DECISION MAKING ON THE USE OF CULTURAL HERITAGE IN RURAL TOURISM DEVELOPMENT IN LATVIA

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Abstract
The preservation of cultural heritage has become an important component of government policies of the EU and, of course, Latvia. Along with the preservation of cultural heritage, the use of it is also important. The aim of the research is to choose the best scenario for the use of cultural heritage in developing rural tourism in Latvia. The paper focuses on the problem of use of cultural heritage in the rural tourism development. The paper defined three scenarios for the use of cultural heritage in developing rural tourism: the initiative of entrepreneurs, public organisations and residents; the programme funded by national and regional institutions; the EU fund for the preservation of cultural heritage. A decision on the choice of the most appropriate scenario was made based on an expert decision-making method – the Analytic Hierarchy Process (AHP). Out of the three scenarios seven experts: rural craftsmen, a municipality vice leader, a civil servant from the Latvia Ministry of Finance, representatives from rural tourism organisations and the Association of Rural Female organisations, chose the third scenario – the EU fund for the preservation of cultural heritage.
Key words: cultural heritage, rural tourism, the Analytic Hierarchy Process.

Introduction

The advantageous geographical situation of Latvia, its rich historical and cultural heritage as well as the untouched nature are preconditions for developing tourism. Rural tourism is an agricultural industry that enables local residents as well as foreign tourists to view Latvia's beautiful and historically important landscape.

A great deal of farmers less and less benefit from their agricultural land. Therefore rural residents, investing a small amount of capital, enhancing the surrounding environment and reconstructing their premises unused in production, engage in rural tourism activity (Castells, 1997). This kind of economic activity allows gaining revenue all year round, although the amount of revenue earned differs throughout seasons. In this way, funds are invested in the development of a rural municipality. The Sustainable Development Strategy of Latvia until 2030 or Latvia 2030 envisages the development of rural territories – to provide an efficient use of rural resources; it is required to diversify the rural economy through rural tourism, crafts, organic farming, extraction of mineral deposits and production of construction materials, development of transport and other services enterprises and formation of business clusters (Castells, 2000).

Latvia's population shares a common material and non-material cultural heritage, which was accumulated in a long and creative activity over centuries. Culture determines what we are and what we want to be (Grizane, 2013). A common cultural heritage, a common language, common traditions and a common understanding are the key components that ensure the sense of belonging to a certain community and contribute to the solidarity of society. In a broad sense, culture is a set of values, which serves as the basis for the identity and the lifestyle of the individual, community and nation. At the same time, culture is also a mechanism shaping, analysing and passing on these values, thereby contributing to the sustainability of Latvia's cultural space (Liscova, 2011).

Tourism, including rural tourism, is one of Latvia's top priority industries whose services represent also exports and have positive social and regional development effects, especially in rural areas.

Tourism services are constantly developing in the world and, of course, in Latvia as well. Cultural heritage tourism is a kind of tourism which, among the other purposes, focuses on getting familiarised with cultural events, cultural heritage and places for sightseeing in one's own or foreign countries (Liscova & Rivza, 2011).

The first priority of the Sustainable Development Strategy of Latvia until 2030 or Latvia 2030 refers to the developing of Latvia's cultural space, as the identity of a strong and creative nation is embedded in its unique, inherited and newly created material and mental values. It unites and consolidates society to create new economic, social and cultural values that are appreciated and recognised in the world.

Significant research studies on the development of rural territories, cultural tourism, the preservation and activation of cultural tourism and rural tourism have been done by both foreign (G. Richards, C. Gratton, W. Munsters, A.M. Hjalager, M. Bauer, P. Roth, A. Langemyer, H. Kalogeropoulou, G.O. Donnchadha, P. Costa, M. Foley, C. Pocock, S. Baum) and Latvian researchers (A. Liscova, T. Grizane, I. Sture, A. Melluma, R. Karnite, M. Pukis, M. Kruzmetra, B. Rivza).
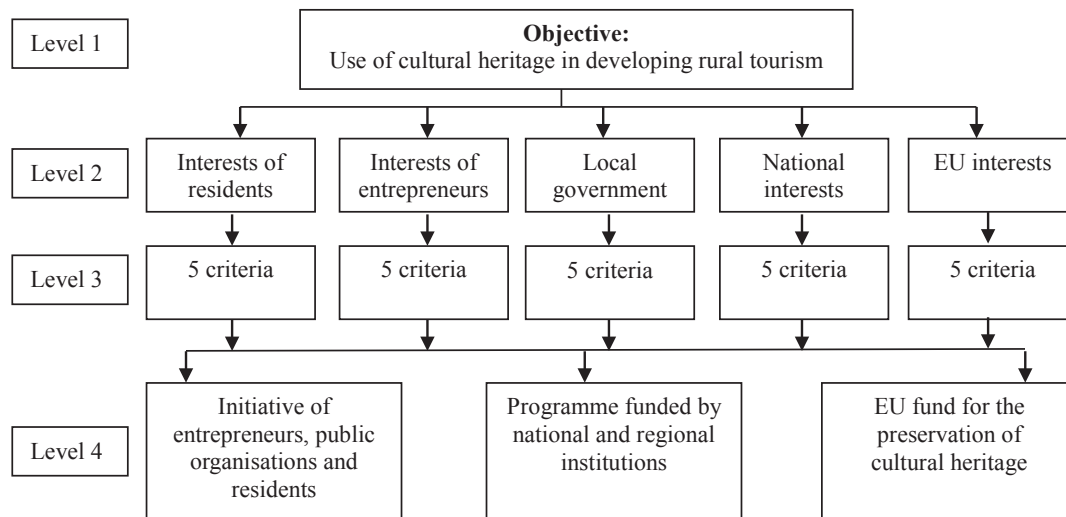
Source: authors' construction.

Figure 1. Scheme for the use of cultural heritage in developing rural tourism.

The aim of the research is to choose the best scenario for the use of cultural heritage in developing the rural tourism in Latvia.

Materials and Methods

To make a decision on the best scenario for the use of cultural heritage in developing rural tourism, the authors employed a multi-criteria decision-making method – the Analytic Hierarchy Process (AHP) (Saaty, 1991). There were engaged seven experts who represented rural craftsmen, municipalities, rural tourism organisations, the Association of Rural Female Entrepreneurs and ministries.

According to the AHP, the 7 experts, first of all, had to design a hierarchy, the first level of which involves a problem. After discussions, the problem was defined: the use of cultural heritage in developing rural tourism (Figure 1). This is Level 1 of the hierarchy.

Further, in developing the hierarchy, criteria groups are defined, which will be Level 2. In our case, there are five criteria groups: interests of residents, interests of entrepreneurs, local government interests, national interests and EU interests (Figure 1) (Rivza, Rivza, & Ramute, 2001).

Further, the 7 experts defined criteria for each criteria group, for example, the criteria group of interests of residents involved five criteria (Figure 1):
- job opportunities at the place of residence;
- preservation of family craft traditions;
- extra revenue;
- preservation of cultural heritage for next generations;
- mentoring of the new generation.

Criteria for the other criteria groups were defined in a similar way (Figure 1). The criteria compose Level 3 of the hierarchy (Figure 1).

However, at Level 4, which is the last one of the hierarchy, there are scenarios to be evaluated by the experts by employing all 25 criteria from all the criteria groups.

Further, the authors described three potential scenarios for the use of cultural heritage in developing rural tourism.

Scenario 1. The initiative of entrepreneurs, public organisations and residents

Its characteristics: entrepreneurs, public organisations and residents take the initiative in identifying and preserving the cultural heritage. It mostly applies to developing crafts as a component of cultural heritage. In a number of Latvia's municipalities, craftsmen groups that contribute to transferring craft skills to the next generation and to participation in fairs and other events have emerged during the last decade. The given scenario characterises the current situation, and its purpose is to activate and develop crafts in municipalities and to actively use it in developing rural tourism.

Scenario 2. The programme funded by national and regional institutions

Its characteristics: the government, in cooperation with regional institutions, establishes a specific programme aimed at preserving cultural heritage and expanding rural tourism. Funding is allocated to the programme, and its operation is governed by a Cabinet regulation. The programme is managed by the Ministry of Environmental Protection and Regional Development (MoEPRD) in cooperation with the Latvian Association of Local and Regional Governments and the Ministry of Agriculture.

Scenario 3. The EU fund for the preservation of cultural heritage

Its characteristics: since the preservation of cultural heritage is a priority of all European countries in the era of globalisation, a proposal on special support to preserve cultural heritage is increasingly voiced. A special ERA-NET project has been launched in the field of science, as well as this research priority is declared in submitting research project proposals. Entrepreneurs also need support. So, the EU establishes a special fund for the purpose of preserving cultural heritage. Its funding is based on a quota system for countries and projects. The preparation, submission, evaluation and implementation of projects are governed by law. The allocation of the fund's funding is controlled by the Ministry of Finance and the MoEPRD.

The 7 experts start their evaluation from the hierarchy's top levels – from Level 2 –, i.e. evaluating the criteria groups. The experts compare the criteria groups in pairs and evaluate their mutual weight relative to the problem, i.e. Level 1. The experts' evaluations are expressed in numbers using a special 9-point scale (Saaty, 2007) and entered into the expert's evaluation table. A priority vector's coordinates and a consistency ratio are calculated for each expert's evaluation table. An algorithm for calculating a priority vector's coordinates may be expressed by the following general formula 1 (Saaty, 2001):

$$x_i = \frac{(\Pi_{j=1}^n \frac{w_i}{w_j})^{1/n}}{\Sigma_{i=1}^n \left(\left(\Pi_{j=1}^n \frac{w_i}{w_j} \right)^{1/n} \right)} = \frac{a_i}{\Sigma_{i=1}^n a_i} \qquad (1)$$

where:

x_i – the coordinate of the priority vector;

$\dfrac{w_i}{w_j}$ – elements of pairwise comparison matrices;

n – rank of pairwise comparison matrices, i.e. i=1, 2, ..., n; j=1, 2, ..., n.

A priority vector's coordinates show, for example, in the first table, the relative "weight" of a criteria group in the expert's opinion.

However, an expert's work quality after the matrix is filled in is evaluated by means of a consistency ratio (CR) (Saaty, 2007), which has to be less than 0.20.

After comparing the criteria groups, the experts evaluate the criteria within each group. In conclusion, the experts compare the scenarios relative to each criterion, in our case, 25 criteria.

Afterwards, the results are summarised and the so-called global priority vector's coordinates are calculated. The global priority vector's coordinates are calculated by the following formula 2:

$$X_s = \sum_{j=1}^{25} a_j * x_{sj} = \sum_{j=1}^{25} x_k * x_{kj} x_{sj} \qquad (2)$$

where:
X_s – global priority vector's coordinate for the s-th scenario, (s=1,2,3);
a_j – global 'weight' of the j-th criterion, (j=1, 2 ,..., 25);
x_{sj} – evaluation of the s-th scenario from the perspective of the j-th criterion;
x_k – 'weight' of the k-th criteria group, (k=1, 2, ..., 5);
x_{kj} – 'weight' of the j-th criterion among the k-th group's criteria (local 'weight').

The work of all 7 experts with regard to filling in the tables is organised in the same way, and priority vector coordinates and consistency ratios are calculated for all the tables. In conclusion, each expert's evaluations are summarised and a table of the global priority vector's coordinates is constructed, as well as necessary calculations are performed according to Formula 2.

Evaluations given by the seven experts are processed by calculating the arithmetic mean and dispersion for each evaluation. In charts, the
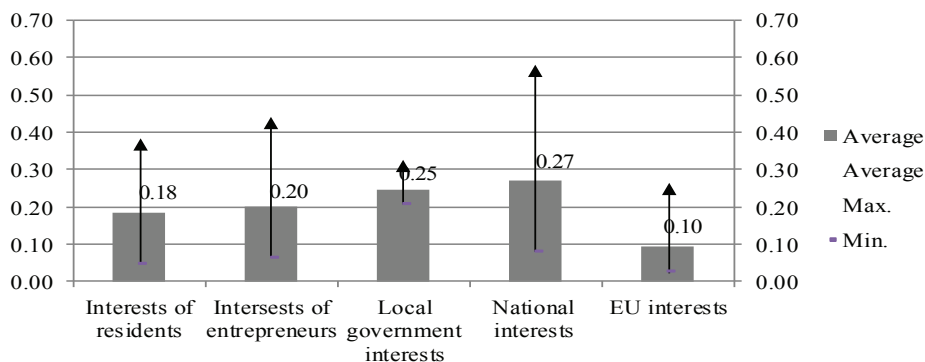
Source: authors' construction based on the hierarchy analysis.
Figure 2. Evaluations of the criteria groups by the experts for the scenarios for the use of cultural heritage in the development of rural tourism.
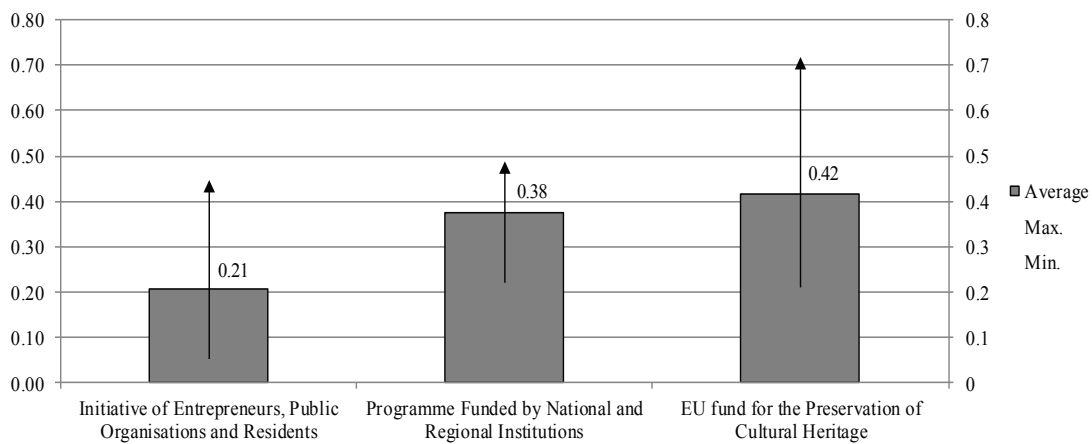
Source: authors' construction based on the hierarchy analysis.

Figure 3. Evaluations by the 7 experts for the scenarios for the use of cultural heritage in the development of rural tourism.

dispersion is presented as amplitude, i.e. by means of the minimum and maximum values for each particular evaluation.

Results and Discussion

Analysis of the results will start with the assessment criteria groups. The 7 experts evaluated the criteria groups almost equally, giving the priority to national (0.27) and local government interests (Figure 2). The experts were unanimous on the significance of the criteria group for local government interests, which were indicated by the small dispersion, compared with the criteria group for national interests (Figure 2).

Based on the above-mentioned criteria, the third scenario was named the "EU fund for the preservation of cultural heritage". The average vector coordinate for the evaluations by the experts was 0.42.

Yet, the expert evaluations have a large dispersion, and it means that the opinions were different. A lower evaluation was given to Scenario 2, the programme funded by national and regional institutions (0.38), while the dispersion was smaller (Figure 3). The initiative of entrepreneurs, public organisations and residents, i.e. the current model, was evaluated the lowest, at only 0.21. The large dispersion in this case too pointed to the difference in the experts' opinions. It means that national and EU financial support is needed in order that a significant change takes place in the use and preservation of cultural heritage.

The final conclusion on the last two scenarios for the use of cultural heritage in the development
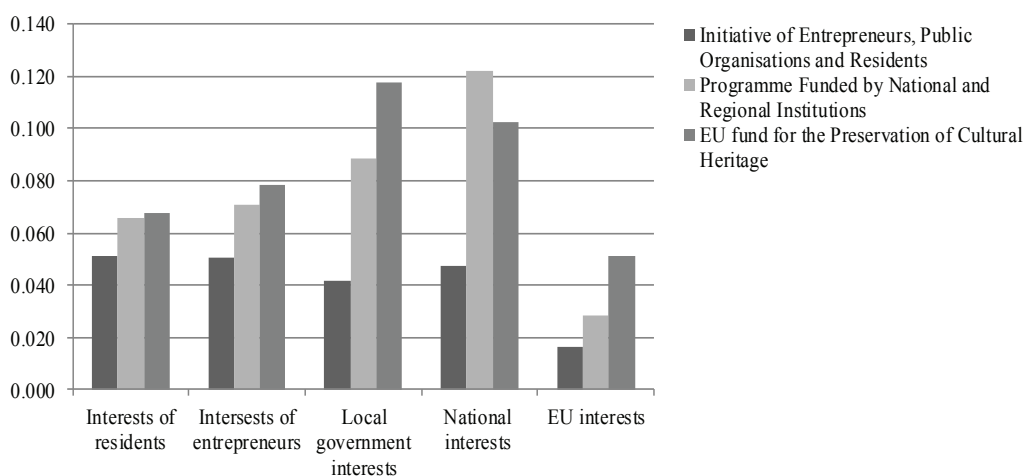
Source: authors' construction based on the hierarchy analysis.

Figure 4. Evaluations by the experts for the scenarios for the use of cultural heritage in the development of rural tourism, based on selected criteria groups.

of rural tourism: the programme funded by national and regional institutions and the EU fund for the preservation of cultural heritage have similar evaluations, with the latter one having a slightly greater evaluation. Nothing significantly changes if analysing the evaluations of the scenarios by criteria group (Figure 4).

The scenario EU fund for the preservation of cultural heritage was evaluated the highest for all the criteria groups, except for the criteria group of national interests (Figure 4). This scenario was evaluated much higher both for the criteria group of local government interests and for the criteria group of EU interests (Figure 4).

Conclusions

1. Three development scenarios were put forward for the use of cultural heritage in the development of rural tourism:
   - the initiative of entrepreneurs, public organisations and residents
   - the programme funded by national and regional institutions
   - the EU fund for the preservation of cultural heritage
2. Based on the criteria set in the hierarchic analysis, seven experts: rural craftsmen, a municipality vice leader, a civil servant from the Latvia Ministry of Finance, representatives from rural tourism organisations and the Association of Rural Female organisations chose the third scenario – the EU fund for the preservation of cultural heritage. This scenario was evaluated as the most appropriate.
3. The implementation of this scenario ensures the achievement of EU goals, cooperation among all the stakeholders and faster results.

Acknowledgements

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