Evaluating the economic impact of large cultural events: a case-study of Sibiu, European capital of culture 2007

Vasiliu, Florica; Dragoman, Dragoș

Veröffentlichungsversion / Published Version
Zeitschriftenartikel / journal article

Evaluating the Economic Impact of Large Cultural Events
A Case-study of Sibiu, European Capital of Culture 2007*

FLORICA VASILIU, DRAGOȘ DRAGOMAN

Cultural events generally not only have artistic outcomes, but also an important economic impact. Although cultural tourism is today an undeniable source of income, large cultural events might eventually boost local and regional development. This article is an attempt to analyze the impact of a major cultural event on the local development in Romania, namely the city of Sibiu, European Capital of Culture in 2007. The case-study of Sibiu unravels that cultural events finally help not only to promote local touristic destinations, but also to help lift local and regional economy. In fact, as a specific cultural event, the 2007 European Capital of Culture event managed to enhance the city's image. Symbolically, it helped the city to regain its European status by underlying local multiculturalism and stressing on the European historical heritage of the city in the precise year when Romania became full member of the European Union. Yet the 2007 European Capital of Culture event had an equally important effect. It largely helped to boost local economy, which was recovering after a decade of economic decline, and to turn the city into a major destination for foreign and national investments in Romania.

EUROPEAN CAPITALS OF CULTURE BRIEF OVERVIEW

The European Capital of Culture mega-event originated at a conference of the cultural ministers of the European Community (then) in Brussels in 1983. The events to which it was to give rise were motivated by a wish to give the European Community (later Union) an attractive image, at the same time as promoting a measure of integration[1]. At the beginning, the cities to be nominated were the capitals of the 12 member states. Later on, the procedure of eligibility was changed in order to balance between capital and provincial cities in Europe. All capitals of the EU member states, except Vienna, bared at least once this title of European Cultural City, but they were followed by more and more cities from non-member

* This article was written as part of the broader research "Cultural Policies and European Integration: The Impact of 'European Capitals of Culture' Program on the Local Development and the Shaping of New Identities", financed by the grant 37 GR / 23.05.2007 by the Romanian Council for Higher Education Research. The authors wish to thank for support and comments Gerhard Michael Ambrosi (Trier University) and Fernand Fehlen (University of Luxembourg).

[1] Peter SJØHOLT, "Culture as a Strategic Development Device: The Role of European Cities of Culture, with Particular Reference to Bergen", *European Urban and Regional Studies*, vol. 6, no. 4, 1999, pp. 339-347.

states (Prague, Krakow, Bergen and Sibiu). Although the initiative of the European Capitals of Culture is culturally rooted, since it was created as a way of boosting European identity through culture, it has gradually been reoriented towards obtaining some kind of profitability[1]. The cultural tourism and the public investments in local infrastructure, alongside wide publicity in Europe and abroad, make the title of European Capital of Culture attractive enough for cities and countries to compete for designation.

Since the great success of Glasgow European Capital of Culture 1990, which managed to change Glasgow's general situation affected by severe industrial decline, the economic pay-offs of these mega-events are more and more taken into account by local administrative institutions[2]. Motivated by the nomination, Glasgow sought to take full advantage of the opportunity offered to use arts and culture to regenerate the city, particularly in terms of quality of life and the city center experience, and to transform the city's external image[3]. According to Tretter, assertions that the "Year of Culture" was an integrated aspect in the renaissance of Glasgow were still frequently and strongly expressed in 2008, when Liverpool also was a European Capital of Culture. And this is expressed not only by local politicians, i.e. the City of Liverpool Council, but also by the newspapers that covered the nomination process for the 2008 title.

THE ECONOMIC IMPACT OF THE EUROPEAN CAPITALS OF CULTURE

The attempt to assess the economic impact of cultural events is today of great interest. A great body of literature has long discussed the importance played by cultural activities for economic development and urban regeneration[4]. In addition, several cultural events have been under scrutiny in terms of economic impact[5]. There have also been some other attempts to analyze the economic impact of Euro-

---

[1] Luis César HERRERO, José Angel SANZ, María DEVESA, Ana BEDATE, María José DEL BARRIO, "The Economic Impact of Cultural Events: A Case-Study of Salamanca 2002, European Capital of Culture", *European Urban and Regional Studies*, vol. 13, no. 1, 2006, pp. 41-57.

[2] J. MEYERSCOUGH, "European Cities of Culture", in G. ARNESTAD, P. MANGSET (eds.), *Kulturfeltet i storbyene (City Cultural Fields)*, Norwegian Council of Culture, Oslo, Report 6, 1995, pp. 56–80.

[3] E.M. TRETTER, "Scale, Regimes, and the Urban Governance of Glasgow", *Journal of Urban Affairs*, vol. 30, no. 1, 2008, pp. 87-102.

[4] K. BASSETT, "Urban Cultural Strategies and Urban Regeneration: A Case Study and Critique", *Environment and Planning A*, vol. 25, 1993, pp. 1773-1788; F. BIANCHINI, "Remaking European Cities: the Role of Cultural Policies", in F. BIANCHINI, M. PARKINSON (eds.), *Cultural Policy and Urban Regeneration. The West European Experience*, Manchester University Press, Manchester, 1994, pp. 1-20; J. HEILBRUN, C.M. GREY, *The Economics of Arts and Culture*, Cambridge University Press, Cambridge, 1993; A.J. SCOTT, *The Cultural Economy of Cities: Essays on the Geography of Image Producing Industries,* Sage, London, 2000.

[5] J.O'HAGAN, A. BARRET, M. PURDY, *The Economic and Social Contribution of the Wexford Opera Festival*, Trinity College, Dublin, 1989; F. VAN PUFFELEN, "L'impact économique des arts à Amsterdam: méthodologie, résultats et questions", in Xavier DUPUIS, François ROUET (eds.), *Économie et Culture. La Conférence Internationale sur l'économie de la culture, Avignon, 12-14 Mai 1986,* vol. 4, La Documentation Française, Paris, 1987, pp. 297-304.

pean Capitals of Culture[1], yet economic impact studies are very rare in comparison with general impact studies taking into account cultural and social outcomes.

Regarding the general impact, some cities benefited more than others from the European Capital of Culture mega-events. In order to assess the impact of this cultural events, Meyerscough divided the occurring activities in three main approaches: arrangements with an emphasis on infrastructure, festival programming and developing artistic concepts[2]. In fact, there were combinations of these three approaches in most European cities. In the first case, the author includes Glasgow, Athens and Lisbon. Lisbon, stresses Sjøholt, used the opportunity to invest in physical projects in order to recover from the great fire in 1988. Other cities emphasized on the festival profile, as Florence and Dublin, and aimed to position the cities to Europe. Finally, other cities focused on developing artistic concepts, namely the exploration of cultural identity on an international scale. It was the case of Amsterdam, West Berlin, Antwerp, but also Madrid, the last city willing to claim its European cultural identity after decades of authoritarianism.

Although many studies looked at the general framework of these events, their interest for underlining the economic component in scant. Nevertheless, some cities explicitly formulated the goal of using this event for boosting local economy and as a link in a competitive growth strategy against other urban centers. In this vein, a very good example is Lisbon[3]. Competing for investment, functions and visitors with other similar European cities, like Madrid or Barcelona, the Portuguese capital benefited from several cultural and sports events (Expo '98, European Capital of Culture 2004, UEFA Euro 2004) and managed to attract several EU agencies (the European Monitoring Centre for Drugs and Drug Addiction and the European Maritime Safety Agency). Moreover, Lisbon has been a major beneficiary of EU structural and cohesion funds and European Investment Bank loans, which fundamentally helped the local municipality to the realization of recent major construction projects, such as the expansion of the metro, motorway and rail networks, the new international airport and the Tagus Bridge[4].

Regarding the European Capitals of Culture, Sjøholt (1999) estimates that the expenditure of public resources (state, regional and local public funds) for all cities during the first decade from 1985 to 1994 was up to 400 million US dollar, which is quite modest when compared to other events, such the Norwegian Winter Olympics or Sidney Summer Olympics that both surpassed the 1 billion US dollars mark[5]. In fact, economic impact is difficult to estimate because the mega-event has such various and diffuse components. Some cities expected to reinforce local tourism, which frequently surpassed the national averages for a shorter or a longer period of time (50% increase in Glasgow and 11% increase in Copenhagen in tourist traffic). Some other cities expected to assess cultural projects that could be continued on a sustainable basis beyond the cultural year. Generally speaking, outcomes were difficult to measure in money terms. According to Sjøholt, the economic evaluation

---

[1] Luis César HERRERO, José Angel SANZ, María DEVESA, Ana BEDATE, María José DEL BARRIO, *Turismo cultural e impacto económico de Salamanca 2002, Ciudad Europea de la Cultura*, Civitas, Madrid, 2002; IDEM, "The Economic Impact of Cultural Events…cit."; Peter SJØHOLT, "Culture as a Strategic Development Device…cit.".

[2] J. MEYERSCOUGH, "European Cities of Culture", cit., p. 343.

[3] C.N. SILVA, S. SYRETT, "Governing Lisbon: Evolving Forms of City Governance", *International Journal of Urban and Regional Research*, vol. 30, no. 1, 2006, pp. 98-119.

[4] *Ibidem*, p. 109.

[5] Peter SJØHOLT, "Culture as a Strategic Development Device…cit.".

of Glasgow European Capital of Culture 1990 indicates benefits of some 250 million US dollars.

Despite serious difficulties in estimating the economic impact of the European Capital of Culture events, the European Commission ordered in 2004 a study that encompassed the gathering and compiling of facts and opinions from people in 27 different European countries during ten-years time[1]. The research uncovers many aspects of these mega-events, from various economic, social and tourism perspectives. When it comes to assess the economic impact of the European Capitals of Culture, the authors focus on the operating expenditure (cultural programs, promotion, marketing, wages, salaries and overheads) and on general income. According to authors, the total expenditure of the 21 Capitals of Culture varied from 7.9 million Euros to 73.7 million Euros, while the total operating expenditure was 737 million Euros. But the total income is difficult to clearly assess. Although many of the European Capitals of Culture stated as priorities the development of tourism, the enhancement of the city's image, urban revitalization and the expansion of creative industries and jobs, very few cities established well-defined economic objectives. Therefore, it is not easy to estimate the economic impact of the European Capitals of Culture. Palmer-Rae Associates managed somehow to offer a snapshot of the budgets of the 21 European Capital of Culture events, including general income, operating expenditure and expenditure on capital (infrastructure) projects. But there is clearly a need for robust detailed research to measure inputs, outputs and outcome. In fact, tools should be developed to help safeguard the quality and cost-effectiveness of investment (largely by the public sector) in such large cultural events.

THE ECONOMIC IMPACT OF SIBIU EUROPEAN CAPITAL OF CULTURE 2007

When compared to Lisbon, Dublin, Paris, Amsterdam, Copenhagen, Berlin, Brussels or Madrid, one might quickly notice that Sibiu has not the advantage of being capital-city and that Romania is the newest EU member state (only from 2007). Even compared to other Romanian cities, Sibiu is not in the most suitable position when competing against other urban centers. It is a relatively small city in Romania, as he has only 155 000 inhabitants, according to the 2002 census. It sets only 15th in the ranking of the most populated cities in Romania and its population is only 10% of the population of Bucharest, the Romanian capital-city. Nonetheless, the city managed to use the European Capital of Culture event to gain an international recognition and to boost its development.

Impact on Local Tourism

As underlined earlier, many European Capital of Culture stated as priorities the development of tourism, the enhancement of the city's image, urban revitalization

[1] Palmer and Rae Associates, *European Cities and Capitals of Culture: Study prepared for the European Commission*, available online at http://www.palmer-rae.com (accessed on 23 March 2009).

and an expansion of creative industries and jobs. The city of Sibiu stated aimed to develop its tourism industry, to promote high quality cultural events and to facilitate the contacts between various artists and cultural institutions. Since Sibiu is not Romania's capital-city and Romania is the latest EU member, the Romanian authorities decided that a private professional advertising company is the best suited to make the city known in the country and especially abroad. Newspaper articles, outdoor materials, audio and TV clips presented Sibiu as the new European Capital of Culture. Promotion clips have been broadcasted on national television channels, as well as on Euronews, National Geographic Channel and Travel Channel. In January 2007, the *Guardian* included the city of Sibiu in the top 50 fabulous destinations of the year, emphasizing on the café culture, Gothic and Art Nouveau architecture of Sibiu[1].

The most visible consequence was the increasing number of tourists, from 220 000 tourists in 2005 and 300 000 tourists in 2006 to some 800 000 tourists in 2007. In the same time, the increasing number of tourists boosted the local tourist industry. A series of new hotels were build in 2007 and other are functional beginning with 2008 and 2009. The Center for Research on Culture, subordinated to the Ministry of Culture, requested a survey that evaluates the 2007 European Capital of Culture event[2]. According to this research, the companies in the field of tourism reported varying increase in their overall business when compared to 2006, which is 13.7% for tour operators, 10.9% for transportation companies, 10.5% for hotels and motels and 7.9% for bars and restaurants. Although new hotels were built in 2006, the mean degree of room occupation was 60.4% in 2007 when compared to 47.3% in 2006.

Impact on Local Infrastructure

As underlined above, some of the previous European Capitals of Culture emphasized more one peculiar aspect of the event they hosted, which is infrastructure, festival programming and developing artistic concepts[3]. According to the author, Athens, Glasgow and Lisbon are among the cities that invested the most in infrastructure. Unlike Western European cities, Krakow and Sibiu, the only two East European counterparts, were facing greater challenges after decades of communist rule and economic depravations. Krakow was in 2000 the first post-communist city to be the European Capital of Culture. Infrastructure was not an official objective of Krakow, as far as the main targets were presenting historical heritage and recent creative work, presenting the city as an essential meeting point between cultures of the West and of the East, including the maximum possible audiences in cultural life, creating new cultural institutions, infusing more dynamism into existing cultural institutions and promoting cultural tourism. Lacking state budget support, the city was not able to build a new concert hall and not even a multi-functional facility, intended initially for the main round of the Krakow Festival in the year 2000 (a five-year programme initiated by the city in 1995 in order to ensure the continuity and consistency of activities required

[1] *The Guardian*, January 7, 2007. Available at: http://www.guardian.co.uk/travel/2007/jan/07/escape2?page=2 (accessed on 10 January 2007).

[2] Available at: http://www.culturanet.ro/downloads/cercetari_finalizate/SITE%20raport%2015%202007%20Impact%20economic%20Program%20Sibiu.pdf (accessed on 23 March 2009).

[3] J. MEYERSCOUGH, "European Cities of Culture", cit.

for the proper organization and promotion of the 2000 event) and therefore limited to low-budget projects improving the existing conditions[1].

Although infrastructure was not defined as a priority by the organizers of Sibiu European Capital of Culture event, the city desperately needed public and private investments in order to successfully hold the cultural programme. As Krakow did before, Sibiu attempted to renovate public facilities, monuments, parks and gardens, but had not enough funds to build new cultural facilities. The main exception is the building of a new public library. Otherwise, the city authorities decided to renovate existing cultural facilities, such as the concert hall and the theater for children. Additionally, they opted for a multi-functional facility that compensates the lack of a great hall for various cultural events. Initially lent by the municipality for 790 000 Euros (except VAT) for March 2007-January 2008, the multi-functional facility was finally donated by the owner to the municipality of Sibiu, so it can be taken as an investment. Except the acquisition of a new piano for Sibiu Philharmonic Orchestra, the investments were oriented towards general transport, tourist and urban infrastructure needed for the 2007 cultural event. The main objectives were to renovate various urban monuments located in the historical city center (facades, roofs, squares and stairs), to build a new airport terminal, and to renovate the railway station. In the same time, Sibiu Local Council largely invested in road and water (drink water and sewage) infrastructure in the whole city, with prior interest for the parts of the road and water network systems located in the city center. Though it is difficult to calculate the exact infrastructure investment for the European Capital of Culture event, we estimate it to more than 50 million Euros (see Table 1 in the Appendix).

Impact on Local Economy

Although their definitions and methodologies differ from case to case, the economic impact studies intend to assess the importance of various effects derived from cultural activities. The economic impact of the 2007 European Capital of Culture event can be estimated, but clear distinctions and clarifications have to be made first. As underlined by Herrero and his colleagues, one should be able to adapt methodology to the peculiarities of a cultural event of this nature[2]. Although economic impact studies consist of estimating the size of the spending flows which give rise to the cultural sector and to measure its overall impact, and are not necessarily complicated, they present numerous technical difficulties which require the use of different sources of information, surveying the cultural audience and the careful analysis avoiding tendencies towards over measuring effects. Following the general methodology, Herrero and his colleagues consider that one should take into account three different kinds of effects when measuring economic impact[3]. The first effect is due to the direct expenses, defined as expenses accrued by the cultural activity, such as wages, purchases, rents, implementation of programs.

---

[1] The Krakow 2000 European City of Culture Programme. The Final Report. Available at: http://www.eccm-cultural-capitals.org/documents/k2000_report.pdf (accessed on 23 March 2009).

[2] Luis César HERRERO, José Angel SANZ, María DEVESA, Ana BEDATE, María José DEL BARRIO, "The Economic Impact of Cultural Events…cit.", p. 45.

[3] *Ibidem*.

The second kind of impact is due to the indirect expenses, defined as expenses accrued by the audience as a consequence of the consumption of cultural goods (accommodation, meals, transport, purchase, tickets). Finally, the third kind of effects are related to induced effects, i.e. effects not included in the first and second categories and, according to the authors, which are spread out or expended by the rest of the economic system, inside or outside of the area under scrutiny. Whereas many researchers look at the economic induced effects, many authors are more interested in the effects on human capital, improvement of life quality and generation of new jobs and activities. Generally speaking, these kinds of induced effects are difficult to measure and we not emphasize on them.

Sibiu European Capital of Culture 2007 is a complex cultural event, which largely needed a substantial effort from the public sector. Therefore, one could not narrow the direct expenses to the cultural spending, public and private. Herrero and his colleagues took the decision to include in their study the cultural, tourist equipment and trade, under the heading of the spending on equipment and facilities. We decided to do the same and to include public spending on cultural infrastructure along with the spending on cultural supply, derived from the development of the cultural programme, into the general direct effect.

Several public authorities have been involved in the funding of these facilities, Sibiu City Council, Sibiu County Council and central ministries of Culture, of Tourism and of Transportation. Whereas some of the funding came directly to the beneficiaries, "Sibiu 2007 Consortium" (a non-profit entity invested with full authority and competence to put in place the 2007 programme) also channeled funds, especially for the cultural projects. These elements constitute an important asset for the city's future economic development on the long. Yet this spending is not only public, since many private economic entities invested in tourism infrastructure. We estimate the private investments in hotels alone to some 67 million Euros, but we are aware that the range of the private expenses is munch more important that our actual estimation. In fact, it is plausible that the private effort is not related only to the boost of the European Capital of Culture, but to the overall favorable economic context of the city and its perspectives. After a decade of decline, in the aftermath of the 1989 revolution in Romania, the city witnessed increasing investments in industry, commerce and tourism. A factor that seem to have contributed to the economic take-off of the city is the 2000-2008 local administration, dominated by the German Democratic Forum, which managed to promote Sibiu worldwide and to attract direct foreign and national investments[1].

Alongside expenses on facilities and equipment, the direct effects also include expenses directly related to the cultural supply, namely the cultural programme, equipment, publicity and promotion and other expanses. These three headings, public spending on the cultural programme, public spending on (new) cultural equipment and facilities, and private spending on new touristic equipment form the bulk of the economic direct effects. Even these figures may not seem very important at first glance, in order to estimate their value we have to compare them with the local budget, for example, which was only 21 million Euros in 2002 and 27 million Euros in 2003, two years before Sibiu's nomination as European Capital of

[1] Dragoș DRAGOMAN, "La recomposition du champ politique régional en Roumanie. Le succès du Forum Allemand à Sibiu/Hermannstadt", *Studia Politica. Romanian Political Science Review*, vol. V, no. 1, 2005, pp. 181-201.

Culture[1]. These figures are still important even when compared to the 78.5 million Euros city budget in 2006[2], and to the 89.9 million Euros city budget in 2007 (see Table 2 in the Appendix)[3].

The indirect effects of the European Capital of Culture 2007 event largely refer to expenses made by the audience to different cultural events and by incoming tourists. Although we can estimate the private spending on cultural consumption, we are aware of the errors made in calculating such an economic input. An accurate estimation have to take into account those tourists who have had multiple purposes in visiting Sibiu in 2007, as well as the visitors who have come on several occasions during the 2007 European Capital of Culture programme. In estimating the overall private cultural consumption we rely on the data of a survey conducted at the request of the Center for Research on Culture, which we already cited before. According to this survey, the mode of the cultural consumption in 2007 was estimated to 3 Euros per tourist. Therefore, the estimation of the overall private cultural consumption reaches 200 million Euros.

But there is another kind of economic effects, namely the induced effects. They are produced as a consequence of the previous kinds of spending, direct and indirect ones. In order to assess the economic induced effects, one should take into account the multiplier effect of the spending on equipment and facilities for the construction sector, on one hand, and of the cultural spending on the services sector. According to the same survey cited earlier, 68.2% of the surveyed companies witnessed an increase in profitability, whereas 7.1% witnessed a very important increase. The biggest impact in 2007 was recorded in tourism and transportation industry, which is obvious when we take into account the additional spending on transport, meals, accommodation and even shopping. In addition, more than 50% of the surveyed companies hired new personnel in 2007, with a mean of 3.3 people per company. Finally, the economic effects will be visible in the local budget, which already witnessed a boost since the 2004 Sibiu's nomination as European Capital of Culture (see Table 3 in the Appendix).

Although economic induced effects are important, we consider that the 2007 European Capital of Culture event in Sibiu might also have induced effects on human and social capital, which we will measure during the following years. We expect not only that the event have contributed to the artistic and cultural education of people in Sibiu, but also to have influenced important societal issues like social trust, community involvement, commitment, religious and ethnic tolerance.

CONCLUSIONS

Cultural events have not only undeniable cultural outcomes, but they also may represent a boost for the local and regional economy. In our case-study of

[1] "Local Agenda 21 – Local Plan for Sustainable Development of Sibiu Municipality", UNDP Project ROM 98/012. Available at: http://www.ncsd.ro/pdf/sibiu-eng.pdf (accessed on 20 March 2009).

[2] Available at the Municipality's official website: http://www.sibiu.ro/ro2/pdf2007/hot23.pdf (accessed on 23 March 2009).

[3] Available from the Municipality's official website: http://www.sibiu.ro/ro2/pdf2008/hot2.pdf (accessed on 23 March 2009).

Sibiu European Capital of Culture 2007, we unraveled the unexpected economic outcomes of a cultural mega-event. On the one hand, it was a great opportunity for the city, but also for Romania, to make worldwide known their cultural identity and historical heritage. From this perspective, the cultural event reached one of his aims, namely to enhance and to promote the city's image. On the other hand, the 2007 European Capital of Culture event boosted local and regional economy more than any other factor managed to do during the last decade. Although local economy witnessed a recovery after 2000, in terms of direct investments and incomes, the cultural event was an ingredient that lifted local and regional economy in terms of public and private investments in infrastructure, cultural consumption, in terms of incentives for the services and construction sector. The induced economic effects concern not only the city of Sibiu and Sibiu County, but probably Romania itself, when we look at tourism and transportation increases in 2007 and 2008.

On the long run, the city has the chance to benefit of its enhanced image as a city of culture. One of its main festivals, the International Theater Festival, will continue to attract numbers of cultural consumers, as well as its museums and various other cultural activities. The most recent Forbes list ranks Sibiu as one of Europe's most idyllic places to live[1]. The notoriety of the city might eventually help local tourism to overpass the 2007 number of visitors and finally to gain from the investments in touristic infrastructure. Since Sibiu is already a touristic destination, this might help tourists to discover the rest of the country and to consolidate national tourism as well. And last, but not least important, Sibiu might consolidate its position of development pole and benefit of fresh direct investments in services and construction. The economic and cultural outcomes of the European Capital of Culture event are today so envied, that cities in Romania started to lobby for the next Romanian nomination, in 2019 or 2020 most probably.

[1] Available at: http://www.forbes.com/realestate/2008/11/18/europe-homes-dollar-forbeslife-cx_po_1118realestate.html (accessed on 23 March 2009).

APPENDIX

Table 1

Estimated Infrastructure Spending in Sibiu

Investment items	Estimated cost (millions Euros)	Funding institution
Airport terminal	28.5	Local Council, County Council
Historical center renovation	6	Local Council, Ministry of Culture
Main railway station renovation	5	Ministry of Transportation
Urban water system renovation	9	Local Council
Urban traffic regulation system	0.25	Local Council
Various churches renovation	1.3	Ministry of Culture
TOTAL	**50.05**	

Source: Author's own computation

Table 2

Estimated Direct Expenses for Sibiu European Capital of Culture 2007

	Euros
Public spending on equipment and facilities	
New ASTRA public library building and 'Gong' children theater renovation	3 430 000
Brukenthal Fine Arts Museum renovation	5 000 000
Multi-functional facility (tent)	790 000
Steinway Piano	100 000
Two concert stages	800 000
Public spending on cultural programme	
337 cultural projects	13 400 000
3rd Ecumenical Meeting of the European Churches	500 000
Promotion	5 000 000
OVERALL PUBLIC SPENDING	18 900 000
OVERALL PRIVATE SPENDING ON NEW TOURISTIC EQUIPMENT	67 000 000
OVERALL SPENDING ON FACILITIES AND EQUIPMENT	**85 900 000**

Source: Author's own computation

Table 3

Budget Revenues of Sibiu Municipality, 2002-2008

Year	2002	2003	2004	2005	2006	2007	2008 (estimation)
Million Euros	21 258	32 426	40 120	47 963	78 500	89 945	104 014

Source: Sibiu Municipality official website www.sibiu.ro