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**Keywords:**

Museums, urban regeneration, economic reactivators, effective regeneration

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***Museums for Urban Regeneration? Exploring Conditions for their Effectiveness.***

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**Keywords:** Museums for urban regeneration. Museums as economic re-activators. Conditions for effective regeneration through museums.

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## ***Museums for Urban Regeneration? Exploring Conditions for their Effectiveness.***

### **Introduction**

Museums and other cultural amenities have been a classic element of urban renewal projects and other strategies to overcome the effects of industrial decline and economic restructuring in cities and city regions for many years. However, in recent years things have changed. More and more cultural attractions, especially museums, are now the central part of urban development strategies for inner-city and other central development projects, pursuing an important economic aim and representing the overall project as a flagship or icon. The corresponding area or economy to be revitalised is not any longer the deprived neighbourhood, but is now a city centre, a city-region or even a whole country. Expectations of these projects are high and success value is now the unique character of these Museums (or their buildings), measured by their branding power and, therefore, their overall capacity to attract people and investments in a worldwide competitive arena. Universally famous examples are the Tate Liverpool (UK), the Tate Modern London (UK), the Guggenheim Museum Bilbao (Basque Country, Spain), or the new forthcoming Louvre-Lens (France), the Pompidou-Metz (France), the Guggenheim-Hermitage in Vilnius (Lithuania) and the Guggenheim Abu Dhabi (United Arab Emirates), whose principal aims are the marketing of a city or a region and, through this, the re-activation (and/or the diversification) of the economy of their territories, besides their obvious cultural aim.

In this context, the Guggenheim Museum Bilbao (GMB) has been celebrated as a specific success with regard to the attraction of visitors and tourists, the creation of a new image and a structural change in the region. The analysis of the direct and indirect impact of the GMB ten years after its opening in 1997, shows that the museum is an effective re-activator of urban and economic revitalisation (Plaza 2000, 2006, 2007, 2008; Haarich 2006). However, it must be recognised that such a result should not be taken for granted. It requires a series of conditions to be fulfilled, like the ones identified by Ellis (2007). After analysing the case of the GMB, we identified three sets of conditions that should be fulfilled to effectively use a museum as an engine for economic revitalisation or growth.

### **Museums as instruments in Urban Regeneration**

In the 1980s and 1990s, many urban and economic regeneration strategies were developed to start the rough restructuring process of old-industrial areas. In order to improve the quality of life in cities which suffered industrial decline, economic crisis and social segregation, culture was one of the pillars of many urban renewal projects, besides economic promotion and job creation, environmental improvements and brownfield conversion. Sometimes, converting old-industrial areas and buildings into cultural facilities and museums, at times related to the former industrial activity and at other times not, was also a way to find a rational use for the old structures and to save the last remnants of the industrial past from demolition. Two well-known

examples in Europe are Glasgow, where the European Capital of Culture programme started, a city which can also be seen as the symbol of a successful beginning of restructuring, and the IBA Emscherpark in the German Ruhr area around Duisburg, Essen and Dortmund, where many old industrial buildings and constructions were converted into museums, leisure spaces, concert halls, clubs and theatres - a long process that received its final recognition with the city's selection as European Capital of Culture for 2010. The expected impact of cultural facilities in revitalisation strategies normally surpasses the mere cultural or educational effects. Whereas some projects point towards the generation of direct additional economic effects through the attraction of tourists and tourist expenditure, others rely on more indirect and softer effects such as changing the city's image, encouraging social integration, creating a secure environment, retaining inner-city retail trade, encouraging new local investments, developing local identity and a sense of belonging, etc. (e.g. Cwi 1980). In recent years, with less need to convert large-scale old industrial areas, cultural amenities also have become the icing on the cake in urban development projects of inner-city areas and city centres and of local place marketing and branding strategies, trying to attract tourists, residents and investments in a ever-more global competition between cities and regions.

However, many cultural facilities and especially museums, which were used as instruments in urban regeneration, were not as successful as expected. The cities of Sheffield (UK), Newcastle upon Tyne (UK), Milwaukee (USA), Leon (Spain), Herford (Germany) are only a few examples of urban regeneration projects which lacked impact or inefficient operations leading to failure and crisis. Taking a closer look at these not so successful examples and conversely, at the successful example of the Guggenheim, one can observe that there are some necessary conditions which must be fulfilled to turn a cultural facility, especially a museum into an economic activator.

### **Museums as economic re-activators – Conditions to be fulfilled**

The conditions which are necessary for a museum to have a successful impact on a local or regional economy can be divided in three categories: 1) Basic locational and economic conditions. 2) Conditions related to the Public Policy framework of action. 3) Conditions related to the Museum Project and its management.

### **Basic Locational and Economic Conditions**

#### **Condition 1: Location and accessibility**

The first basic requirement for the establishment of a cultural facility which should attract people, firms and investments, is its location in an urban or regional environment. Two aspects are of particular importance: urbanity and accessibility.

Urbanity is both the pre-condition and the outcome of an attractive museum. As has been indicated by Perloff (1979): *'The arts serve to enhance one of the built-in advantages of the city, that of urbanity. The arts serve to increase the element of excitement and variety which is the key to urbanity.'* Urbanity

means in this context, a certain degree of centrality (city centre or new development pole) with a wide range of space usages and urban functions in close proximity, a dynamic and secure use of public space (if possible, 24 hours 7 days a week), a good accessibility for pedestrians and public transport that does not interfere with other usages. If urbanity of a new developed area is to be achieved with the support of a museum, adequate and coherent planning of the surrounding space and functions is required (see Condition 3). Facilities which lack this centrality and do not have the capacity to create new centrality by themselves suffer from a lack of visitors, leading most probably to poor business figures and eventually to failure, as happened in the case of the Imperial War Museum North in Salford-Manchester (UK).

Accessibility as a pre-condition is needed not only for the Museum and the area itself, but also for the city-region in a wider international context. The chances are higher for success if a critical mass of potential visitors can access the Museum within 1-3 hours by car, which favours locations in Western and Central Europe. However, travel costs and travel times have fallen considerably during the last 10 years due to low-cost carriers, reduced prices, the increased use of secondary airports and more competition for European and worldwide trips. This now makes it easier for even peripheral and middle-sized cities such as Bilbao to become attractive to a wider group of people. Nevertheless, a certain level of accessibility to potential markets should be given. In relatively small towns such as Leon (Spain) and Herford (Germany), Museum projects based on modern architecture were supposed to increase the attraction of visitors with high purchasing power, but failed in this sense due to their reduced accessibility and their limited number of additional attractions beside the Museums.

In the case of the Guggenheim Museum Bilbao, both conditions are fulfilled. As can be observed in Fig. 1, the Museum is located in the city centre, a 10-15 minute walk from the Old Town and from the new commercial Centre of Indautxu. Its location within the regenerated waterfront area of Abandoibarra guarantees a high-quality surrounding with green areas, other Museums, Universities, leisure and commercial centres, hotels and a pedestrian walk close to the river. This diversified newly developed area increases the centrality of the Guggenheim Museum and attracts ever more social and cultural activities (open-air cinema, public relations events, concerts, children's playground, local fiestas) in a positive feedback process. In order to assure local accessibility, a new tram provides connection of the Museum area to other parts of the city and to other public transport nodes.

**Figure 1: The GMB and the regenerated area Abandoibarra in Bilbao**

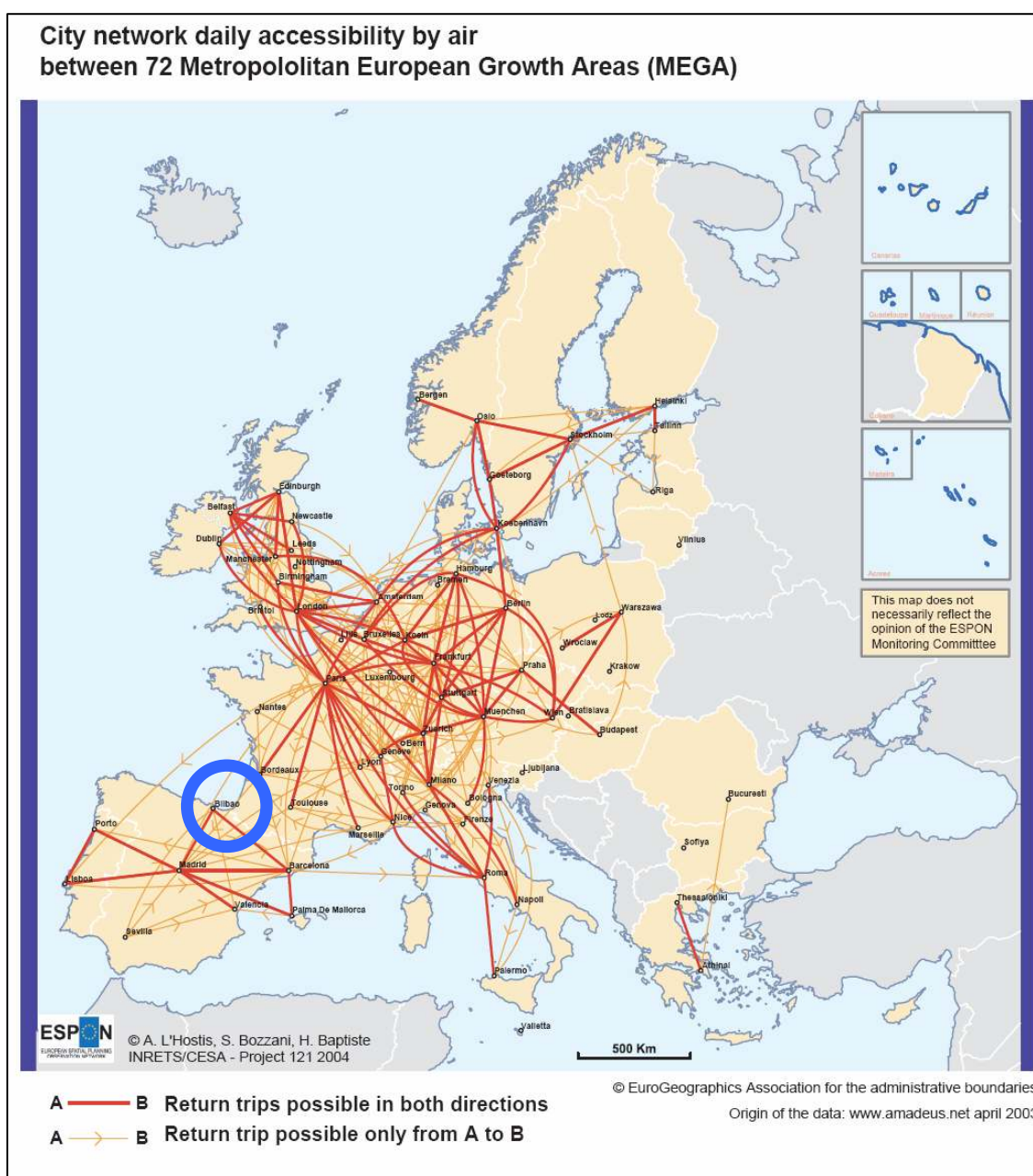


**Source:** Lenfers 1999

Furthermore, Bilbao's national and international accessibility has improved remarkably in the last 12 years with the construction of a new airport and the attraction of some low cost carriers, which have reduced transport costs from other European countries (UK, Germany, Italy, Sweden) considerably. As is shown in Fig. 2, Bilbao is presently part of the principal European cities network with daily accessibility by air from cities such as Brussels, London, Paris, Frankfurt, Munich, Milan, Lisbon, with return trip connections unaffected between other Spanish nodes like Madrid and Barcelona.

With regard to other current Museum projects, we could raise the question as to whether the forthcoming Guggenheim Museums in Abu Dhabi (United Arab Emirates) and Vilnius (Lithuania) will enjoy an analogue accessibility, considering the fact that they are located in sparsely populated or more peripheral areas and, in the case of Abu Dhabi, almost totally dependent on international tourists. For the forthcoming Guggenheim-Hermitage Museum in Vilnius (Lithuania), which has the potential markets of the Baltic Sea Basin countries to support it, this might be an easier challenge.

**Figure 2: Daily accessibility by air between Bilbao and Europe**



Source: ESPON 2004

## Condition 2. Coherence of cultural investments in a favourable economic framework

Moreover, a stable economic framework influences not only industrial or service sectors but also the successful outcome of cultural projects and facilities. The strategy to invest in a heritage site or a cultural facility in order to induce structural change and economic growth needs sound economic framework conditions to become effective. Here, two areas of influence are



important. Firstly, the overall coherence of the cultural investment strategy with the regional economic situation and secondly, the attainment of favourable economic framework conditions which should accompany the cultural investments.

With regard to the first point, to be receptive to an investment strategy in cultural projects and facilities, a local or regional economy must be at the turning point after an economic crisis or already in a good economic situation. That means public and private investments can be made in various sectors and that the basic infrastructure and service needs of the population can be attended to. Otherwise, public investments in culture could be seen as merely an extra cost and not essential to 'real' local needs. Cultural projects may receive incessant disapproval and public protests that would undermine the success from the beginning. As an example we can take a brief look at the case of Newcastle upon Tyne. Cultural projects in the old-industrial North-East of England, especially in Newcastle, suffered from this (perceived) lack of balance between 'real' economic investment and 'soft' cultural investment, and were not able to achieve the necessary local support (see also condition 5) and the expected impact in economic terms.

With regard to the second aspect which influences the economic success of cultural investments, four structural macroeconomic conditions need to be attained, as described in more detail in Plaza 2008: Firstly, cultural investments create effective employment only to the extent that they become effective tourism magnets, i.e. other public and private investments are necessary to offer adequate tourism infrastructures, services, products and quality. Secondly, the greater the diversification of the city's economy, the greater is the absorption of price tensions and the lesser is the dependence on the fluctuating tourism market. Thirdly, an adequate integration of the redevelopment zone's markets and the attraction of different, complementary market and tourist segments help to overcome seasonality and to adjust to price tensions. Due to the significance of the non-heritage sector, there will be adequate resources in terms of labour, goods and services for productive purposes. Fourthly, a high productivity of a city's economy helps to adjust to possible structural changes and to adapt to market pressure in new and emergent service sectors, such as cultural industries or tourism.

In the case of Bilbao, both aspects of these conditions were fulfilled. In 1997, with the opening of the Guggenheim Museum, the region was just at the turning point after a severe economic crisis. Many investments in transport and environmental infrastructure, in employment and training as well as in urban physical regeneration accompanied the significant public investment in the Museum. Moreover, overall economic conditions of productivity, diversification and economic stability were favourable in the case of Bilbao during the late 1990s and the early years of the 21<sup>st</sup> century. The rise in the tourism sector that went along with the boom of the Museum was benefiting from a sufficient basic tourist infrastructure (excellent restaurants, business class accommodation) and enough free capacities (infrastructure and human) to absorb the massive investment in new tourist facilities (tourist and luxury class accommodation, tourism services).



## Public Policy Framework of action

### Condition 3: Diversified public policy

A museum as one single measure rarely might become an economic re-activator. Rather, it needs to be accompanied by other public sector policies and investments which support the economic development according to the needs of the particular city region and its economic structure. If a new museum is supposed to change the image of a former industrial or rural region, the adaptation of (public) transport, urban and environmental infrastructures and services to high-quality standards is of vital importance. Equally, public policies may become relevant in fields such as housing, education, training, job creation and fostering entrepreneurial initiatives. But also, additional and accompanying funding of other cultural facilities and policies should not be forgotten, in order to avoid the creation of a cultural desert with only one oasis.

This condition is somehow related to the first line of reasoning in condition 2, the coherence of cultural investments within a wider regional economic context. However, it embraces much more than the coherence aspect. It asks for a strategic and diversified public investment for urban, economic and social regeneration, with the need to attend to the diverse needs of the local population. As stated by Plaza (2008), urban regeneration problems in Bilbao were tackled through implementing a larger coherent public policy targeted at productivity and diversity, with – among others – a strong cultural component. Regional public authorities developed policies aimed at creating competitive environments with a very strong innovation, technology and entrepreneurship constituent. Economic and strategic redevelopment was combined with the strategic regeneration and conversion of old-industrial areas and urban brownfields. The city region was equipped with a new public transport system, new drainage and water/air clean-up systems, a new inner-city waterfront and a larger airport. Residential, leisure and business complexes were built in town, while a new seaport as well as industrial, entrepreneurial and technology parks were built away from the urban centre. The city centre regeneration of a 35 ha brownfield included not only the construction of the Guggenheim Museum Bilbao, but also a Music Hall, a Maritime Museum, offices and housing, commercial, leisure areas and green public space (Haarich 2006). Other cultural facilities, e.g. an incubator for young artists called *Bilboarte*<sup>1</sup>, were also created to promote art and cultural tourism as a means of diversifying the economy and attracting people.

Contrary to what detractors feared, the GMB's success has stimulated a greater proactive policy towards culture and the art market resulting in the redirecting of financial resources towards the overall art arena. Though

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<sup>1</sup> Supported by Bilbao City Council, *Bilboarte* opened its doors in 1998, some months after the opening of the Guggenheim Museum Bilbao (October 1997), as part of a EU URBAN project to revitalize a deprived area in the old part of Bilbao called *Bilbao La Vieja*. The main objective of *Bilboarte* is to help novel artists by providing fully subsidized studios, grants for materials, space for exhibitions, library access, leaflet and book publishing, and contacts along art market distribution channels, and more importantly connects the artists with the main art fairs held in Spain and the rest of Europe.

considerable public resources went into the GMB, many other cultural infrastructures and initiatives receive growing public support in the Basque Country. So the suspected trade-off between the GMB and alternative uses of public funds for arts and culture could not be observed (as feared by Zallo 1995), at least in the post-construction phase of the museum and up to the present day.

#### **Condition 4: Continuous public funding of a Museum as an investment in urban and regional development**

As the traditional educative and leisure objectives of a museum change towards more economic aims, the character of public funding of museums has to be modified, too. Public payments might no longer be seen as a (lost) subsidy, but as an investment in regional development which will have an impact on jobs, direct income, and which will also have an effect on marketing. The Guggenheim Museum in Bilbao is a case in point when it comes to demonstrating the positive effects of public investment in culture. Plaza (2006) showed that, while the Guggenheim Museum Bilbao was a costly venture, its return on initial investment (not including the value of the permanent art collection) was completed as early as seven years after opening. The Basque Institutions will recover their full initial and continuing investments, approximately €272 million, which includes the amount spent on purchasing the museum's permanent collection, in 2010 – or at the latest in 2014 (depending on overall financial variables). Although, these are quite unique figures in the world of cultural expenditure, they show the overall changing character of public cultural funding from subsidies to investment.

However, public funding, which is only provided for the construction and start-up of a venture, is insufficient to ensure the financial sustainability of a museum. In fact, in order to guarantee the effectiveness of a museum as an economic re-activator, a sustained and continuous financial injection from the public sector is required throughout the life of the museum. A comprehensive Business Plan with annual investment and repayment schedules should be agreed upon from the beginning. Museums which are part of an urban regeneration strategy might generate positive multiplying effects on tourism, attraction of firms and investments, etc. throughout the city economy throughout the museum's life. However, a museum does not capture all the cash-flows it generates, a fact that destabilizes its financial accounts. For this reason, public support is requested throughout the life of the museum, regardless of political constellations and preferences. This obviously requires an institutional agreement before hand to ensure public administration engagement in the long run.

In the case of the GMB, regional authorities provided and still provide ongoing support for the annual operating expenditure and for the acquisitions of the permanent collection as well. According to its initial financial plan, the museum itself generates almost 75% of its income through its economic activity, whilst local and regional public institutions finance the remaining 25%. To have this 25% guaranteed by the public sector helps the Museum to focus on its core activities without the need to care about short-term funding in (possible) periods of crisis.

### **Condition 5: Engaging the local community**

The engagement of the local community and the integration of local identity are essential for the success of a museum as part of an urban revitalisation strategy; to create ownership among local residents and communities increases the social and institutional sustainability of a project and will help to support possible set-backs and crisis. Furthermore, the integration of authentic regional identity features into the project helps to increase the distinctiveness and uniqueness of a project in a world with more and more franchise museums. A lack of consideration of local and regional identity as a means to become distinctive might have been the cause of failure of many museum projects such as the Museum of Contemporary Art KIASMA (Helsinki) or the Milwaukee Art Museum (USA). On the other hand, there lies a certain danger in overemphasising distinctive local features to the point of the creation of a Disney-like artificial world. Projects of this kind would lose their credibility and fail. An example of this development could be the National Centre for Popular Music in Sheffield. In fact, the engagement of the local community and the authentic consideration of regional identity might be the most difficult aspects to influence and to achieve in a museum project.

In the case of the GMB, we analysed three possible aspects to demonstrate its relation to the local community. One indicator for the level of engagement with a museum may be its number of Friends. In the case of the GMB, the amount of Friends of the Museum – individual and institutional – reaches almost 15,800 members (with membership renewal rates running at 94.90%), the third largest anywhere in Europe after museums of longstanding tradition such as the Louvre Museum and the Tate Gallery (Guggenheim Museum Bilbao 2007).

Another indicator for measuring local involvement may be local private sponsorship. In the case of the Guggenheim Museum Bilbao, 150 corporate sponsors contribute to the GMB's self-finance ratio – which is 70% on average. With regard to private sponsorship, the GMB's popularity and economic success have stimulated a level of private arts patronage at other institutions in the region quite unusual for Spain (Bradley 2005). At present, the Bilbao Fine Arts Museum's level of self-financing is 40%, whereas this kind of sponsorship was almost inexistent before the opening of the Guggenheim. This shows that the GMB is changing local habits in connection with both public and private art patronage.

The integration of regional identity in the form of Basque and Spanish Art into the collection of the GMB was not a priority from the beginning. However, the GMB's purchases of national and regional art have grown steadily over the last few years. Today already 27.5% of the permanent collection has been created by Basque Artists, and another 13.7% are made by other Spanish Artists (GMB 2007).

## **The Museum Project and its Management**

### **Condition 6: Visibility effect through an iconic building.**

Museums become effective economic engines only to the extent they become tourism magnets. And museums become tourism magnets only when they become highly visible at an international level. At present, one favourite way to achieve global visibility is through an iconic building. However, the use of signature architecture is always a controversial point in urban planning and development. Many argue that signature architecture —notably by people like Frank Gehry, Norman Foster, Renzo Piano, Rem Koolhaas, Daniel Libeskind and Zaha Hadid— guarantee urban development in itself. Opponents to this trend point out that the gains are not automatic, and the costs — which, apart from the direct monetary cost, might include changing the character of a cityscape — outweigh the benefits (Plaza 2006).

This attribute of museums has not been lost on planners, and city officials elsewhere are seeking to hire world-class architects like Gehry and Libeskind to brand their museum renovation schemes. However, being a 'celebrity' is not a sufficient condition to ensure the uniqueness of an architect's design, since even notable artists produce inconsistent pieces of art. Creativity is a highly elusive reality, for architects, too. As a consequence, we emphasise that strategies based solely on 'uniqueness' of design are risky in terms of fulfilling projected public goals.

Fortunately for the city of Bilbao, Frank Gehry's design has turned out to be one of the masterpieces of twentieth century architecture, although ironically it is now the symbol of the architecture of the twenty-first century. However, it must be remembered that this effect could also have been insufficient, if other conditions had not been attained.

### **Condition 7: Branding power of a Museum or Art Foundation**

In order to become an attractive project and even the icon or flagship of a revitalised urban area or city, it is not enough these days to just have the building and its content. In times of the *experience economy*, event culture and omnipresent place marketing, the promotion of and the on-going communication about a new cultural facility should become a major element in its overall public and private management strategy (Frey, 1998; Hamnett & Shoval, 2003; Van Aalst & Boogaarts, 2003). And so, new public-private partnerships emerge. It is not for nothing that many public museum projects seek to engage a famous art brand, such as the Guggenheim Foundation, the St. Petersburg Hermitage or the Paris Louvre, while on the other hand these Museums or Foundations also look for new opportunities to extend their exhibition space and to raise the profitability of their collections.

Prestige art brands such as Guggenheim, Louvre, Hermitage or Tate are becoming vital for larger Museum projects for two reasons. First, they contribute with knowledge, professionalism and a huge fund of art pieces to any Museum project. Second, they help to promote the project from the beginning with their name or label. In the case of the Guggenheim Museum Bilbao, the Solomon Guggenheim Foundation New York brand denoted

prestige and helped to promote the project and the city of Bilbao especially in the United States of America. The Solomon Guggenheim connection gave the Basque authorities also access to the prominent architect Frank Gehry, who might otherwise not have been available. On the other hand, the Guggenheim New York downtown branch in SoHo, failed to attract the expected attendance and had to rent out part of its ground floor for commercial purposes (Plaza 2000). Consequently, although helpful, the label Guggenheim may be insufficient, if other necessary conditions are not fulfilled. The paradox effect which may become visible in the future could be that, the more branches of Museums or Art Foundations are created, the less will be the promotional and branding effect.

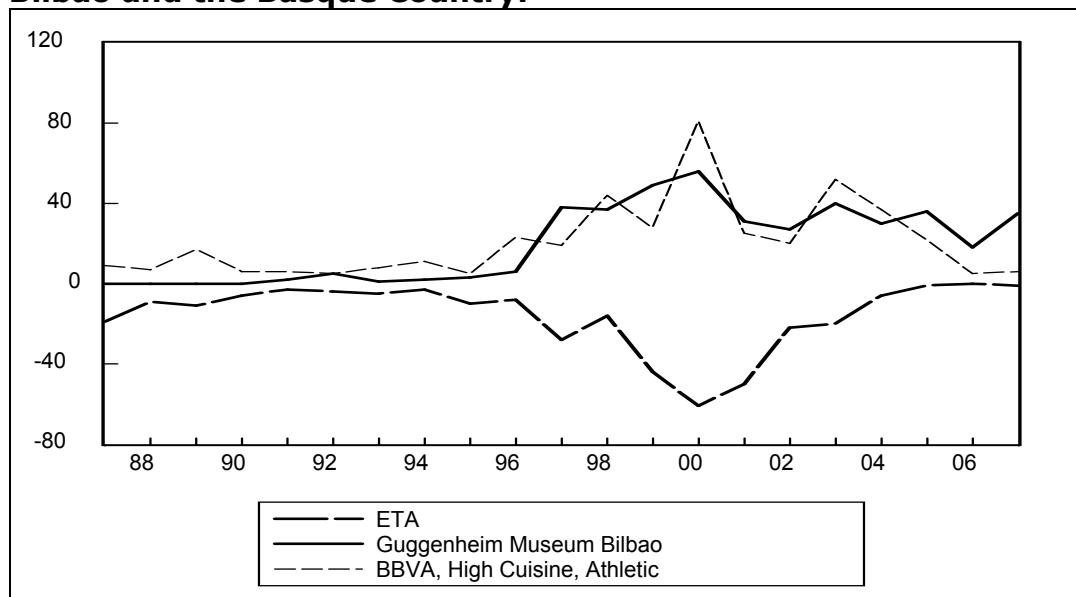
### **Condition 8: ICT, media going global and the “Bilbao Effect”**

Global visibility is a key condition for a museum to be an effective economic re-activator. In the last 10-15 years it had become much easier to achieve global visibility due to the new Information and Communication Technologies, namely the Internet, and the globalisation tendencies of the media. In the case of the GMB and Bilbao, a simple ‘Google’ search reveals the high presence of the GMB in the media and the Internet. The phrase ‘Guggenheim Museum Bilbao’ shows up 285,000 pages on the Internet and the term ‘Bilbao’ 45 million pages (as of 5th July 2008).

The overall image of Bilbao in the media and public opinion has been influenced deeply by the GMB. To demonstrate the correlation between the Museum and the city in the global media, we used the presence of Bilbao in the New York Times as a proxy of the presence of Bilbao in the international press. A counting of the news published by the New York Times is performed for the years 1987 to 2007 (ten years before and after the opening of the GMB). When the news is positive (e.g. GMB, BBVA bank, high cuisine, Athletic Bilbao etc) each item of news counts for +1. In contrast, each news item connected with E.T.A and terrorism counts for -1.

The analysis, shown in Figure 3, reveals that Bilbao (and the Basque Country in general) was almost ‘invisible’ for the New York Times up until 1997, whereas after 1997 Bilbao becomes visible for both good and bad news. In other words, the GMB has given the city a global visibility – at the same time and pace in which it became more attractive for international visitors.

**Figure 3: News articles in The New York Times in connection with Bilbao and the Basque Country.**



**Source:** Own elaboration. **Note:** Bad news score -1 each, whereas good news score +1 each. The Guggenheim Museum Bilbao opened its doors in October 1997.

For Museum managers and responsible public institutions this insight should be a motivation to use the Internet and the international media for promotion and information in order to attract even more people and visitors.

### **Condition 9: Attractive exhibition and event management**

The final condition which should be fulfilled in order to turn a Museum in an effective economic re-activator is quite obvious. The exhibition and event management of the Museum in question must be attractive enough to catch the attention of both foreign visitors and local residents, and to keep doing so even after the first rush of interest. The difficulty lies definitely not in generating the initial attraction, but in assuring a high interest and visitor flow over the years – in adequate relation to necessary investments.

In the case of the GMB, the celebration of special exhibitions is a good example, such as 'China 5000 Years', in which no less than 424,883 visitors attended from July to September 1998 (Plaza 2000). This score can be compared to the total of 1,307,187 tourists who visited the museum in that year (see Table 1). Exhibitions might also be a little provocative in order to raise the public interest even more. This would have been the case of the GMB exhibition 'Giorgio Armani' in 2001 or the 'The Art of Motorcycle' exhibition (1999/2000), when some critics asked if and how fashion and motorcycles are related to Contemporary Art. However, these exhibitions helped to attract people to the GMB that are normally not interested in modern art. However, what attracts especially foreign visitors and cultural tourists still might be a simple high-quality presentation of renowned classic and modern art.

**Table 1: Visitors to the Guggenheim Museum Bilbao 1997 – 2007**

<b>Years</b>	<b>Number of Visitors to the Guggenheim Museum Bilbao</b>
1997 Oct-Dec	259.234
1998	1.300.274
1999	1.065.459
2000	974.976
2001	930.000
2002	851.628
2003	874.807
2004	909.145
2005	965.082
2006	1.008.774
2007	1.002.963
<b>TOTAL</b>	<b>10.142.342</b>

Source: *Basque Government: Department of Industry, Commerce and Tourism.*

## Conclusions

The use of Museums as urban regeneration or economic (re-)activators has become popular with the so-called 'Bilbao Effect'. In contrast to traditional approaches where culture and museums were used in mixed strategies for small scale city centre or neighbourhood revitalisation, today's Museum projects point at a thorough change of local and regional economies and images in order to overcome structural problems and increased competition between cities and regions for people, jobs, firms and investments.

The case of the Guggenheim Museum Bilbao is a symbol for the modern use of Museums and their possible impact to change the fate of an entire city region. However, the reality is that the change was also due to a traditional strategy of urban revitalisation of a former industrial area in the heart of Bilbao. In addition, it was part of a wider strategy for structural change and economic reanimation of the province of Biscay and the Basque Country which included important investments in transport and environmental infrastructure, housing and entrepreneurial initiatives and industrial projects. Bilbao had and still has a strong industrial and entrepreneurial base which survived the steel and ship-building crisis in the 1980s. The city region benefited from favourable economic framework conditions and a general climate of change and economic upturn in the late 1990s. However, although all conditions for a favourable framework for the Guggenheim Museum to become an effective investment were fulfilled, it is out of the question to say that the impressive and iconic building by Frank Gehry was the key element that brought global fame and success to the GMB and to Bilbao.

To sum up, the GMB case is not an easily transferable experience. In general, the use of Museums in urban and economic revitalisation strategies has become more complex, as more and wider demands must be considered, such as elevated visitor expectations, the need for a higher self-financing rate, and



growing global competition. To invest in a Museum might be a good way to reactivate a city's economy. However, many conditions must be fulfilled or at least profoundly analysed in order to achieve the desired outcome. And even then, these afore-mentioned conditions will depend on external factors and on general trends so that some museum projects will be luckier than others.

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