

ABSTRACT

Title of Dissertation	The Economics of Preserving a World Heritage Site: the Case of Vat Phou and Associated Ancient Settlements within the Champasak Cultural Landscape, Champasak Province, Lao P.D.R.
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Heritage resources are important to society due to their historic, educational, tourist and community value. In order to preserve and maintain these resources for current and future generations, understanding human interactions and values are important. For that purpose, this dissertation utilizes economic tools and techniques to identify factors that influence heritage values, and quantifies the economic values of the general public regarding heritage recreation and preservation. Three empirical studies are presented in this dissertation: Empirical Study 1 measures the economic value of Vat Phou and Associated Ancient Settlements within the Champasak Cultural Landscape (Vat Phou), using zonal travel cost method (ZTCM); Empirical Study 2 estimates the willingness-to-pay of Lao citizens to preserve the historic structures at Vat Phou, using contingent valuation methodology (CVM); Empirical Study 3 analyzes the relationship between Lao citizens' socio-demographic characteristics and their willingness to pay behavior toward the value of cultural landscape (Vat Phou) by applying an economic application discussed in Empirical Study 1 and 2.

Data used for Empirical Study 1 to quantify the economic valuation of the site and regression analysis, observes a time period from October to December 2011. Sample populations were both domestic and foreign visitors.

Three functional forms of visitor demand were used: linear, semi-log, and double-log models. The zonal travel cost model estimates the average of the annual domestic individual consumer surplus measure ranged from approximately LAK 9,002 to LAK9,654.07, depending on the functional forms used. When aggregated to the total number of domestic individual paid visitors of 2011, the annual benefit estimates range from approximately LAK 296,126,989.40 to LAK 317,551,425.00. While the zonal travel cost model estimates the average of the annual foreign individual consumer surplus measure at approximately USD 20.24. When aggregated to the total number of foreign visitors of 2011, the annual benefit estimate is USD 944,906.34.

A Dichotomous choice contingent valuation (DC CV) survey for Empirical Study 2 was carried out from April to May 2013. The questions were dropped-off to the general public in the capital city of Laos to elicit their willingness to pay for the Historic Structures Preservation Project (all traditional wooden Lao houses, temples and other buildings 50 or more years old in the site). This study explored the question of whether respondents are willing to make a once-only donation to preserve the historic structures at Vat Phou and to prevent collapse of the structures. The study found that the mean willingness to pay of respondents is LAK 36,239.75 or 1.26% of average monthly income of respondents. (LAK7,860.00 = USD1.00, Exchange Rate date 29/04/2013) With the logit model, the factors which strongly affected individuals' willingness to pay were the bid amount, the age and salary of respondents. While the gender, status, education, job, the number of family members and the number of working people per household have no effect on the probability of "Yes" responses. This study does not provide the total value of Vat Phou, but it shows the great value of the site in terms of individuals' willingness to pay for its preservation and hence is important information for policy makers in deciding how to preserve the site efficiently.

Empirical Study 3 investigating the relationship between Lao citizens' socio-demographic characteristics and their financial supportive behavior toward the value of the cultural landscape preservation. The study focuses on eliciting the viewpoints of Laotians visitors and non-visitors regarding cultural landscape preservation as well

as their willingness to give financial support for cultural landscape preservation and environmental protection.

Results indicated that the socio-demographic factors of Lao citizens, both visitors and non-visitors have influence in their awareness of the importance of the cultural landscape, and affected their willingness to support preservation efforts.

Although there are some differences in perceptions among respondents regarding the Vat Phou preservation approach, more successful functioning and management of the site can be achieved by understanding the public's motivation toward cultural landscape preservation and by integrating them into future preservation policies.