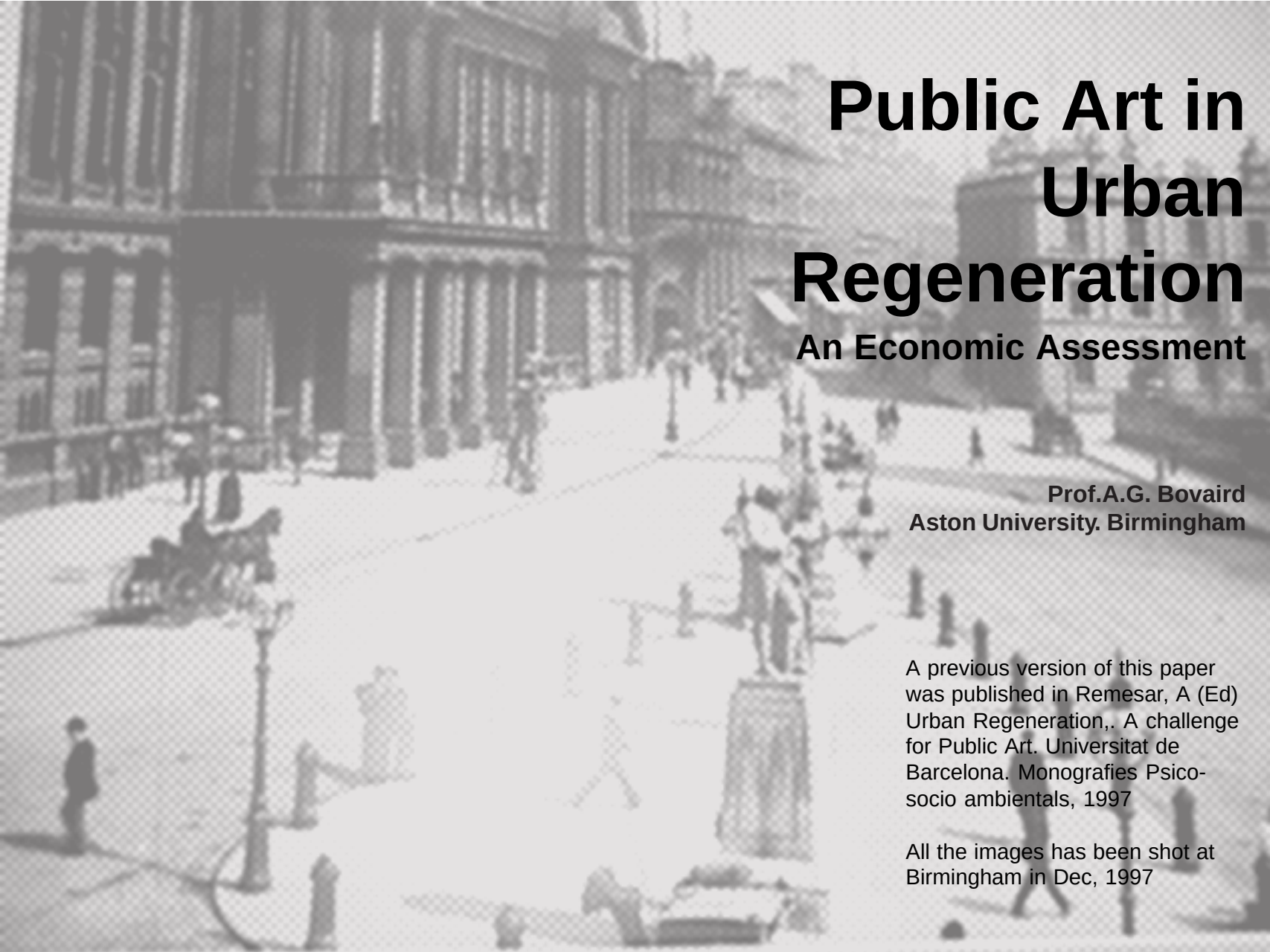




Public Art in Urban Regeneration

An Economic Assessment

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The economic role of public art in urban regeneration is a difficult issue, principally because it is both complex and nebulous. It is complex because it involves the inter-relationship between the aesthetic values, the social identity and the economic behaviour of a city's population - a heady mix! It is nebulous because these three domains of aesthetic, social and economic life tend to use separate, almost unconnected, languages for their discourse. While the inter-relationship between the three domains has always been recognised as important, and has even been central to some intellectual movements (e.g. the Arts and Crafts movement in Britain), there have rarely been opportunities for specialists in each domain to engage with each other in close debate and collaborative work. The promise of postmodernism is that this interaction is now acceptable in intellectual terms. The reality of postmodernism may be that there is such a loss of confidence by activists in each of the domains that they feel they have little to contribute to each other.

This paper starts with an analysis of the objectives of urban regeneration, seeking to identify those aspirations of different stakeholders which may justify the use of public art for their achievement and locating these aspirations within different models of political economy and current concerns with quality management. It then focuses on the possible use of public art in order to enhance the quality of life for city residents, visitors and workers; the main issue here is whether the achievement of the aspirations of these key stakeholders, by means of public art initiatives, can be measured in any practical way. The following section considers the potential of public art as an attractor to inward investment. The analytical basis for extrapolating from the micro-effects of individual public art initiatives to the wider effects in the whole urban economy is considered in the following section on the arts multiplier. Finally, the paper offers some conclusions on the role of public art - and its limitations.

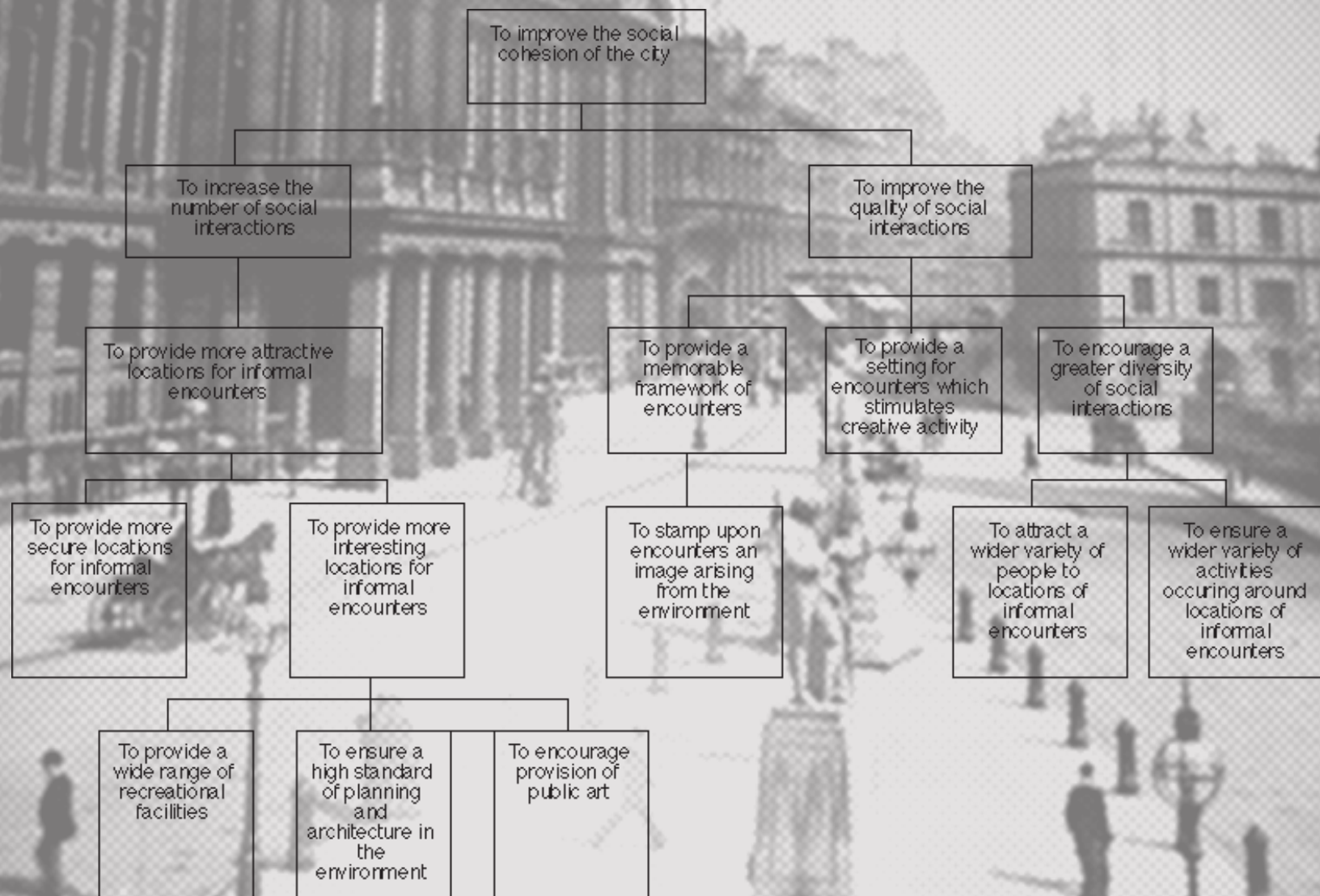


FIGURE 1- OBJECTIVES FOR URBAN REGENERATION



objectives of urban regeneration

The objectives of urban regeneration clearly vary from place to place, from time to time and between the major stakeholders concerned. We can distinguish four main strands in the types of objectives normally proposed for urban regeneration programmes: economic, social, political and cultural. These strands in turn can be analysed to find a number of contributory sub-objectives.

One such formulation is proposed in Figure 1, to illustrate the way in which each of these higher level objectives might be «decomposed» into a hierarchy of objectives. This approach has been used in many different contexts to demonstrate the inter-relationship between objectives at different levels and to increase the transparency of performance management (Bovaird, 1995).

Of course, the picture presented by this hierarchy of objectives is highly contestable. Indeed, that is one of its major purposes - to stimulate and shape discussion about the underlying aspirations in the field of urban regeneration. Some people might feel very confident of the hierarchy of objectives which they construct - but I think this is likely to be unusual (and they are likely to find that their colleagues do not share their confidence!). As social scientists, we can regard each hierarchy of objectives as a set of hypotheses. Each link in the hierarchy embodies the hypothesis that variations in the level of achievement of an objective can be explained by variations in the achievement of the sub-objectives which contribute to it.

Seen in these terms, a hierarchy of objectives just begs to be tested by reference to empirical studies.

However, this way of setting out objectives is linear - and the real world which we are trying to understand through our models clearly is non-linear. Consequently, such models must be treated with caution. Two complicating factors which must be brought in straight away are: the likelihood that some sub-objectives are logically pre-requisites, while others are simply valuable but not necessary contributors to the higher level objective; the likelihood that the achievement of some high level objectives is impacted upon by some of the

objectives and sub-objectives in other parts of the picture, i.e. there are some very important cross-cutting and indirect relationships between the objectives which can not be clearly modelled in such a hierarchy of objectives.

This latter issue, the indirect relationships between objectives, is probably of critical importance in understanding the role of public art in urban revitalisation. It is conventional wisdom to suggest that the cultural assets of an area will be an important factor in attracting inward investment from the private sector, especially in the case of international investment. Again the achievement of high-quality social interactions in the city may be dependent upon a set of cultural facilities which are «inclusive» in their appeal rather than «exclusive», i.e. welcoming to different ethnic groups, to different social classes, to people of different educational backgrounds. Each of these relationships cuts across the main relationships modelled in the figure.

This illustrates the difficulty in coming to an understanding of how public art functions, when viewed in terms of the normal categories of urban management. We will constantly be dealing with relationships which are seen as of secondary rather than primary importance, and which will often require the joint working of artists, planners, economic development professionals, managers and politicians - groups and individuals who, in most cases, have not previously needed to work closely together in the «mainstream» parts of their jobs.

the economic analysis of arts policy

The economic analysis of arts policy comes from three main standpoints: the welfare economics justification of public sector intervention in arts provision because of market failures; the critique of «government failures» arising from public choice theory, which suggests that the self-interest of politicians and bureaucrats overrides the interests of wider groups in society and in the economy; the neo-Marxist critique of how arts policy serves the interests of the dominant factions within capitalism.



welfare economics justification

The welfare economics justification of public art points to the inefficient allocation of resources in the market system, leading to systematic under-provision of public art, arising from market failures. The following categorisation is not an exhaustive list, as it omits such categories of market failure such as imperfect competition, discrimination, disequilibrium and 'merit goods' - but it includes the categories of market failure most often used to justify arts policy:

- the impossibility of excluding people from «consuming» the experience provided by many forms of public art (non-excludability of consumption), making it unprofitable to provide such art, since it is not possible to charge for its consumption
- the fact that the amount of public art available to be consumed does not decrease when it is experienced (non-rivalness in consumption), so that it would be socially inefficient to charge for such consumption (since there is no marginal resource cost associated with consuming it) and consequently its efficient supply depends necessarily on public subsidy
- external benefits which public art brings to third parties who do not recompense the organisation which provides the public art
- lack of information, so that many potential providers and consumers of public art do not appreciate its potential to improve their welfare
- uncertainty, so that providers systematically under-provide public art, since they all take over-pessimistic views of how much benefit will accrue to them from provision of the public art (and similarly, in some cases, systematic over-provision arising from over-optimism).

While the welfare economics approach is very useful in providing a framework which enables such a list of market failures to be compiled, it is not very operational in suggesting ways in which the importance of these failures (and their rectification) can be measured. (Nevertheless, the recent Treasury guidance on how to evaluate urban regeneration projects asks that all evaluations





should include descriptions of the progress in achieving objectives such as correcting market failures (Treasury, 1995)). In the discussion below, the main influence of this analysis will be in the consideration of how to measure the external benefits to residents, visitors and workers of a city, which arise from the public art provision of firms with which they do not directly interact - and which therefore do not directly gain from providing these «third-party» benefits.

public choice theory: critique of «government failures»

Public choice theory takes a very different stance from welfare economics - and typically leads to very different conclusions. It suggests that the self-interest of politicians and bureaucrats over-rides the interests of wider groups in society and in the economy. Bureaucrats are assumed to be expenditure-maximising empire-builders. Politicians are assumed to act in order to get themselves elected - this can best be assured by pandering to the «median voter», without paying attention to the intensity of preferences of voters or to the overall distribution of preferences amongst voters. Thus both bureaucrats and politicians espouse public programmes which harm the public interest, rather than furthering it.

In respect of public art, this critique would suggest that excessive subsidies would be paid for some categories of provision of public art, either because some politicians wish to sway certain key interests (e.g. voters in marginal constituencies or critically-important opinion-formers in certain occupations or organisations) or because some bureaucrats wish to buy favour from certain groups (particularly among the political ruling group) in order to influence their budget allocations. (This is a right-wing equivalent of the argument by Booth and Boyle (1993) that the promotion of specific cultural activities is a reward for upper and middle class commitment to the city).

Of course, exactly the same set of arguments indicates that subsidies for public art provision are likely to be severely deficient in respect of those projects favoured by groups which are of interest



neither to ruling politicians nor to major bureaucrats. On balance, I would suspect that provision of public art would be more likely to fall into this latter category (i.e. to experience a chronic tendency towards under-provision) rather than the former.

From the point of view of this paper, an extra dimension is the possibility that the arts world plays an important part in influencing public opinion, and thus it may be courted by politicians or top managers (through commissions) in order to buy support or ward off hostile treatment at the hands of influential artists. While this may occasionally be important, for example in respect of the very high profile adopted by Sir Ian McKellen and Sir Simon Rattle in campaigning against certain aspects of government policy, I would suggest that, in general, this has not been a major factor in populist politics in Britain.

Neo-Marxist analysis

In a neo-Marxist framework, arts policy is considered to serve the interests of the dominant factions within capitalism by:

- sustaining and providing legitimization for belief systems which are consistent with the reproduction of capitalist relations of production and exchange;
- providing an acceptable outlet for public expenditure which combats under-consumption tendencies in the macro-economy;
- reducing the vigour of oppositional tendencies within the political structure of society, by providing arts facilities and services which «buy off» the complaints of disaffected groups.

The second and third categories of explanation seem unconvincing to me when applied to public art. Public expenditure on major arts projects may combat deficient demand in recession-hit economies - but it often seems to be a low-priority way of reflatting the economy given the higher social acceptability of housing, health, education, and other social programmes. Again, most governments, at national and local level, find themselves often in the position of having to «buy off» opposition from local groups - but few such groups put public art high on their slate of demands, and few would



be content to be «fobbed off» with such offers. Indeed, quite on the contrary, many cities are heavily attacked by local interests, especially representing the disadvantaged groups in society, for so much ostentatious waste of public money on public art projects (for example, in relation to the major Centenary Square project in Birmingham, funded by over £50m of European Commission grants, there has been a widely reported - and widely supported - attack by Loftman, 1991) .

This suggests that the first element of the neo-Marxist framework above must carry most of the weight of showing why public art has always had, and still retains, such a prominent role in prosperous liberal democracies, Third World dictatorships and most state socialist countries. We can develop this strand of argument in two directions: the post-structuralist critique and the regulationist critique.

A central theme in the post-structuralist critique of urban development has been the commodification of the past through the growth of the heritage industry. «Culture, once seen as the superstructural icing on the Marxist cake, is now accepted as central to the process of urban transformation» (Jacobs, 1992, p. 195). Jacobs presents the case-history of the redevelopment proposals for Spitalfields Market in London as a process of conflict of differently empowered «pasts» (or «histories») and discourses, during which those pasts less challenging to redevelopment objectives are privileged. «Pasts» with more deeply oppositional potential can only be incorporated into urban capital reinvestment if de-radicalised, which is precisely what happens to them when they are embodied as sanitised, restored artefacts in the capital projects of tourism or retailing, simultaneously losing their ability to inform on-going oppositional practices (Bovaird, 1993). In the spirit of this analysis, public art can be viewed as the creation of story-telling devices which re-interpret the past and suggest an interpretation of the present in such a way as to legitimate the reproduction of past relations of production and exchange within the dominant mode of accumulation and regulation. The control over the message is all the easier as public art is so often embedded within «flagship» property developments.



Neo-Marxists writing in the post-modern tradition emphasise the symbolic value for a city of activities such as publicly-subsidised public art, providing as it does an attractive symbol to «disorganised capitalists» (Lash and Urry, 1987) that the state has established a regime of regulation in which non-utilitarian criteria will be used in deciding upon support for future development. Furthermore, subsidised public art signals that a «new cultural petite bourgeoisie» has become established, comprising occupations involving presentation and representation and working in all institutions providing symbolic goods and services, whose role is one of major importance in the postmodern economy - the production of images that legitimate the lifestyle of the new-bourgeois «ethical avant garde of the dominant class» (Bourdieu, cited in Lash and Urry, 1987, pp. 295-96). The growth of these 'new cultural intermediaries' in certain favoured city centres has in turn created an influential pressure group for policy change, which has played an important role in the launching of the new cultural strategies by city governments (Bassett, 1993). This has led Bassett to suggest that «perhaps future cultural strategies should start with the assumption that culture is a site for class struggle rather than a site for alliance building, and as a result become more rather than less political» (Bassett, 1993, p. 1786).

The regulationist critique, deriving mainly from the work of French neo-Marxists such as Aglietta and Lipietz) is not necessarily at odds with such an analysis, but would rather place emphasis on the value of arts provision to the support of the «economic base» in ways which do not disturb the delicate balance of international economic relations. Lipietz puts this very nicely: «A regime of accumulation focusing on the growth of leisure is much less subject to international constraints than a regime based on consumption. ... Investing in the quality of life, and having time available for sport, art and public debate or private conversation, does not draw in imports. It is a very quiet and unprovocative protectionism, a way of returning spontaneously to a regime which is more self-focussed, more amenable to the kind of regulation organised by democratic societies (Lipietz, 1992, pp. 87-88). However, this approach also emphasises the contradictions which emerge when a city becomes so «successful» in its provision of highly-regarded leisure opportunities, that it





becomes a focus of the 'tourist gaze': «International tourism is a process by which the affluent countries, having mined their own environments, now scavenge the earth to consume those of other people» (Lash and Urry, 1987, p. 303).

tqm of public art?

The issue of who benefits from public art is a central one in most of these economics-based approaches. However, there is an increasing interest in managerialist approaches to arts and leisure policy, which takes less interest in who gains the most and gives more attention to how to increase the gain of each 'customer', through pay-offs which are of interest to that customer. This is the kernel of quality management approaches which seek to assure satisfaction of customer expectations.

So we might ask: is there a TQM of public art? In other words, is it possible to design and plan public art, to create it and to manage its lasting «use» or «consumption» in the city in such a way as to maximise the payoffs to key customers and to meet the expectations of all customers?

From the outset, it is necessary to say that some of the claims of TQM, that the expectations of all stakeholders can be met, are likely to be entirely unrealistic. Conflicts of interest between stakeholder are an integral part of social relations and therefore if we wish to help some stakeholders very positively, we must be prepared to say that other stakeholders are not of interest to us. At the heart of TQM is the need to choose which stakeholders are to be regarded as the 'customers' in the analysis.

However, there may well be a case for suggesting that much public art has paid insufficient attention to customer analysis. While it is of course the case that the artist must have the right to create within her/his own vision, the commissioner of a piece of art also has the right to specify a brief and expect it to be met. This brief should be specific about who the customers are and what their expectations are. In some cases, these customer expectations might be quite specific («A large sculpture depicting the city fathers leading



the city forward to a future prosperity»), while in other cases there will be much more latitude in the brief for the artist to choose how the theme might be handled («A monument expressing a spirit of elegance and prosperity») and in some cases (perhaps rare!) the customers expectations might actually be «Something that will surprise the observer - and therefore the commissioners also!»).

Before the customers' expectations can be set out in a brief, a decision must be made on how these expectations should be discerned. If the general public is to be involved, as opposed to the involvement of just «experts» and «representatives», the commissioning process might centre around public consultation or even a public competition at the design stage. This is in line with Bianchini's observations that in the 1980s «many city governments tried to make the cultural policy making process more responsive to the demands, aspirations and ideas of citizens, community groups and local business, with a new emphasis on partnerships between the public, private and voluntary sectors» (Bianchini, 1993: p. 205). One of the key issues in the design stage would be how the «piece» would impact upon and be treated by its observers - and this might involve simulations with some groups of potential observers and some «second-guessing» on behalf of those potential observers who are not easy to identify or communicate with - e.g. industrialists in other parts of the country who may, at some stage in the future, become potential inward investors.

This quality management approach allows us to transcend at least some of the criticisms from the public choice school. By bringing a variety of stakeholders more centrally into the picture, both at the stage of deciding the brief and in setting the criteria by which the successful execution of the brief will be judged, there is less room for bureaucratic and political determination of the outcomes based on pure self-interest. However, it is clear that the process of public involvement will nevertheless be subject to some degree of manipulation. Those stakeholders who have the power to define which stakeholders are to be regarded as 'customers' are likely to be acting from motives of self-interest, so that the public choice critique will not be entirely satisfied.

The «customer focus» of quality management appears at first

sight to be closely aligned with the axioms of welfare economics. However, the market failures which are identified in welfare economics may be entirely ignored in quality management if the definition of 'customer' is too narrow to encompass the wider groups who experience some benefits from a piece of public art but are not directly visible or involved in its «use» or «consumption» - e.g. such 'third parties' might include firms which use the public art as part of their logo or as images of the desirability of their business ambience in businesses prospectuses, or visitors to the city who send images of it on postcards to their friends.

The neo-Marxist critique, while in part categorising quality management as simply another tool for the deepening of surplus value extraction in the process of capital accumulation, recognises that it may empower some stakeholders in the struggle for higher pay-offs. As such, it may intensify the contradictions implicit within the current regime of accumulation and undermine the negotiated settlements implicit within the mode of regulation. Thus in public art, if wider groups of the public were to be involved in setting the brief for commissions, and in judging between tenders for competitions, then not only would the dominant classes lose some control over images of the city but also the legitimacy of their overall role in image creation and promulgation would be significantly undermined. Of course, in practice the introduction of a quality management approach in public art would only ever empower a strictly limited number of stakeholders - but this does not mean that the damage which it might do to the legitimacy of current dominant groups and to their control over the image-making processes could be easily limited.

public art and the quality of life for residents, workers and visitors to the city

So what does public art do for the quality of life of residents, workers or visitors, in their role as «consumers» of the city? (In the next section, we will also find some potential benefits to workers



arising from public art, through the mechanism of increased inward investment).

We can conceptualise the possible benefits under three headings, corresponding to three of the objectives identified in the hierarchy of objectives:

- enhancing social interactions in the city;
- enhancing the city's image as a centre of culture;
- enhancing the city's image as a national centre of dynamic change.

The assessment of how well these benefits are achieved in practice is problematic. Kotler, Haider and Rein (1993), in their «cook-book» on how to market places (which ignores public art almost completely), do not attempt in to discuss how alternative place marketing strategies or initiatives might be evaluated (other than measuring the results of an advertising campaign).

However, we can make some progress in this assessment by means of a set of questions:

- How much do residents, workers or visitors care about these benefits?
- How much value added does public art bring to the city in respect of these benefits?
- Does the city have a competitive advantage relative to other cities in respect of the benefits brought to it by its public art?
- Which residents, workers or visitors benefit most from the contribution of public art ?

It seems likely that in the short term at least it will be the contribution of public art to social interactions in the city which will matter most to residents; and that even in the longer term, few residents would be willing to pay much money, as individuals, for the benefits brought to the city by virtue of its enhanced image, either as a centre of culture or as a centre of dynamic change. Indeed, it is this





myopia towards external benefits on the part of economic actors which is the basis of the welfare economics justification of the publicly-subsidised provision of «public goods» which are non-excludable and/or non-rival in consumption.

However, city 'consumers' are directly engaged with the city at the consumption level. «One element of consumerism is a heightened reflexivity about the places and environments, the goods and services that are 'consumed', literally, through a social encounter, or through visual consumption. ... As people reflect upon such consumptions, ... they develop ... the belief that people are entitled to certain qualities of the environment, of air, water and scenery, and that these extend into the future and to other populations» (Lash and Urry, 1994, p. 297). Thus the process of consumption is a learning process, which involves not just learning about the individual benefits arising from any given object of consumption, but also involves learning about the importance of context in the consumption experience and about the desirability of preserving and enhancing the choices available in relation to the context of consumption. In other words, as citizens have increased their repertoire of consumptions, viewed as object + context, they have become more sensitive to the contextual element of that experience and more demanding of a better set of choices in this sphere. The element of context which concerns us in this paper is mainly the spatial context of the consumption experience (although public art also engages to some extent with the social context and the time context of consumption experiences). Public art has the twin characteristics of being an object of consumption in itself and also a contextual element in the consumption of other objects.

So can we find ways to assess how much the city's consumers care about the benefits brought about by means of public art to the changing social interactions and consumption experiences in the city - what would, in the welfare economics paradigm be called the willingness to pay (WTP) of city residents for the improvements to social interactions and visual consumptions which are brought about by public art?

This question has long been asked in the general context of leisure and recreation provision. The most conventional answer has



been to attempt to charge for some or all of the facilities concerned, i.e. to gauge WTP from the direct customers of the good or service. By its very nature, public art cannot be evaluated in this way, since it is normally, and sometimes necessarily, provided free of charge.

An alternative answer has been available for 30 years - the Clawson technique, by means of which the willingness of consumers to travel to a facility can be used to calculate the actual willingness to pay for use of the (free) facility itself (Bovaird, 1988). The basic principle of this approach is that the longer the average distance travelled by visitors in order to visit the leisure facility, the more value that facility must have in their eyes. While this has a certain rationale for such facilities as swimming pools (in relation to average distance travelled by local residents) or art galleries (for regional visitors) or major world heritage sites (in relation to international tourists), it is patently not directly usable for most public art, which does not act as a major attractor in itself for any visit, but rather simply enhances a visit or journey made for other reasons. The most that can be rescued from the Clawson approach is an analysis of diversion of travel patterns after the opening of public art schemes: and this will only work where the opening of the public art is quite separate from the opening of other major land uses which would similarly affect travel patterns, so that the specific amount of extra visits associated with the public art can be estimated.

Is there then a practical assessment method to indicate the value to «public art consumers» of specific items of public art?

Clearly, no single approach is likely to be convincing, given these difficulties with the traditional approaches. However, there are some ways to tackle such an assessment, if it is considered important enough. Specifically, it is necessary to ask what particular benefits are being sought from the public art? What specific objectives are being pursued? In other words, there is a need to go further down into the hierarchy of objectives. An attempt to do this is shown in Figure 2. These objectives are at a more operational level of detail than in figure 1, which was for urban regeneration in general. On the left hand side of the picture are objectives in respect of increasing the number of social interactions. It is shown that provision of public art might contribute to this high level objective (as indeed

will other public sector interventions) and that the principal mechanism by which this might operate is that public art might hope to provide more interesting encounters for informal encounters in the city.

If this is indeed an objective, how might we know when it has happened and been successful? The kind of «interest» which is of importance here is the ability of a place to act as a pleasant passive background to everyday activities, such as shopping, strolling, eating lunch in the open air, waiting at bus-stops, etc. One marker of the extent to which pieces of public art have achieved this level of intrusion into people's consciousness is the extent to which people use them as «labels» of a place when describing where to meet or where an incident occurred. This could be investigated by conventional market research surveys, but would normally be much more successfully explored in qualitative market research, such as focus group discussions. A further marker, particularly in relation to how much particular examples of public art impact upon visitors to the city, is how often they are mentioned in guide books of the city, or pointed out in city sightseeing tours, or how many postcards of them are printed (and sold!).

On the right hand side of the picture are some detailed sub-objectives relating to improving the quality of social interactions. Virtually all of these sub-objectives might be impacted upon to some extent by any specific example of public art. Assessing the extent to which the public art was important in achieving any of them would essentially entail surveys or focus group work with city residents, workers and visitors. This feedback would concentrate upon establishing the extent to which public art had encroached upon the consciousness of users of particular spaces: this would include probing of the extent to which they mentioned the public art in their unprompted description of the space and their use of that space, and the extent to which it was regarded by them as significant in their decision to use that space. One approach to such an analysis has recently been recommended in Britain (Comedia, 1993).

So far, we have discussed the direct 'consumption' benefits of public art to the 'users' of the city. In the longer term, there are undoubtedly some benefits to users of the city arising from those com-



petitive advantages which the city gains through its investment in public art. Such competitive advantage may be experienced in the long-term struggle for resources on the part of cities:

- against other metropolitan areas
- against surrounding towns and villages
- against their own suburbs

These benefits broadly fall into three categories - those arising from the attraction of inward investment (which is considered in the next section), those arising from the enhanced influence of the city in national decision making, and those arising from the enhanced image of the city. Each of these benefits needs to be measured in a different way. The benefits of the enhanced influence of the city are best measured by the increased resources which it achieves - admittedly a very problematic procedure. A proxy for the actual resource increase achieved could be the improvement in the city's image among major decision makers. The use of city image surveys, particularly in respect of the image held by national and international business-people, can only be a poor proxy for the resulting resource reallocations, but it is nevertheless influential, since local politicians are concerned that the city does well as against competitors in the «image stakes».

There are, in addition to the resource consequences, some extra benefits to city consumers arising from an enhanced image for the city - essentially in terms of «city pride». How much would the consumers of the city be willing to pay for these benefits - and how much of enhanced «city pride» might properly be attributed to the contribution of public art in raising the competitive advantages of the city? These are particularly nebulous areas, as suggested at the beginning of this paper. Such benefits are likely to be experienced by a large number of people, but on such a small scale as to be almost indiscernible by each of them. In these circumstances we meet the classic problem of the «threshold effect» at which people become conscious of an increase in their welfare. It is no use turning to market feedback to gauge such effects if the actors in the market are only dimly aware that they are experiencing any of these phenomena. The attempt to estimate willingness-to-pay values of the na-



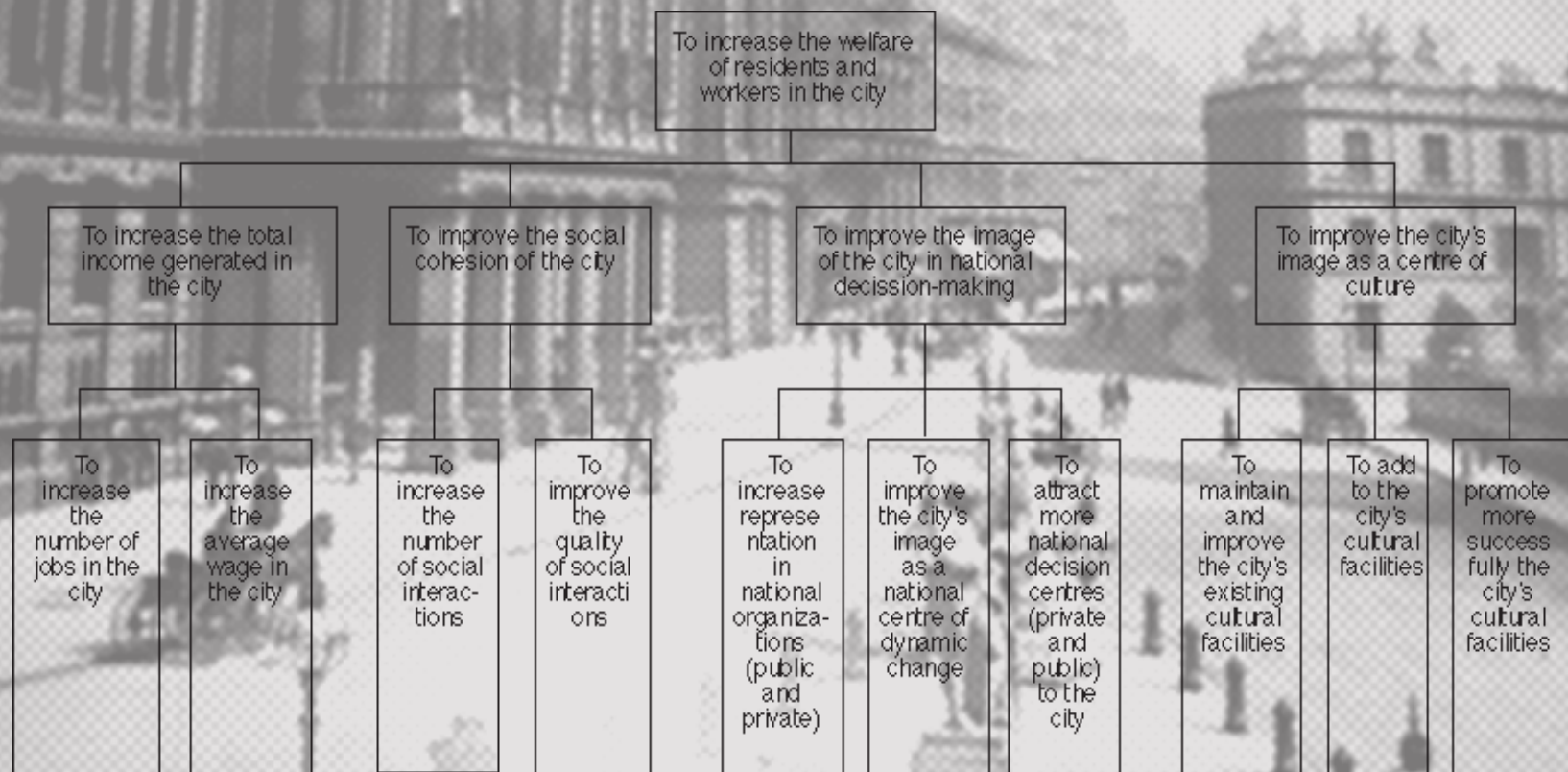


FIGURE 2- OBJECTIVES OF PUBLIC ART CONTRIBUTION TO URBAN QUALITY OF LIFE

tional population for such phenomena as the damage done to Norman churches by location of the Third London Airport was, rightly, castigated as «nonsense on stilts» by Peter Self. However, this throws us back on the use of valuations on behalf of but not directly by the community - either by experts or by politicians. While this is nowadays recognised to be highly undesirable - it is greatly at odds with the philosophy of quality management - we need to preserve the right to have evaluations done in this way when customer-oriented approaches would actually be meaningless.

public art and the attraction of inward investment

A key aspect of all cultural provision in a city, including its public art, is its effect on inward investment. A set of questions immediately arises:

- How much do key decision makers care about the quality of cultural facilities in a city when making their investment decisions?
- How much value added does public art bring to the city in respect of the image it creates in the mind of these decision makers?
- Does the city have a competitive advantage relative to other cities in respect of the public art benefits which it gleans?
- Which residents gain most from the economic benefits resulting from the inward investment stimulated by the public art contributions?

On the first point, there is a great body of empirical evidence from location research to suggest that cultural facilities are indeed important in influencing inward investment (Port Authority of NY and NJ, 1983; Hummel and Berger, 1988; Myerscough, 1988) and, probably even more importantly, in retaining existing (but potentially mobile) firms. As Harvey observes «the less important the spatial barriers, the greater the sensitivity of capital to the variations of place within space, and the greater the incentive for places to be differentiated in ways attractive to capital» (Harvey, 1990, pp. 295-6).

This empirical research generally investigates the effect of culture upon the perceived competitive advantage of cities:





- to key decision makers and their families
- to key workers
- to local key professionals and managers who might otherwise migrate from the city.

It is usually the first and third of these categories who appear to be most «arts and culture» sensitive in their location decisions.

However, there is much less evidence on the added value from public art as a specific factor in industrial investment. Once again, we run up against the «threshold» effect: each item of public art may make an impact too small to be discerned by an individual decision maker who is considering in which city to relocate. And public art as a whole in the city may be only be a relatively small part of the overall cultural assets of the city which impact upon decision makers.

Perhaps the most practical way of gauging business valuations of public art is the level of sponsorship which they are willing to make (which is, of course, 100% in the case of those businesses which erect their own public art exhibits). This valuation only covers how existing businesses in a city feel about a particular piece of public art - but their valuations may be expected to have quite a close correlation to those of potential inward investors, unless there are very special circumstances attaching to a particular site, artist or theme which an external firm would not appreciate. Of course, if it transpires that most public art is regarded by business as very appropriate for funding (or part-funding along with public money), it reinforces the neo-Marxist argument that the oppositional potential of urban cultural policy is being neutered and counter-cultures are successfully being incorporated into the dominant culture (Bassett, 1993). On the other hand, if it transpires that business is highly reluctant to be involved in sponsorship of public art in general, then it is unlikely to be a credible argument that public monies should go towards public art in order to influence future industrial location.

This does not mean, however, that individual public art commissions should always be expected to command some contribu-



tion from private sponsorship - indeed, it is those very pieces which challenge dominant images, ideologies and interests which are most likely to need full funding from the public sector and public or political fundraising. In other words, that section of public art which is not explicitly anti-capitalist may bring significant benefits to users of the city, which business may be happy to fund in part, in return for expropriating some of the benefits, and which inward investors interpret in a favourable light. Public art which fundamentally seeks to challenge the capitalist system should not seek capitalist funding and would not seek to justify itself by reference to its favourable effect on inward investment.

Is it possible to gauge if the city has a competitive advantage relative to other cities in respect of the public art benefits which it gleans? One way of judging this would be to conduct a selective trawl of the literature produced for publicity purposes by the firms in a city. How many images of public art in the city are to be seen in the company's annual report, its advertisements, its communications to shareholders or to the general public? Clearly such research can only be qualitative, since it will be impossible to add up the various pieces of evidence. However, a relatively clear picture may be expected to emerge in some cases, particularly where the public art has caught the corporate imagination - and these are the cases upon which such research would probably wish to focus.

Finally, we must ask which residents gain most from the economic benefits resulting from the inward investment stimulated by the public art contributions? This is perhaps the most contentious of all areas. On the face of it, the firms which are likely to be most influenced by the «soft» location factors such as quality of urban life, and in particular quality of arts and aesthetic quality of the environment, are the firms most likely to provide employment benefits to the urban elite rather than a wider urban workforce - they are likely to be employers of high-status, high-income professionals and managers, and to have relatively low demands for locally-provided inputs of raw materials, components, equipment, or clerical or manual staff.

However, such firms may be in precisely those sectors targeted by the city's economic development strategy. Here we are caught on

the horns of the oldx dilemma - «modern» industry is unlikely in the short-term to be well-integrated into the rest of the urban economy or to employ the workers for whom the city authority is most keen to find employment; but it may offer the best long-term hope for economic transformation. The strength of the «trickle-down» effects from the elite to other groups is debatable but is unlikely to be very strong, at least in the early years (Loftman, 1991)

the multiplier effects of the arts and media sector

The benefits of public art, as discussed above, must be seen in the context of the wider and longer term consequences which they have for the city. At this stage, it is possible to be either pessimistic or optimistic. On the one hand, there are indications that the investment multiplier effects of benefits induced by public art initiatives may be lower than for other types of regeneration benefits since linkages with the local economy are likely to be small, in terms of the production of the public art, the kinds of firms attracted and the consumption patterns of the key staff attracted.

However, public art is likely in some circumstances to trigger an «accelerator» effect in dynamic terms, since an injection of public art expenditure may have significant symbolic effects for a city which has acquired a bad image in the eyes of investors.

Indeed, it could even be argued that in the field of city image creation, arts-based strategies are especially likely to generate benefits which are non-linear in their inception and growth, so that they might be best modelled as chaotic or complex adaptive systems (Bovaird and Sharifi, 1995). A major part of the non-linearity may be a substantial «threshold» of credibility, over which it is necessary to climb in order that the negative reinforcement of a low-quality city image can be transformed into the positive reinforcement of a city seeking to change its past and succeeding in attracting top-quality facilities as part of that process. Climbing over such thresholds requires bravery and steadfastness. One corollary of this argument is that, even when the expected value of public art initiatives is excep-



tionally high, the probability distribution of possible pay-offs is likely to be highly unattractive to a risk-averse city government - but highly attractive to a city government which is committed to breaking through its constraints and reaching the high pay-offs.

conclusions

Public art has provided a dramatic symbol for the regeneration initiatives of several US and European cities. However, it is not easy to analyse the role and success of public art in these initiatives. This paper has attempted to provide a framework for such an analysis.

The paper has proposed a hierarchy of objectives for art in urban regeneration, which includes, in a structured way, the six broad areas of «cultural value» which Lewis (1990) proposed to address the shortcomings of the free market - the value of diversity, the value of innovation, the value of art in the environment, the value of social pleasure, the value of creative expression and the economic value of art. This hierarchy of objectives demonstrated ways in which more detailed analysis of the specific effects of public art might be carried out.

This framework was used to explore the variety of benefits which public art might bring to «consumers» of the city - residents, workers and visitors. It highlighted the potential for conflict between stakeholders in such analysis. It also suggested that these stakeholders themselves might have an increased role in the commissioning of public art, in order to democratise the process, and in line with the precepts of quality management.

In spite of the major emphasis in many cities upon public art as a mechanism for inducing inward investment, there remain major difficulties in assessing the contribution of public art to such initiatives. Yet the potential value of public art in the eyes of corporate decision makers can be easily seen from the major commissions which are frequently funded and the private sector sponsorships which are achieved for city government- provided public art. The key lesson is that the key influence on inward investment seems to be the overall impact of cultural assets and facilities, rather than any





single component of the cultural heritage. This implies the need to plan, deliver and promote an overall package of cultural benefits and images; it is within the context of such a package that public art can most convincingly play a role.

Finally, public art is not for everyone. It brings benefits to particular groups and individuals. The attempt to make it seem a consensus policy is doomed to failure. Public art, more than any other form of fine art, is likely to excite public controversy and debate. This is the dimension of public art which should be exploited more thoroughly. Public art should not be for «the public» but for specific groups which wish to make a statement and to claim a public place for their taste and their stories.

The empowering of stakeholders is a political process; public art is a visible outcome of the political struggle between stakeholders and should be expected to arouse strong reactions.

The welfare economics celebration of willingness-to-pay has a lot in common with the postmodern emphasis on spectacle and engagement - the final assessment of public art must be in terms of how much people care about it. Ironically, the managerialist approach of quality management may offer some major advances in designing and implementing public art initiatives in such a way that they empower specific stakeholders, particularly those who are most often excluded from the decision-making process - both by giving them a greater voice in the assessment of 'finished' public art commissions but, more importantly, by giving them a role in the design and implementation process itself. This potential widening-out of the stakeholders involved in public art has not been sufficiently attempted in empirical terms; this paper has attempted to make a start by constructing a framework which allows these questions to be explored in greater detail.



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