 | 134,418 | 391,415 | 85,379 | 54,366 |
| City Population, 2004 | 323,049 | 145,054 | 402,668 | 91,472 | 54,498 |
| Average age of the city population, 2004 (years) | 38.4 | 38.2 | 36.7 | 45.0 | 39.1 |
| City employment rate men, 2004 (%) | 57.3% | 48.3% | 74.3% | 83.3% | 75.1% |
| City employment rate women, 2004 (%) | 28.1% | 24.3% | 33.5% | 65.2% | 58.6% |
| City unemployment rate, 2000 (%) | 16.9% | 24.0% | 6.5% | 4.8% | 3.4% |
| City unemployment rate, 2004 (%) | 24.2% | 27.9% | 6.9% | 4.5% | 3.2% |
| Median disposable annual household income, 2004 (in Euro) | 8,900 | 11,200 | 28,994 | 21,000 | 18,330 |
| City % of employees in agriculture, 2004 | 2.8% | 20.4% | 2.1% | 33.4% | 3.8% |
| City % of employees in industry and construction, 2004 | 18.2% | 25.1% | 29.4% | 56.6% | 23.7% |
| City % of employees in services, 2004 | 79.0% | 54.6% | 68.5% | 9.9% | 72.5% |
| City % of employees in agriculture in 2004 | 2,8% | 20,4% | 2,1% | 33,4% | 3,8% |
| City % of employees in industry and construction in 2004 | 18,2% | 25,1% | 29,4% | 56,6% | 23,7% |
| City % of employees in services in 2004 | 79,0% | 54,6% | 68,5% | 9,9% | 72,5% |
| Registered voters participating in the last city elections, 2002-2003 (%) | 61.6% | 69.0% | 68.0% | 69.1% | 78.2% |

*Source: Our elaboration from Interreg IIIC Project "Σ3C Culture, Competitiveness and Creativity" data*

As previously state, the analysis included five territories settled in Mediterranean area, of small or medium size dimensions (total population for each one varying between about 54,000 and 400,000 inhabitants), each one marked by its own important cultural history and heritage. The territorial extension mainly considered for Malta was the entire extension of the islands, as most of the information regarded more than just La Valletta (for convenience we will henceforth use the expression “the cities” to include the four cities and the territory of Malta).

All the cities enjoy a Mediterranean climate, with a high number of sunny days and a temperate winter. This factor cannot, therefore, be considered as influential from a general point of view: it is, however, important in understanding how the climate is perceived by the potential tourist market. Another important factor is the different typology of the project partners of three towns (Malta, Kavala and Pisa) which can offer “sun and beach” tourism and two (Cordoba and Siena) which are land-locked. This is an important aspect to be underlined as it is widely demonstrated that the *cultural tourist* is above all a *leisure tourist* who during his/her stay also expects to undertake some cultural activity.

In all territories the population has grown from 2000 to 2004 with an increase in the corresponding town's population (Table 1). The only exception is Malta whose total population has increased of +2.87% in the last 5 years (from 391,415 to 402,668) but the population of La Valletta has decreased.

With regard to the age structure of the resident population, the average age is of about 38 years for almost all the cities, with the exception of Pisa whose population has an average age of 45 (Fig. 1).

The labour market in the five territories differs due to the different levels of economic development. This is confirmed by the levels of household income, which give an idea of level of affluence , and by the cities' economic structures. The level of median disposal of household income is lower for Cordoba and Kavala (8,900€ and 11,200€ respectively) and higher for Malta, Pisa and Siena, overtaking 18,000€ in the three cases (Fig. 2). The cities' economic structure is characterised in four towns by the strong presence of a service sector which contributes to the total local GDP by an amount ranging from 69 to 76%; the only exception is Kavala, which still presents a not completely "modern" economy, with a strong industrial sector (almost 50% of the total economy) and an equal percentage of agriculture and services (between 20 and 25% of the total employees).

In accordance with this general framework, the employment and unemployment rates are different. Employment levels for men and women (which are of course higher in Malta, Pisa and Siena) have grown in all towns in the last five years, even if substantial differences remain in the level of female employment in Cordoba and Kavala (28.1% and 24.3% respectively) and surprisingly also in Malta, where the employment rate for women is 33.5% (Figg. 3 and 4).

The employment rate is not significant in itself if not considered together with the activity rate in order to see if its level is due to lack of labour supply or the fact that people do not enter the labour market. If, for example, we read again the employment rate for Malta, it can be noticed the female activity rate is of 37%; this should mean that women do not enter the labour market. The situation is different for Cordoba and Kavala where women are currently looking for a job but they are not able to find one.

Finally, this section took into consideration citizens' participation in political local life, thorough the indicator of the percentage of voters participating in the last city elections. The number registered in the 5 towns obtained similar levels in Pisa (69.1%), Kavala (69.0%) and Malta (68.0%). A lower figure was observed for Cordoba (61.6%) with the highest participation being registered in Siena (78.2%).

Figure 1 - Average age of the city population, 2004

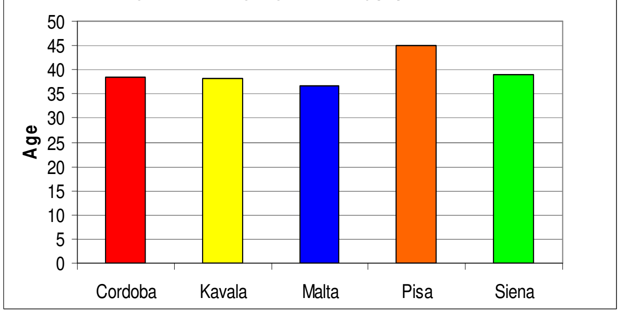
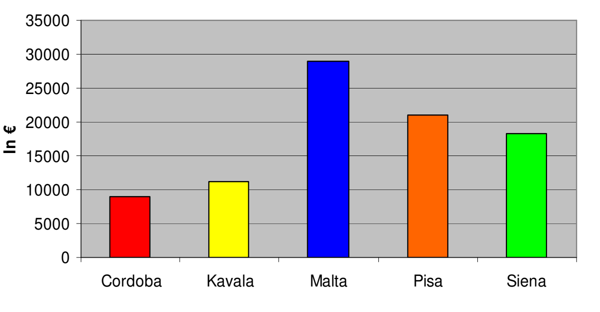
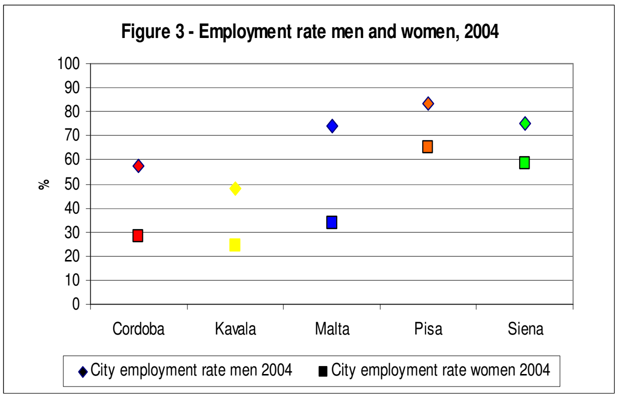



Figure 2 - Median disposable annual household income, 2004





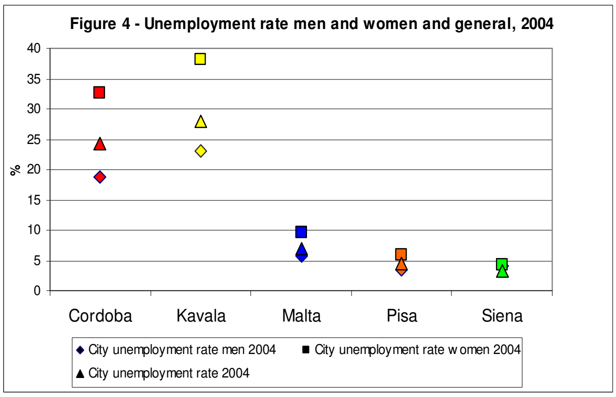




*Table 2. Main data relating to tourism supply and demand in the five cities of the project*

| | **Cordoba** | **Kavala** | **Malta** | **Pisa** | **Siena** |
|---|---|---|---|---|---|
| Number of beds in 5 star Hotels in 2004 | 0 | 60 | 4,728 | 0 | 150 |
| Number of beds in 4 star Hotels in 2004 | 2,223 | 283 | 15,455 | 1,047 | 1,900 |
| Number of beds in 3 star Hotels in 2004 | 943 | 1,298 | 10,944 | 478 | 1,470 |
| Number of beds in 2 star Hotels in 2004 | 647 | 327 | 1,097 | 169 | 297 |
| Number of beds in 1 star Hotels in 2004 | 371 | 20 | 600 | 13 | 200 |
| Number of beds in Hostels/pensions/residences in 2004 | 869 | 133 | 6,493 | 539 | 1,883 |
| Number of beds in Bed & Breakfast and Camping in 2004 | 0 | 362 | 1,920 | 4,355 | 517 |
| ***Total number of available beds in 2004*** | **5,053** | **2,483** | **41,237** | **6,601** | **6,417** |
| National arrivals in city's hotels 2000 | 320,985 | 112,439 | 0 | 281,498 | 105,346 |
| National arrivals in city's hotels 2001 | 363,592 | 114,604 | 0 | 278,123 | 112,932 |
| National arrivals in city's hotels 2002 | 361,977 | 117,131 | 0 | 274,627 | 103,215 |
| National arrivals in city's hotels 2003 | 381,130 | 126,655 | 0 | 262,821 | 107,468 |
| National arrivals in city's hotels 2004 | 454,275 | 135,654 | 0 | 260,000 | 129,448 |
| Foreign arrivals in city's hotels 2000 | 380,104 | 35,597 | 647,000 | 299,932 | 158,821 |
| Foreign arrivals in city's hotels 2001 | 346,584 | 31,910 | 662,546 | 292,149 | 183,460 |
| Foreign arrivals in city's hotels 2002 | 291,674 | 32,127 | 684,959 | 290,034 | 194,311 |
| Foreign arrivals in city's hotels 2003 | 247,113 | 74,496 | 832,571 | 274,733 | 160,551 |
| Foreign arrivals in city's hotels 2004 | 243,430 | 66,500 | 890,085 | 366,714 | 151,690 |
| ***Total arrivals in 2004*** | **697,705** | **208,557** | **1,002,628** | **1,006,624** | **359,160** |
| Average occupancy rate of city's hotels (%) 2000 | 53.9% | 40.0% | 47.0% | 62.0% | 44.4% |
| Average occupancy rate of city's hotels (%) 2004 | 57.9% | 50.0% | 67.3% | 65.0% | 62.2% |
| Number of restaurants in 2004 | 199 | 30 | 917 | 96 | 111 |
| Number of bars/discos/clubs in 2004 | 11 | 70 | 2.000 | 131 | 143 |
| Tourists/Population in 2004 | 2.16 | 1.44 | 2.49 | 11.00 | 6.59 |
| Tourists/Territorial extension in 2004 | 556.7 | 106.4 | 3,172.9 | 5,380.1 | 3,025.5 |

*Source: Our elaboration from Interreg IIIC Project "Σ3C Culture, Competitiveness and Creativity" data*

Probably due to the terrorist attacks (in New York in 2001 and especially Madrid 2003), Cordoba is the only city with a decreasing trend in foreign tourists arrivals in the last 5 years (-36.0% between 2000 and 2004 passing from 380,104 to 243,430). This problem was fortunately balanced by the increasing number of national tourists (from 320,985 in 2000 to 454,275 in 2004), but of course it should lead the city to reflect about adapting the local offer. In general terms, other cities did not suffer from the world tourist crisis, maybe as they are considered as "quiet and safe" destinations by the market (Figg. 5 and 6).

However, the average occupancy rate for accommodation in city hotels (Table 2) is sufficiently high in almost all the cities under investigation, with the exception of Kavala which did not overtake the level of 55% in 2004, level which can be considered acceptable (Fig. 7).

The primary supply of tourism is the high standard of hotel accommodation in the case of Malta which generally appears to be the best equipped for hosting cultural tourists who usually request a good level of accommodation (Malta counts 4,728 beds in five stars hotels and 15,455 in four stars hotels). On the contrary, Cordoba and Pisa still do not possess any 5 stars hotels, a lack which has to be remedied (Fig. 8).

The set of supply structures is completed by the presence of restaurants and bars, which seem adequate for all the cities except Kavala which counts just 30 restaurants. It must be added that, during the focus- groups, the fact of providing (or not) nightlife attractions (such as discos, pubs or cultural events) is uncertain in the cases of Cordoba, Pisa, Kavala and Siena, all of which suffer from the "one-day stand" problem; indeed, most of the tourists prefer to visit these cities for one day and return to sleep at their main destination, thanks to the proximity of big towns. A lack of night life and hotel accommodation of course increases the problem.

Ratios between the total number of tourist arrivals and local populations, and between the total number of tourist arrivals and territorial extension, which measure the carrying capacity of a tourist destination, revealed a higher level in the two Italian cities (Figg. 9 and 10).

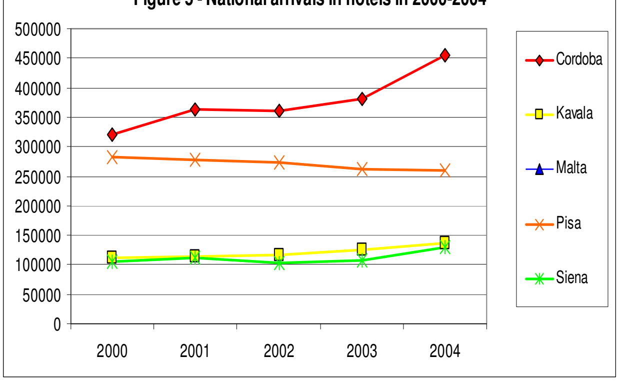


Figure 5 - National arrivals in hotels in 2000-2004

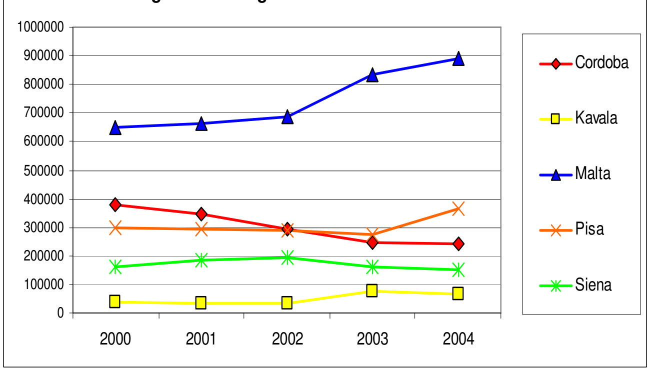


Figure 6 - Foreign arrivals in hotels in 2000-2004

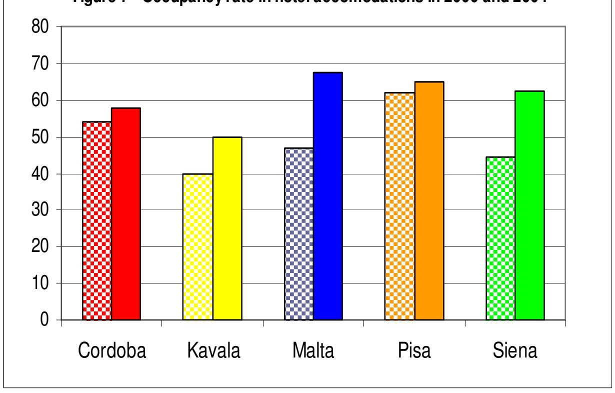


Figure 7 - Occupancy rate in hotel accomodations in 2000 and 2004

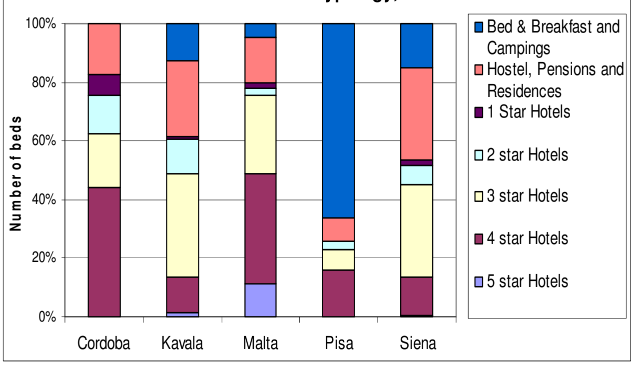
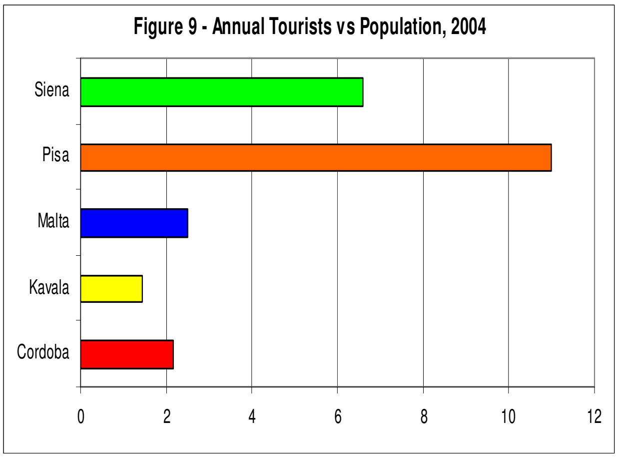


Figure 8 - Subdivision of beds according to type of accomodation typology, 2004



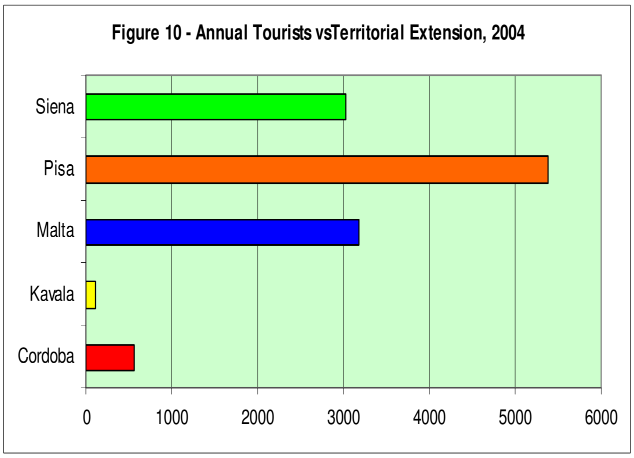




***Table 3. Cultural equipment and heritage in 2004 in the five cities of the project***

| | **Cordoba** | **Kavala** | **Malta** | **Pisa** | **Siena** |
|---|---|---|---|---|---|
| Total number of visitors to museums | 243,124 | 14,386 | 1,531,673 | 149,744 | 289,889 |
| Total number of visitors to archaeological sites and historical buildings | 1,964,419 | 38,700 | 269,081 | 2,118,396 | 289,899 |
| Number of visitors to museums /population | 0.75 | 0.10 | 3.80 | 1.64 | 5.32 |
| Number of visitors to museums /tourists | 0.35 | 0.07 | 1.53 | 0.15 | 0.81 |
| Patrimonial infrastructure - museums | 11 | 4 | 17 | 9 | 22 |
| Patrimonial infrastructure - archaeological sites | 2 | 3 | 15 | 2 | 1 |
| Patrimonial infrastructure - historical buildings | 12 | 0 | 12 | 12 | 1 |
| Patrimonial infrastructure - other historical / registered monuments | 0 | 0 | 10 | 25 | 8 |
| Patrimonial infrastructure - libraries | 34 | 2 | 22 | 29 | 18 |
| Patrimonial infrastructure - media libraries | 0 | 1 | 2 | 1 | 1 |
| Patrimonial infrastructure - archives | 2 | 2 | 2 | 21 | 7 |
| Patrimonial infrastructure - other | 0 | 3 | 0 | 3 | 0 |
| ***Total of patrimonial infrastructures*** | **61** | **12** | **80** | **99** | **58** |

*Source: Our elaboration from Interreg IIIC Project "Σ3C Culture, Competitiveness and Creativity" data*

### *Table 4. Cultural industries in 2004 in the five cities of the project*

| | Cordoba | Kavala | Malta | Pisa | Siena |
|---|---|---|---|---|---|
| Main cultural associations | 244 | 24 | 61 | 172 | 61 |
| Main cultural associations per 100000 residents | 0.7553 | 0.1655 | 0.1515 | 1.8804 | 1.1193 |
| Associations of local popular traditions | 118 | 6 | 19 | 13 | 17 |
| Annual theatre attendance per resident | 0.45 | 4.90 | 0.45 | 8.24 | 16.10 |
| Annual concert attendance per resident | 0.26 | 0.28 | 0.33 | 0.30 | 0.19 |
| Theatre companies | 0 | 1 | 4 | 8 | 0 |
| Dance companies | 4 | 0 | 75 | 5 | 4 |
| Circuses | 0 | 0 | 0 | 0 | 0 |
| Music companies | 0 | 0 | 357 | 19 | 6 |
| Recording studios | 3 | 2 | 5 | 7 | 2 |
| Newspapers | 3 | 18 | 15 | 1 | 2 |
| Radio | 8 | 25 | 10 | 8 | 8 |
| Television | 2 | 3 | 5 | 17 | 15 |
| Film production companies | 0 | 0 | 2 | 0 | 0 |
| Publishers | 5 | 3 | 15 | 19 | 20 |
| Publicity firms | 3 | 6 | 0 | 4 | 0 |
| Ateliers | 12 | 4 | 359 | 64 | 38 |
| Architectural bureaus | 78 | 180 | 17 | 71 | 65 |
| Other technical production companies | 16 | 50 | 21 | 4 | 12 |
| Number of theatres | 1 | 1 | 8 | 25 | 3 |
| Additional performing arts venue | 5 | 4 | 3 | 6 | 2 |
| Number of cinemas | 11 | 1 | 8 | 9 | 7 |
| Number of screens | 57 | 1 | 41 | 18 | 7 |
| Number of seats per 1000 residents | 31.1 | 7.4 | 22.4 | 22.7 | 39.6 |
| Number of art galleries | 6 | 3 | 3 | 8 | 5 |
| Number of temporary exhibitions | 13 | 4 | 12 | 18 | 22 |

*Source: Our elaboration from Interreg IIIC Project "Σ3C Culture, Competitiveness and Creativity" data*

### *Table 5. Creative capacity indexes in 2004 in the five cities of the project*

| | Cordoba | Kavala | Malta | Pisa | Siena |
|---|---|---|---|---|---|
| **High-tech and innovation** | | | | | |
| Proportion of households with a PC (%) | 45.0% | 80.0% | 38.0% | 52.0% | 43.9% |
| Proportion of households with internet access (%) | 25.6% | 70.0% | 31.3% | 32.0% | 34.5% |
| Number of public Internet access points | 9 | 10 | 14 | 12 | 10 |
| Number of administrative forms that can be submitted electronically | 7 | 2 | 20 | 30 | 30 |
| Number of local researchers working for Universities or institutes | 124 | 56 | 44 | 293 | 143 |
| **Talent - Education level of the population** | | | | | |
| % of residents with primary education in the city | 45.2% | 43.1% | 29.4% | 28.0% | 27.4% |
| % of residents with secondary education in the city | 40.7% | 33.1% | 44.7% | 54.0% | 55.0% |
| % of residents with tertiary education in the city | 11.2% | 12.0% | 8.2% | 18.0% | 17.6% |
| % of residents with primary education in the nation | | 37.0% | 29.4% | 5.0% | 5.0% |
| % of residents with secondary education in the nation | | 15.2% | 44.7% | 73.0% | 73.0% |
| % of residents with tertiary education in the nation | 23.6% | 15.5% | 8.2% | 22.0% | 22.0% |
| **Diversity** | | | | | |
| % of residents from City and Province | 84.8% | 96.0% | 97.0% | 47.4% | 48.5% |
| % of residents from Rest of the Region | 7.0% | 2.0% | 0.0% | 48.3% | 48.5% |
| % of residents from Rest of the Country | 6.5% | 0.0% | 0.0% | 3.0% | 2.2% |
| % of residents from a Foreign Country | 1.7% | 1.0% | 3.0% | 1.3% | 0.9% |

*Source: Our elaboration from Interreg IIIC Project "Σ3C Culture, Competitiveness and Creativity" data*

Cultural attractions are, without doubt, of great importance in any tourist offer. Together with tourist attractions, information about the cultural city life has been collected in order to analyse the nature of the cultural offer, also that made available to local citizens.

Subdivision into patrimonial infrastructure (Fig. 11) shows how museums are a focal point in Siena and Malta (which count 22 and 17 museums respectively), less so in Pisa (9) and Kavala (4), while Malta (15 sites) and Kavala (3 sites) have much to offer in the field of archaeology (Table 3). The ratios between the number of annual visits to museums and the population, compared to the ratios between the number of annual visits in museums and the total of tourist arrivals, are an indicator about how the local heritage (in this case museums) is consumed by the two categories. The data reveal that there are great differences in the usage of museums in Siena, Pisa and Malta (mainly by population, much less by tourists), whilst small differences are to be found in Cordoba and Kavala (Figg. 13 and 14).

In Cordoba the tradition of cultural associationism is still strongly present and it is also the case in Pisa (Cordoba counts 126 cultural associations and Pisa 159). Siena counts an inferior number of cultural associations (44) but it is characterised by the so-called *contrade*, which, since the Middle Age, have affected not only the cultural but also the social and political life of the city.

Cultural industries are of different kinds (Fig.12). Architectural bureaus (Table 4) seem to constitute the main creative strength in each city (between the 17 bureaus of Malta and the 180 of Kavala), but it must be considered that this number is the easiest to detect, as architects have to register their activity in public registers. Identification of other cultural industries generally suffers from the difficulty in obtaining reliable information. Notwithstanding this, the presence of music companies only in Malta can be emphasized (357 is the number), and this same goes from the ateliers of Siena and Pisa (38 and 64), the tradition of dance (especially flamenco) in Cordoba even if it counts just 4 dance companies and the elevated number of theatres in Pisa, i.e. 25. Cultural industries seem in general terms to be better developed in Siena, Pisa and Malta; they are growing in Cordoba and are still quite weak in Kavala.

In conclusion, some considerations can be made about the creative capacity of the five cities (Figg. from 15 to 18). In this regard, Kavala is better placed compared to other cities. However, the general level of education of the residents of Cordoba (45.2% of residents has a primary education degree) is lower and it is also the case in Kavala (43.1%). The 'vitality of the population' (Table 5), measured by the composition of native and foreign populations is still an aspect requiring development: Siena (0.9% of foreigners) and Pisa (48.5% coming from the region) possess a large number of residents originating from the same region, but none of the cities has a significant number of foreigners.

Figure 11 - Subdivision of patrimonial infrastructures, 2004

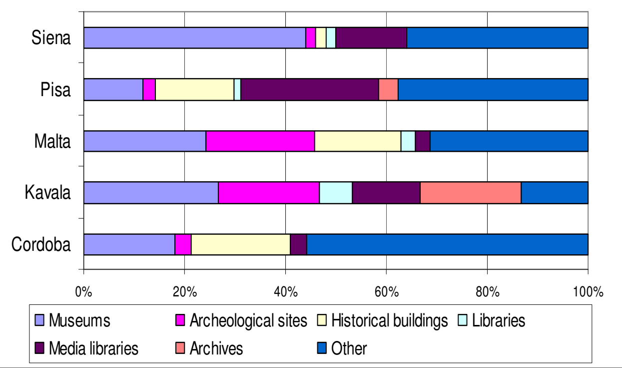
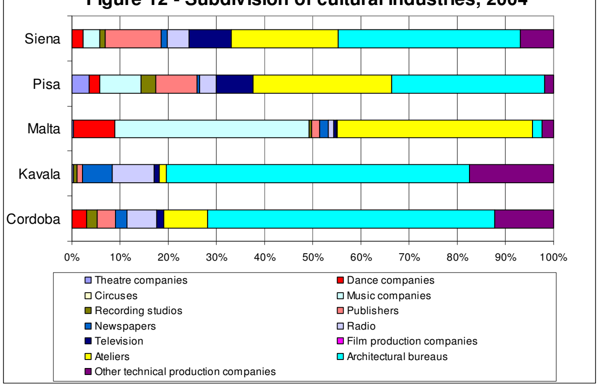



Figure 12 - Subdivision of cultural industries, 2004



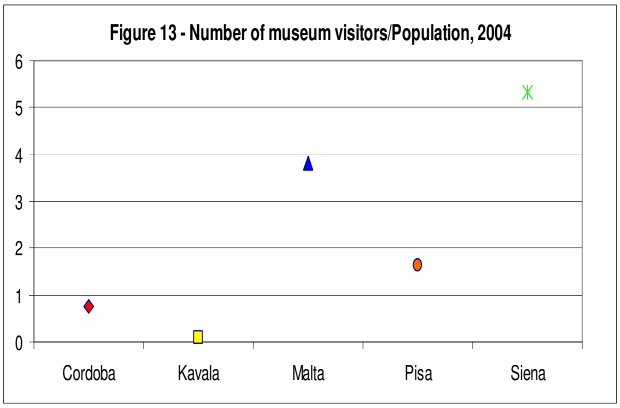


Figure 13 - Number of museum visitors/Population, 2004

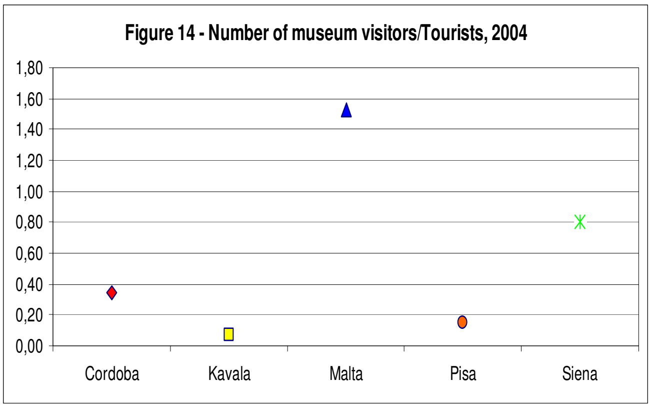


Figure 14 - Number of museum visitors/Tourists, 2004

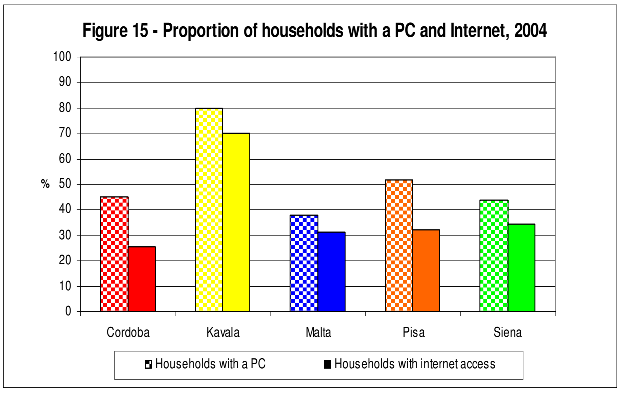


Figure 15 - Proportion of households with a PC and Internet, 2004

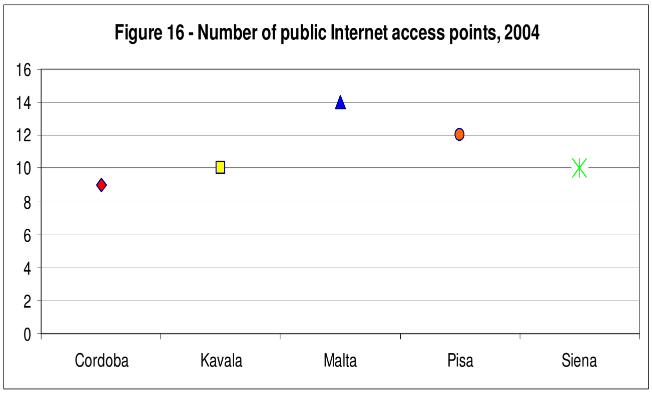


Figure 16 - Number of public Internet access points, 2004

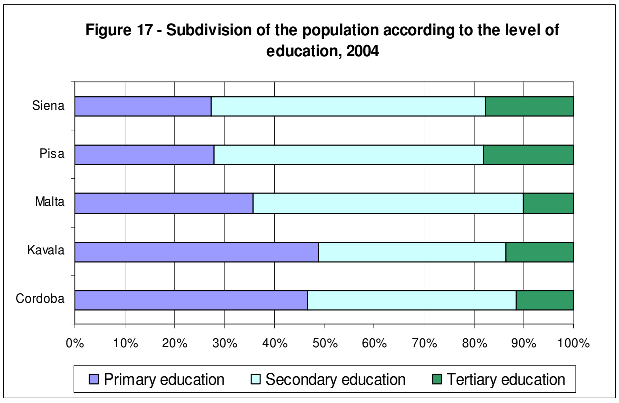


Figure 17 - Subdivision of the population according to the level of education, 2004

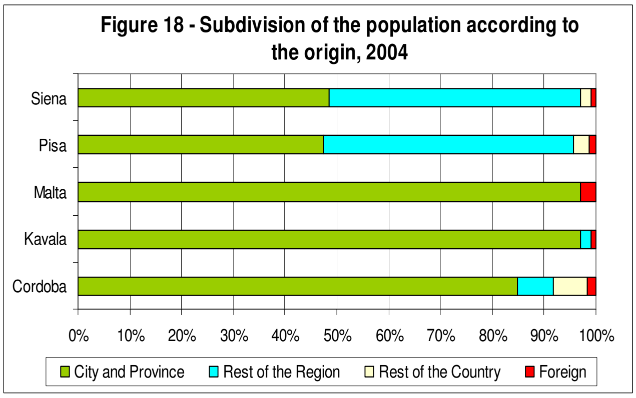


Figure 18 - Subdivision of the population according to the origin, 2004

## 6. The strategic diagnosis paths proposed for the five pilot cities

A strategic diagnosis serves to analyse the context of the situation in order to identify problems and competitive asymmetries in comparison to competing cities (smaller market share, smaller growth in comparison to the development rates of the sector). The objective is to paint a detailed picture of the territory which can then be the starting point for the discussion of exogenous and endogenous factors of the local territory.

The diagnosis of each city has been developed through the direct involvement of the local network members. Their opinions and direct experiences of the cultural sectors were considered fundamental in arriving at the final result, i.e. a concise diagnostic framework, as provided by the SWOT matrix.

The questions submitted through the organisation of two focus-groups and direct interviews with key actors followed the information requested in the diagnosis form. The collected opinions, together with the results of the appraisal form, were useful in measuring certain physical elements, human capacity, policy instruments, financial options, and marketing and distributive actions, all of which will serve as the basis for the future strategies in promoting the competitiveness and creativity of the cultural sector in each city. The diagnosis also provided the necessary elements for defining basic strategic paths for the cultural sector, which will be further developed during the following project phases.

The main aim of a strategic approach consists of researching strategic coherence, i.e. highlighting solutions which render a particular strategy effective. Strategy need not run counter to history and the path already undertaken by local government bodies, nor must it be brand new or revolutionary: rather it should encourage the widest possible local participation, draw on the best of previous experiences and know-how, and anticipate noticeable changes in the surrounding environment. Finally, it is important to consider the organisational structure which will sustain the implementation of the strategy.

Strategic paths must also involve the whole territory. Moreover, it is clear that the long-term planning model is not always the most appropriate. Regarding project characteristics and current opinions which we collected in the scientific bibliography, the idea of the *long period* has been most definitely abandoned due to its inherent rigidity which does not take into consideration the recent increase in the dynamism of local economies.

According to these general theoretical considerations and the framework described by the SWOT analysis, it seems that strategy paths can be in a two-fold way:

1) The first step in the W-O strategic path, aims at overcoming weak points in order to exploit possible opportunities;
2) The second step will constitute the basis for the second step where some S-O strategic paths, using exogenous opportunities which are directly connected to strong points of the system, can be defined.

Conclusions of the SWOT analysis will, therefore, be used in the participatory methodology, which will characterise next project phase. Throughout the latter, strategies will be further developed and pilot projects selected from amongst the proposals originating directly from local actors and stakeholders.

The diagnoses undertaken and focus groups' work were summarised by a final document from each city, including the socio-economic context, the analysis of the cultural sector, the SWOT matrix and a proposal of possible strategic lines to be followed in response to the local context. The comparison of the five cities stressed some common characteristics and therefore possible future common development lines of the cultural sectors.

At this stage, two main areas of intervention, each one articulated into four possible strategic paths can be proposed for the five cities.

*1. Area of intervention: The city as "Cultural product"*

Strategic development policy has focused on the city as a place with a strong cultural past where different cultures have met. The city can use this idea to attract cultural tourism, but also other kinds of events, conferences and congresses, especially regarding management and maintenance. Thus the cultural offer will be enhanced.

However, preservation and paying special attention to heritage are not sufficient to make culture an economic engine of territorial development. It is necessary to transform heritage and culture into products. This does not necessarily entail a process of commercialization .On the contrary, the city must centre its strategy on its own particular identity, making it a profitable factor, underlining its uniqueness as an element which distinguishes it from all the other destinations, all other cities in the country, both for “clients” and citizens.

Different elements can contribute to this objective: a strong local identity, enhanced dynamism of unknown local heritage (sometimes the ‘real’ accounts of local history whose knowledge can have a surprisingly positive effect on the affections of the citizens in that city), attention to other features of the cultural sector (such as intangible heritage), but also selected target markets, quality products and services, authenticity, etc.

Within this area of intervention, four strategic paths can be identified:
*Strategic path* 1: Preservation and development of the city’s cultural identity.
*Strategic path* 2: Heritage management and dynamism with particular regard to less important resources.
*Strategic path* 3: Cultural activities, intervention on secondary supply, i.e. institutional factors, infrastructure and intangible heritage.
*Strategic path* 4: Increase in production and clients (residents and tourists) for cultural industries.

*2. Area of intervention: Communication and networking*

Coordination of information, planning and development of contents are all different aspects of communication in a territory.

Networking is widely recognised as a tool of territorial development in different sectors, and the importance of communication and cooperation between different cultural actors and stakeholders in the local community (both private and public) has been widely emphasized in the diagnosis.

The creation of a coordination centre, an infrastructure which also has to work in analysing and disseminating European cultural policies as those programs which can distribute funds to cultural industries in coordinating all cultural activities, can effectively work only if this process has been implemented.

Within this area of intervention, four strategic paths can be identified:
*Strategic path* 1: Communication and promotion of the territory
*Strategic path* 2: Communication with cultural industries
*Strategic path* 3: Fund raising and sponsorship
*Strategic path* 4: Networking, involvement of public and private actors

## 7. Conclusions

The fulfilment of a research project regarding the cultural sector of five towns of medium sizes from different EU countries has been long and difficult. On the one hand, the involvement of the local actors belonging to the cultural sector of the cities complicated the collection of information but, on the other hand, this was its point of strength in implementing an agreed cultural plan.

The five cities are characterised by notable differences, mainly due to their local economies (the two Italian cities and La Valletta differ significantly compared to south European Cordoba and Kavala). However, there are numerous interesting similarities which are mainly connected to the management and exploitation of the important and local heritage and the attraction of cultural tourism.

The recognition of the cultural sector as the main factor for territorial development is common to all of these cities, as is an awareness of the need to improve strategic actions in attracting a greater number of tourists, and a wider cross-section of the local population, in cultural activities.

Cultural strategic paths should be implemented via a clear and coherent cultural mission and, in order to update this – to develop and maintain citizens' strong sense of belonging to their community – cities should develop a cultural policy whose orientation and implementation methods are based on the following five guiding principles:

- cultural contributions are essential to the quality of life;
- leadership and coordination must be exercised by the city to maintain and increase its cultural vitality;
- enhancing a city's culture is the best way to nurture its character;
- support for culture is an investment that results in numerous social and economic benefits in all areas of life;
- citizen participation is the most important social benefit of a municipal cultural policy.

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