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A summary of the European Capital of Culture programme

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This paper provides a brief summary of the European Capital of Culture programme. It discusses some of the conclusions made of the programme as a whole, highlights some brief examples to illustrate key successes and difficulties, and then focuses specifically on the example of Liverpool in 2008.

Key Points

- Analyses of the ECOC programme since its commencement in 1985 have highlighted a number of advantages and difficulties for host cities in staging a programme of events.
- Difficulties reported centre on the issue of governance, including the tendency for political interests to dominate the artistic programme, as well as political disagreements leading to changes of personnel and a lack of continuity.
- Other challenges include finding the right balance between existing cultural institutions within a city and alternative independent artists. Such problems can also lead to tension between perceptions of 'elite' art and local forms of cultural expression.
- Funding has always been a challenge for the ECOC programme, but arguably have been exacerbated by a growing desire to focus the ECOC programme towards urban regeneration.
- In terms of advantages, most ECOCs have recorded a measurable impact on visitor numbers and expenditure in host cities. The average increase in overnight stays per city when compared to the previous year was about 11% before 1995, rising to over 12% in the period 1995 to 2003.
- Many past ECOCs have referred to the enhancement of their city's image, with Glasgow, Lille and Liverpool often cited as particularly successful in this regard.
- Programme expenditure has varied markedly, with recent programmes costing between €7 and €325 per capita to fund. A number of ECOCs have endured particular financial difficulties, in part caused by the economic downturn.
- Analyses of the ECOC programme have highlighted title-holders which have performed well. For example, Bruges is regarded as having planned and managed its preparations very well, while Liverpool established a strong institutional legacy.
- Section two of the paper describes Liverpool's tenure as European Capital of Culture in 2008. A good financial revenue was gained for the city, but some argue that such returns have made little impact on the overall economy of a city which continues to suffer from socio-economic challenges.
- Such difficulties may in part have been affected by the economic downturn, though some have argued that the preparations and investment made for 2008 have helped the city to weather the recession better than it may otherwise have done.
- While research has found that Liverpool 2008 was broadly socially inclusive, criticisms have been voiced that events and investment were directed towards the centre of Liverpool, with little noticeable change in the rest of the city.
- The assumed link between the ECOC title and a rise in the creative industries has been questioned.

Executive Summary

This paper provides a very brief summary of the European Capital of Culture (ECOC) programme. It first describes a number of analyses of the programme as a whole, before focusing on the example of Liverpool 2008.

Analyses of the ECOC programme since its commencement in 1985 have highlighted a number of advantages and difficulties for host cities in staging a programme of events.

There are certainly difficulties and challenges for host cities. Some of these issues centre around the issue of governance, and include problems such as the tendency for political interests to dominate the artistic programme, as well as political disagreements leading to changes of personnel and a lack of continuity. Some of the challenges relate more specifically to the content of the cultural programme, such as finding the right balance between existing cultural institutions within a city and alternative independent artists. Such problems can also lead to tension between perceptions of 'elite' art and indigenous, local forms of cultural expression.

Funding has always been a challenge for the ECOC programme, but has been especially acute during the economic downturn with inevitable pressures on public funds. Arguably, such pressures have been exacerbated by a growing desire to focus the ECOC programme towards urban regeneration. A lack of sustainability of projects beyond the cultural year itself is also cited as a common problem.

The advantages of being a European Capital of Culture have tended to vary depending on the overall success of the event, but also on the varying intentions and expectations held by each different city in turn. In general, past ECOC organisers have commented on the 'special atmosphere' in the city generated by the cultural programme. Most ECOCs have recorded a measurable impact on visitor numbers and expenditure in host cities. Though there are considerable variations, the average increase in overnight stays per city when compared to the previous year was about 11% before 1995, rising to over 12% in the period 1995 to 2003.

Many past ECOCs have referred to the enhancement of their city's image, with Glasgow, Lille and Liverpool often cited as particularly successful in this regard.

Throughout the 28 year history of the ECOC programme so far, there have been considerable variations of focus, delivery and perceived success. This paper highlights some very brief examples of this variation. Programme expenditure has varied markedly, with recent programmes costing between €7 and €325 per capita to fund. A number of ECOCs have endured particular financial difficulties, in part caused by the economic downturn, but perhaps also due to high expectations of the ECOC programme.

Different approaches have been taken to this challenge. Turkey, for example, chose to introduce a specific tax to pay for their hosting of the title in 2010. Some cities have sought to minimize their costs and maximize their impact by combining multiple events.

Valetta is highlighted as having adopted an innovative approach to funding strategies, employing a crowdfunding platform so that ideas for events can be gathered from anyone who wishes to contribute, and also so that alternative funding can be gathered to pay for such ideas.

In addition to some of the economic performance of various ECOC cities, analyses of such cities has highlighted title-holders which have performed well. For example, Bruges is regarded as having planned and managed its preparations very well, while Liverpool established a strong institutional legacy. However, Graz is highlighted as an example with a shortlived legacy, in part due to the rapid dismantling of the delivery team after the event.

Section two of the paper describes Liverpool's tenure as European Capital of Culture in 2008. While interpretations of the success of 2008 are varied, it could be concluded that a good financial revenue was gained for both the city and for the north-west of England. Arts organisations have benefited from this revenue, but financial returns have made little impact on the overall economy of a city which continues to suffer from socio-economic challenges. Such difficulties may in part have been affected by the economic downturn, though some have argued that the preparations and investment made for 2008 have helped the city to weather the recession better than it may otherwise have done.

The *Impacts08* research project found that Liverpool 2008 was broadly socially inclusive, involving a high number and range of attendees from the city's own population. However, criticisms have been voiced that events and investment were directed towards the centre of Liverpool, with little noticeable change in the rest of the city.

The assumed link between the ECOC title and a rise in the creative industries has been questioned. While Liverpool's creative industries indeed multiplied during the run-up to 2008, this rise was broadly in keeping with overall levels of creative business expansion at UK level.

The ECOC title has been used by some cities to effect a change in wider perceptions of their image and 'brand'. Some commentators have described Glasgow and Lille as having brought about such a change effectively. The *Impacts08* project found that Liverpool too had successfully improved perceptions of the city, with more favourable and varied media reports and a greater level of awareness of the city's cultural offering throughout the UK.

In terms of the future of the ECOC programme, the European Commission has proposed a number of amendments for the period 2020–2033, including ensuring a balance between cultural objectives and regeneration priorities, and fostering greater artistic independence.

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1 European Capitals of Culture

There are various forms of international cultural festivals, sometimes collectively described as cultural 'mega-events'. These include international 'expos', Cultural Olympiads, and the European Capital (or City) of Culture (ECOC) programme. The ECOC title has become perhaps the best known form of cultural mega-event, with 46 cities having taking part since 1985, and also the most sought after¹. This paper provides a very brief summary of the ECOC programme. It first describes a number of analyses of the programme as a whole, before focusing on the example of Liverpool 2008 specifically.

1.1 Origin and brief description

A European Capital of Culture is a city designated by the European Union for a period of one calendar year during which it organises a series of cultural events with a European theme. The ECOC programme was conceived in 1985, with the first Capital being Athens in 1985. Since then, 46 cities have hosted the title, with Košice and Marseille the current recipients.

The programme is managed by the European Commission, with the Council of Ministers of the European Union formally designating European Capitals of Culture. The stated intention of the ECOC programme is 'to open up to the European public particular aspects of the culture of the city, region or country concerned, and to concentrate on the designated city a number of contributions from other Member States' (Resolution 85/C153/02).

The EU usually makes a financial contribution of €1.5 million to each Capital of Culture, to help fund events. The award, now called the Melina Mercouri Prize, is paid three months before the event to the body responsible for running the city's programme during the year. The award is the only EU funding linked directly to the ECOC prize, although other sources, such as Structural Funds, can also be applied for where appropriate. Other funding typically derives from public sources at state level, from the local city authority or council, and from private sources or commercial contributions.²

1.2 Gauging the success of the ECOC programme

Periodic assessments of the ECOC programme as a whole (as opposed to evaluations of specific, individual ECOC cities) have been carried out by Palmer/Rae Associates, the first of which was commissioned by the European Commission and published in 2004³.

¹ Palmer/Rae Associates, G. 2004. *European Cities and Capitals of Culture: Study Prepared for the European Commission*. Brussels: p22 http://ec.europa.eu/culture/pdf/doc654_en.pdf

² European Commission: Directorate General for Culture. 'European funding 'Melina Mercouri Prize': http://ec.europa.eu/culture/our-programmes-and-actions/doc441_en.htm Accessed 2.5.13.

³ Palmer/Rae Associates, G. 2004. *European Cities and Capitals of Culture: Study Prepared for the European Commission*. Brussels: http://ec.europa.eu/culture/pdf/doc654_en.pdf

The first point to note from such assessments is that both the experience of, and the motivations behind, the ECOC programme have varied from city to city:

Most cities had multiple objectives, most often referring to the need to raise the international profile of the city and its region, to run a programme of cultural activities and arts events, to attract visitors and to enhance pride and self-confidence⁴.

Indeed, it seems clear that there is wide variation too in the approaches taken by ECOC cities. For example, the evidence would suggest that there has certainly been a wide degree of variation in promotional expenditure, from just €1m to €14m, and at different proportions of overall operating expenditure.

All the cities studied had invested in infrastructure projects alongside their cultural programme, though to very different degrees. Variation in infrastructural investment was not necessarily related to the size of a city's population, but rather its ability to raise the required funds.

This set of studies concludes that there are a number of advantages for a city in hosting a European Capital of Culture:

Advantages

- 'Respondents often commented on the **special atmosphere** in the city generated by the cultural programme.⁵
- '...the ECOC seemed to have had a measurable impact on **visitor numbers and expenditure** in host cities. The average increase in overnight stays per city when compared to the previous year was about 11% before 1995, rising to over 12% in the period 1995 to 2003. There were considerable variations in overnight stays among ECOC, ranging from an increase of 23% in one city to an actual decline of 6.7% in another⁶. The European Commission has concluded that, on average, ECOCs generate an eight-fold leverage effect⁷.
- Many past ECOCs refer to the enhancement of their city's **image**, attracting visitors to the city, and also the potential for expanding the local audience for culture as key advantages in hosting a Capital of Culture.
- **Development opportunities** for artists in the lead-up to the ECOC year have been described as advantageous. Experience gained through exchanges, workshops, master classes and specific commissions can also be beneficial in the longer term.
- As the ECOC project has developed, the location of the cultural programme has in many cases spread beyond city boundaries to include the **region around the city**.

⁴ Palmer/Rae 2004 (as above): p14.

⁵ Palmer/Rae 2004 (as above): p16.

⁶ Palmer/Rae 2004 (as above): p19.

⁷ EU Observer. 24.1.12. 'Barroso launches Portuguese Capital of Culture against backdrop of budget cuts': <http://euobserver.com/creative/114986> Accessed 2.5.13.

One assessment concluded that ‘regional and cross-border programmes seem to be becoming a popular strategy of ECOC, especially for cities whose geographical position favours this’⁸.

It is difficult to be clear whether it was specifically ECOC status which boosted the performance of each city in every case, or whether it was merely a factor among others, cannot be conclusively ascertained.

However, some key challenges and difficulties with the task of hosting a Capital of Culture title have been highlighted.

Difficulties

- **Governance** was reported as a key issue for many cities, with great variation in the form of model adopted to form and run an ECOC project, but the governance form adopted being a key determinant of success.
- Common governance problems include the ‘**domination of political interests**’, relationship difficulties between Board members, and the absence of representation of cultural interests. ‘The ECOC cultural programme was not considered as a unifying force within the process of city development.’ Examples of cities where high-profile political difficulties have occurred include Tallinn⁹, Liverpool¹⁰, Thessaloniki¹¹, Glasgow¹², Cork¹³, and Porto¹⁴.
- The typical planning period for an ECOC varies between two and four years. However, in many cases planning time was lost due to changes in management and **political disagreements** with the Board.
- Many ECOCs commented on the **difficulty of finding the right balance** between existing cultural institutions within a city and alternative independent artists, and also between large-scale mega-events and local initiatives. Some reported that they had underestimated the complexity of the arts scene within their city and that the task of building effective working relationships was challenging.
- **Funding an ECOC programme** is noted as a particular challenge, with under-investment in the planning phases of the project and then an inability to finance projects quickly enough at a later stage noted as a key difficulty. While some EU funding was made available, EU finance only represented 1.53% of total income

⁸ Palmer/Rae 2004 (as above): p15.

⁹ Palmer/Rae Associates, G. 2012. *European Cultural Capital Report 4*. Arnhem: Association for Tourism and Leisure Education: pp55–56.

¹⁰ BBC News. 13.6.07. ‘Second culture city boss resigns’: <http://news.bbc.co.uk/1/hi/england/merseyside/6749217.stm>

¹¹ Deffner, A & Labriandis, L. 2005. ‘Planning culture and time in a mega-event: Thessaloniki as the European City of Culture 1997’, *International Planning Studies* 10: pp241–264.

¹² Mooney, G. 2004. ‘Cultural policy as urban transformation? Critical reflections on Glasgow, European City of Culture 1990’, *Local Economy* 19: pp 327–340.

¹³ O’Callaghan, C. & Linehan, D. 2007. ‘Identity, politics and conflict on dockland development in Cork, Ireland: European Capital of Culture 2005’, *Cities* 24: pp311–323.

¹⁴ Balsas, C. 2004. ‘City centre regeneration in the context of the 2001 European Capital of Culture in Porto, Portugal’, *Local Economy* 19: pp396–341.

generated, and all ECOCs cited inadequate sources of finance for European projects.

- A **lack of sustainability** of projects beyond the cultural year itself was cited as a common problem. While around half established funds or organisations to continue pursuing the aims of being a cultural city, it was noted that sustaining any advantages is difficult to do beyond the life of the ECOC year, and that partnerships with other ECOCs were also difficult to maintain in the longer term.
- **Ensuring the ECOC brand is recognised** and correctly understood was cited as a challenge, with an assessment concluding that ‘the programme of ECOC remains a significantly misunderstood concept’¹⁵.
- While the evidence would seem to suggest that ECOC locations increase the size of both the local and the tourist audience for their cultural offering, they predominantly attract ‘professional, middle class and highly educated’ attendees. It has been noted that ‘while this could be advantageous for cities trying to create a cultural image or attract large-spending cultural visitors, it had implications for issues relating to **social inclusion** in each city’¹⁶.

The first ECOC assessment, in 2004, noted a number of factors which may influence the success of a particular ECOC, including the extent of local involvement, the need for political independence of the ECOC governing body, and the value of strong content in the programme.

1.3 Variations from city to city

The most recent assessment of the ECOC programme by Palmer/Rae Associates highlights a number of variations of performance and design among the cities which have hosted, or which hope to host, the Capital of Culture title. The following observations largely derive from this assessment¹⁷.

Some of these variations derive from the fact that ‘ECOC means different things to different people’. Indeed, it is arguable that bids have successively and deliberately tried to position themselves as unique and different to both their forebears and their competitors, meaning that variation is now inherent in the programme.

For example, early examples from the 1980s (such as Athens in 1985, Florence in 1986, Amsterdam in 1987, Berlin in 1988 and Paris in 1989) focused on the pre-existing cultural offering of the city, while, arguably since Glasgow in 1990, bids for ECOC status have emphasised the promise of conversion through economic return and a perception shift. More recently, there has been an emphasis on the potential for peace and dialogue in the bids of Donostia-San Sebastian in Spain, and in the various Cypriot bids for 2017.

¹⁵ Palmer/Rae 2004 (as above): p23.

¹⁶ Palmer/Rae 2004 (as above): p19.

¹⁷ Palmer/Rae Associates, G. 2012. *European Cultural Capital Report 4*. Arnhem: Association for Tourism and Leisure Education.

There has also been variation in the methods of delivery employed by each city. For example, events which focus on a cultural elite have generally declined with a growing focus on local creativity, diversity, and the inclusion of a greater element of grassroots cultural expression. Essen is picked out as an example of such a local approach. It seems Tallinn was also able to galvanize strong grassroots support and was thus able to deliver its ECOC on a relatively low budget.

Programme expenditure has also varied markedly, although part of this variation must be attributed to periods of economic recession and growth.

City	Year	Population	€ Programme budget	€ Per capita expenditure
Linz	2009	189,284	61,500,000	324.91
Vilnius	2009	560,200	25,000,000	44.63
Pécs	2010	156,974	35,390,000	225.45
Ruhr	2010	11,316,429	81,000,000	7.16
Istanbul	2010	3,483,052	193,950,000	14.39
Turku	2011	178,784	50,000,000	279.66
Tallinn	2011	416,470	7,400,000	17.77
Guimaraes	2012	162,636	41,000,000	252.09
Maribor	2012	157,947	30,000,000	189.94
Marseille-Provence	2013	4,500,000	98,000,000	21.8

Table 1: ECOC programme expenditure per capita, 2009–2013

Some cities have sought to minimize their costs and maximize their impact by combining multiple events. The 2010 EuropaNostra congress was held in Istanbul in 2010, Les Rencontres hold regular events in European Capitals of Culture, and in 2014 Riga will host both ECOC and the World Choir Games.

Some cities, and perhaps especially those which have suffered from a poor international image due to a perception of economic disadvantage and social problems, have focused strongly on legacy planning. Lille is highlighted by the Palmer/Rae analysis as being of particular note in managing to create a more positive image on the back of the ECOC title.

A number of ECOCs have endured particular financial difficulties, in part caused by the economic downturn, but perhaps also due to high expectations of the ECOC programme. For example, Tallinn in 2011 had difficulties in raising income from the commercial sector, while Maribor in 2012 was unable to complete a number of capital projects. The ECOC Monitoring Committee has expressed concern about the relatively low budget (€24m) for Riga 2014¹⁸.

¹⁸ Report for the First Monitoring and Advisory Meeting for the European Capitals of Culture 2014. Issued by the Monitoring and Advisory Panel for the European Capital of Culture (ECOC) 2014 p12: <http://nia1.me/1gz>

Indeed, there are currently discussions regarding the future of ECOC funding given severe cuts in public funding. Different approaches have been taken to this challenge. Turkey, for example, has chosen to introduce a specific tax on petrol and natural gas, a proportion of which was used to pay for their hosting of the title in 2010.

Valetta is highlighted as having adopted an innovative approach to funding strategies. Linked to the city's ECOC website is a 'My Valletta' uses a crowdsourcing platform where anyone can submit their own story or idea. The initiative is seen as a method of engaging more of the population at an earlier stage than previous ECOC cities. A crowdfunding platform is being employed to source alternative funding for such local projects, so that patronage can play a role as well as the more traditional forms of public funding and commercial sponsorship. The 'Give2arts' platform is designed in a way which could be transferred to other European Capitals of Culture in due course.

In addition to some of the economic performance of various ECOC cities, the Palmer/Rae analysis also picks out a few examples of title-holders which have performed well in other areas of delivery. For example, Bruges (Brugge) 2002 is regarded as having planned and managed its preparations very well, with its physical infrastructure having opened on time, and having established a successful, sustainable delivery body for 2002. This delivery body now organized a significant cultural event in Bruges every five years.

As will be described further, Liverpool has also been concluded to have established a strong institutional legacy, with a number of umbrella groups being established which still bring national funding into the city after its year as ECOC has finished.

By contrast, Graz is highlighted as an example with a shortlived legacy, in part due to a change of government immediately after the ECOC year (2003), and the rapid dismantling of the project team.

2 Liverpool as European Capital of Culture in 2008

2.1 The 'official' view

Liverpool successfully won its bid for European Capital of Culture in 2003, and hosted the title in 2008. Both during and after the event, Liverpool has been praised by many commentators as a template of how to use ECOC as a focus of regeneration, and how to employ culture as a vehicle for the re-imaging of a city.

Liverpool 2008 was described by a previous Secretary of State for Culture, Media and Sport as having 'brilliantly demonstrated' how culture can 'transform cities and economies'¹⁹. Indeed, the perceived success of Liverpool as European Capital of

¹⁹ DCMS. 2009. 'Final fourteen' named in contest to become the UK's first city of culture: <http://nia1.me/1gh>; cited in Campbell, P. 2011. 'Creative industries in a European Capital of Culture', *International Journal of Cultural Policy* 17 (5): p518.

Culture led directly to the creation of the title of UK City of Culture, currently hosted by Derry-Londonderry²⁰.

The arms-length agency established by the local authority to deliver the ECOC programme, Liverpool Culture Company, described a resounding success in re-branding Liverpool as a 'global city of international significance'²¹, delivering clear economic benefits²².

The President of the European Commission, Jose Manuel Barroso, described Liverpool 2008 as an example which future cities should seek to emulate:

*It's turning out to be one of the most successful Capital of Culture programmes that we have ever had. We are now trying to create a network of European Capitals of Culture to build on Liverpool's experience*²³.

Indeed, some reports have described Liverpool's hosting of the title as a 'template', even describing it as the 'Liverpool model'²⁴.

2.2 The academic view

Liverpool City Council commissioned a research project – *Impact08* – from the University of Liverpool and Liverpool John Moores University²⁵. Between 2005 and 2010, this project evaluated the social, cultural, economic and environmental effects of Liverpool's hosting of the ECOC title. It used a broad range of qualitative and quantitative data, and a series of in-depth stakeholder interviews.

Impacts08 found that the ECOC programme was, for Liverpool, socio-economically inclusive, with one third of the audience local, its socio-economic profile largely matching that of the city as a whole, and 66% of Liverpool residents took part in at least one ECOC event. During the period 2006 to 2008, there was a 10% rise in arts audiences across Liverpool. There was a 50% rise in visitor figures to Merseyside's seven largest attractions since 2004, peaking at 5.5m in 2008.

The study found that Liverpool attracted 28m visitors to the city in 2008, of which 9.7m were additional, a 34% rise on the previous year. These visits generated an approximate economic impact of £754m across the region, in terms of additional direct

²⁰ Burnham, A, Secretary of State for Culture, Media and Sport. 2009. 'Five lessons from Liverpool's year as Capital of Culture': <http://nia1.me/1gg>

²¹ Liverpool Culture Company. 2009. *Liverpool Culture Company Final Report*: p3

²² Boland, P. 2010. 'Capital of Culture – you must be having a laugh!' Challenging the official rhetoric of Liverpool as the 2008 European cultural capital', *Social & Cultural Geography*, 11(7): p628.

²³ Jose Manuel Barroso, President of the European Commission, commenting in 2008; cited in Liverpool Culture Company. 2008. *Liverpool 2008 European Capital of Culture. The Impact of a Year Like No Other*.

²⁴ Liverpool Culture Company 2009 (as above); cited in Boland, P. 2010. 'Capital of Culture – you must be having a laugh!' Challenging the official rhetoric of Liverpool as the 2008 European cultural capital', *Social & Cultural Geography*, 11(7): p633.

²⁵ Garcia, B, Melville, R & Coz, T. 2011. *Creating an Impact: Liverpool's experience as European Capital of Culture. Impacts08: European Capital of Culture Research Programme*: http://www.liv.ac.uk/impacts08/Papers/Creating_an_Impact_-_web.pdf

visitor expenditure. The ECOC generated 1.14m additional visitor nights top Liverpool hotels. Indeed, more recent indications are that visits to the city's cultural institutions have been, at least partially, sustained²⁶.

Many claims have been made about the successful rebranding or reimagining of Liverpool as a global city, and the *Impacts08* project indeed found that positive perceptions of the city throughout the UK had risen, while negative views had dropped from 20% to 14%. This was in part due to more positive and varied media coverage.

An issue for which Liverpool has been particularly praised is the strong cultural network which was established, and to an extent continues, as a result of the ECOC year. Groups such as the Liverpool Arts Regeneration Consortium, the Small and Medium Arts Collective, and the Arts and Culture Network have subsequently helped the city to secure multimillion pound national grants. The *Impact08* analysis concluded that the success of partnership working in Liverpool has led to broader advantages too:

*Liverpool's approach to ECoC governance was the result of extensive partnership across public, private and third sectors. This has contributed to the repositioning of culture as more central to cross-sectoral agendas, and is reflected in a new city-wide cultural strategy for 2008 to 2013*²⁷.

2.3 Negative assessments

However, there have also been many negative assessments of Liverpool 2008. A number of these assessments comment that Capital of Culture events and infrastructural changes were focused too much on the city centre, with little, if any, perceived change or benefit in Liverpool's many outlying suburbs.

Criticism has also been made of the Liverpool One development, a £920m scheme to transform an area of the city centre close to the Albert Docks, the completion of which was designed to coincide with Liverpool 2008. Comment has been made that this development led to a loss of diversity and the creation of a homogenous built environment²⁸.

The perceived benefits of Liverpool 2008 to the overall economic performance of the city have also been questioned. While a recently published study of the cultural sector itself has shown that it performs well for the city, it has been argued that this has had little impact on overall levels of employment and deprivation. In 2009, Liverpool still had the lowest employment rate in the UK and the worst Index of Multiple Deprivation score²⁹. A Work Foundation study found that the number of benefit claimants between February 2008 and February 2009 rose by almost 5,000³⁰. Some of these factors are

²⁶ Liverpool Daily Post. 11.4.13. 'Arts funding special report: Visitors come to Liverpool for our culture': <http://nia1.me/1qw>

²⁷ Garcia et al 2011 (as above): 'Impacts08 headlines'.

²⁸ Boland 2010 (as above): pp633–636.

²⁹ Centre for Cities. 2009. *Cities Outlook 2009*: <http://www.centreforcities.org/> Cited in Boland 2010 (as above).

³⁰ BBC News. 14.4.09. 'Job loss cities revealed in study': <http://news.bbc.co.uk/1/hi/business/7996866.stm>

influenced by an ongoing economic downturn, but it is also the case that the degree of economic optimism around Capitals of Culture has been tempered by more recent studies.

The costs to the city council of hosting the programme have been criticised. While the *Impacts08* analysis found that Liverpool had generated the highest amount of sponsorship and earned income of any previous European Capital of Culture, with £22.3m of sponsorship £4.1m of earned income, it was reported in 2009 that Liverpool City Council was experiencing significant financial difficulties³¹. Total investment on the programme alone was £122.4m, of which £75.1m came from Liverpool City Council. Wider investment throughout the city has entailed around £4b of funding across more than 300 major developments in 2000, with £300m spent on cultural infrastructure alone.

The notion of a direct link between Capital of Culture status and increased stimulation of the creative industries has been seriously questioned³². For Liverpool, the *Impacts08* analysis found that there has been an 8% rise in the number of creative enterprises since 2004, but this is not dissimilar to the national picture.

Finally, there has been some criticism of the kinds of culture selected for inclusion in Liverpool 2008, with a perception that much of the grassroots diversity and traditional forms of culture present throughout within the city were ignored.

3 Future direction of the ECOC programme post-2019

The current mandate of the ECOC programme comes to an end in 2019. Proposals have been tabled for the continuation of the programme from 2020 to 2033, with a new legal basis. The European Commission has stated that it hopes to address a number of issues in bringing forward such a legal basis through a new roadmap for the title. This roadmap will address a number of issues, including³³:

- Ensuring the selection of the best possible capitals while respecting a fair territorial balance;
- Improving the stability of budgets between bidding and the final stages;
- Fostering greater artistic independence;
- Increasing the number of activities and events with a European theme;
- Facilitating international exchanges and networking;
- Ensuring a balance between cultural objectives and regeneration priorities;
- Improving the funding mechanism;

³¹ BBC News. 9.11.09. 'Council considers 1,000 job cuts': <http://news.bbc.co.uk/1/hi/england/merseyside/8357973.stm>

³² Campbell, P. 2011. 'Creative industries in a European Capital of Culture', *International Journal of Cultural Policy*, 17 (5) pp510–522.

³³ European Commission: Directorate General for Culture. 2011. 'Decision of the European Parliament and of the Council establishing a European Union action for the European Capitals of Culture (ECOC) event': <http://nia1.me/1gx>

- Fostering the legacy of the event;
- Improving evaluation of the impact of the title;
- Making the criteria more explicit in order to give more guidance to the candidate cities and more measurable in order to help the panel of experts in the selection and monitoring of cities;
- Reinforcing the conditionality of the prize money to ensure cities keep to their commitments.