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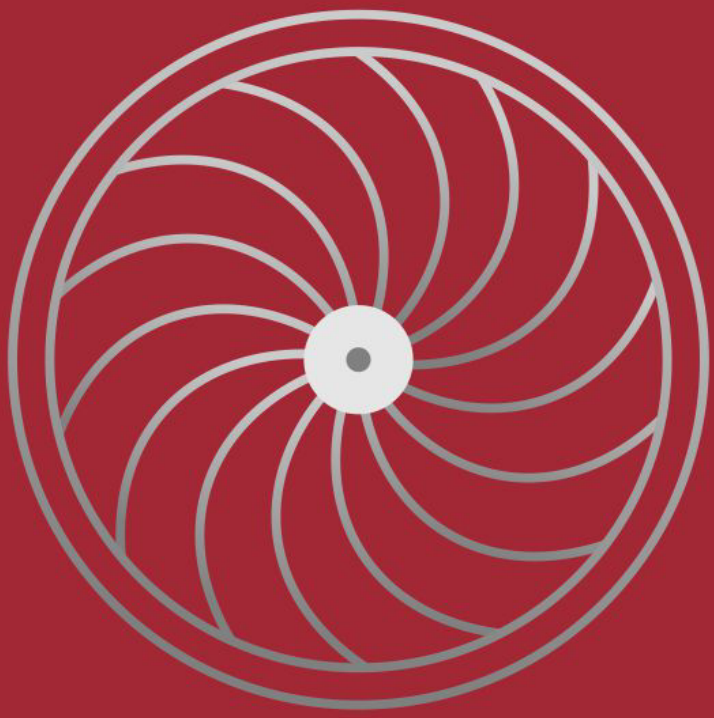

Unidade de Monitorização de Políticas Públicas

POLICY PAPERS

CULTURE AS DEMOCRATIC INFRASTRUCTURE: GOVERNANCE IMPLICATIONS FOR PLACE-BASED PUBLIC POLICY

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Convidamo-lo(a) a conhecer o trabalho que fazemos.

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UMPP was established with the support of the Alentejo Regional Operational Programme 2007-2013 (INALENTEJO). Its main mission is to promote the monitoring and evaluation of public policies that have been implemented, or are currently being implemented, in the NUTS II region of Alentejo, in Portugal and the European Union while also ensuring the broad dissemination of knowledge in this field across the territory.

The competitiveness of countries, regions, and organisations increasingly depends on the conditions under which decisions are made and translated into effective and efficient action. In this context, the State's capacity to design and implement public policies, together with the ability of other organisations to deliver successful strategies and initiatives, has become a decisive factor in the performance of the societies in which they operate.

The relevance, consistency, coherence, and added value of public policies are now crucial to the development prospects of countries, territories, organisations, and individuals. This is reflected in the regulatory and institutional frameworks they establish, the incentive mechanisms on which they are built, the paradigms and future visions they promote, the degree of sophistication and innovation they embody, and the strategic direction they provide to the sectors and activities they are intended to support over the medium and long term.

At a time when the technical and scientific demands associated with planning the economy, society, and territories – and with strengthening and safeguarding their competitiveness and development – are becoming ever more complex, the University of Évora created UMPP as a dedicated unit for the production of knowledge and for the monitoring and evaluation of public policies applied, or in the process of being applied, in the region.

UMPP carries out its work in accordance with the principles of rigour, impartiality, transparency, and responsibility, while maintaining an ongoing commitment to dialogue and collaboration with institutions and stakeholders in the Alentejo region, as well as with partners at national and international level.

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UMPP POLICY PAPERS

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Esta publicação destina-se a cumprir um dos objetivos da UMPP, nomeadamente a produção de conhecimento e de informação sobre a conceção, monitorização e avaliação das políticas públicas implementadas ou em processo de implementação na Região Alentejo, em Portugal e na União Europeia, bem como promover a disseminação dessa informação no contexto regional, nacional e europeu.

O UMPP Policy Paper nº 9 | 2026 tem como principal objetivo apresentar a tese de que a política pública da cultura deve ser tratada como infraestrutura democrática, sistematizando o enquadramento analítico e as implicações de governação decorrentes dessa opção: direção estratégica (public value), coerência institucional, coordenação multinível, e aprendizagem cumulativa ao longo do tempo. O texto discute ainda como as dinâmicas place-based, a governança narrativa e a transformação territorial exigem salvaguardas e métricas orientadas a resultados democráticos.

UMPP Policy Papers are concise publications addressing methodological issues and technical and scientific debate in the field of public policy monitoring and evaluation. Among other topics, they include evaluation and analytical exercises focusing on specific public policies or policy instruments, and are designed to present recommendations and proposals for future action.

This publication contributes to one of UMPP's core objectives: the production of knowledge and information on the design, monitoring, and evaluation of public policies implemented, or in the process of being implemented, in the Alentejo Region, in Portugal and in the Europeam Union while also promoting the dissemination of this knowledge at regional, national and European levels.

The main objective of the UMPP Policy Paper No. 9 | 2026 is to argue that cultural public policy should be treated as democratic infrastructure, and to systematise the analytical framework and governance implications of that claim: directionality (public value), institutional coherence, multi-level coordination, and cumulative learning over time. It also discusses why place-based dynamics, narrative governance and territorial transformation require safeguards and metrics oriented to democratic outcomes.

CULTURE AS DEMOCRATIC INFRASTRUCTURE: GOVERNANCE IMPLICATIONS FOR PLACE-BASED PUBLIC POLICY

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Abstract

This Policy Paper argues that cultural public policy should be treated as democratic infrastructure rather than as a residual sectoral domain. Over the last decade, cultural policy rationales expanded from access and participation towards inclusion, diversity, public value creation and democratic trust. In parallel, culture-led regeneration became a salient pathway of place-based transformation, yet evidence highlights displacement and affordability risks that must be treated as hard design constraints (OECD, 2025). Meanwhile, platformisation and generative AI reshaped cultural value chains, visibility and participation, widening a governance gap around rights, consent, provenance and benefit-sharing (CULTAI, 2025). Integrating these stressors, the paper proposes an institutional design agenda centred on policy coherence, portfolio thinking, evaluation as cumulative learning, and hybrid policy instrumentation, illustrated by the New European Bauhaus (NEB) as a values-led, co-creative and cross-

programme approach. It concludes with operational recommendations for Portugal and the EU, emphasising mediation capacity, affordability safeguards, cultural data governance, AI literacy, creative procurement and longitudinal evaluation.

Executive Summary

Culture is increasingly high-stakes for democratic resilience. Treating it as a 'sector' underestimates its role in shaping belonging, recognition, plural narratives, voice and civic trust (public value). (Mazzucato, 2025). 2014-2026 saw a shift from access/participation toward inclusion, diversity and trust, implying a move from projects to capabilities and from programmes to ecosystems (Mazzucato, 2025). Culture-led regeneration can anchor place transformation, but impacts are contingent; displacement and affordability risks must be treated as design constraints and monitored longitudinally (OECD, 2025).

Digital platforms and AI expand participation but also polarisation, hate and new asymmetries in visibility and remuneration; cultural policy must include safeguards for the digital public sphere and rights-based AI governance (CULTAI, 2025). Cultural economics clarifies 'dual value' and fixed-cost dynamics, supporting plural evaluation rather than single-metric appraisal (Einarsson, 2016).

Creative economy policy highlights ecosystem-sensitive instruments and the strategic role of public procurement (Newbigin, 2010). Heritage valuation methods (TEV/WTP and benefit transfer) can provide bounded evidence layers when triangulated with deliberation and ethics (Nesta, 2018).

The New European Bauhaus illustrates hybrid policy instrumentation: values-led directionality, co-creation, cross-programme funding, operational tools (Compass/Checklist) (European Commission, 2025). Policy effectiveness depends on coherence across instruments and stable learning loops; evaluation should function as cumulative institutional learning with published 'learning outputs'.

Recommendations focus on: ecosystem/mediation capacity; anti-displacement constraints; cultural data governance and benefit-sharing; AI literacy; creative procurement patterns; and a phased implementation roadmap (pilot, learn, scale) (OECD, 2025).

Keywords

Cultural policy; democracy; public value; common good; diversity; anti-racism; place-based policy; culture-led regeneration; New European Bauhaus; digital platforms; artificial intelligence; cultural rights; provenance; benefit-sharing; evaluation; cultural economics; creative economy; heritage valuation; narrative governance; collective intelligence.

1. Introduction

Cultural policy has long oscillated between two narratives: culture as a symbolic and sectoral domain, and culture as an engine of development. This Policy Paper adopts a third framing: culture as democratic infrastructure. Under conditions of plural societies, spatial inequalities and platform-mediated public spheres, cultural public policy shapes belonging, recognition, voice, plural narratives, civic trust and the capacity to live with legitimate disagreement (Mazzucato, 2025; OECD, 2025).

This Policy Paper expands the analytical framework originally developed for the author's conference at the II International Seminar of the BRIDGES project ('I have a dream. À luz da diversidade: arte, cultura, políticas públicas e mundo digital'), hosted by CIDEHUS–University of Évora, translating that contribution into an operational policy agenda for cultural public policy as democratic infrastructure (Neto, 2026).

The analytical claim is institutional: infrastructure requires durable capability investment (mediators, cultural institutions, education interfaces, data capacity), clear governance roles, and evaluation as a learning system—not only project-based funding. In other words, the core issue is less 'how much culture' and more 'what institutional design'.

The paper integrates six complementary lenses: public value and the common good (Mazzucato, 2024a; 2024b; 2025); place transformation evidence (OECD, 2025); AI and cultural governance (CULTAI, 2025); cultural economics (Einarsson, 2016); creative economy policy instruments (Newbigin, 2010); and heritage valuation as a bounded evidence layer (Nesta, 2018).

2. Culture as Democratic Infrastructure and Public Value

Treating culture as democratic infrastructure means recognising that cultural institutions, practices and narratives are part of the operating system of democratic life. They influence who is visible and represented, which histories are legitimate, how conflict is mediated, and what forms of solidarity can be sustained (Mazzucato, 2025; OECD, 2025).

A public value perspective makes this governable without reducing culture to monetised returns. It asks which collective goals cultural investment contributes to, and what institutional designs are needed to deliver those outcomes over time (Mazzucato, 2025).

2.1. A practical public value triangle

This subsection can be operationalised through four operational dimensions: Individual value: capabilities, wellbeing, access to meaning and expression (Einarsson, 2016).

In addition, it requires: Ecosystem value: skills, organisational stability, networks and mediating capacity; Societal value: inclusion, cohesion, pluralism, trust and democratic resilience. Together, these dimensions structure both governance and evaluation as cumulative learning.

From an implementation standpoint, the first requirement is to articulate the causal pathway and allocate responsibilities explicitly, so that interventions can be tracked from inputs to outcomes. Analytically, this point is best interpreted through a mechanism-based lens: it concerns the pathways through which cultural interventions are expected to influence behaviours, perceptions and institutional performance.

From an implementation perspective, it therefore requires explicit allocation of responsibilities, adequate capabilities (including mediation, data and evaluation), and stable coordination across relevant policy domains. Methodologically, it also implies the need for a learning loop: evidence should not only be collected for compliance, but used to adjust instruments, safeguards and targeting over time (Mazzucato, 2025; Einarsson, 2016; Klamer, 1996).

Governance benefits from a minimal documentation stack – clear criteria, decision logs and participation audits – that makes choices transparent, comparable and open to revision. Analytically, this point is best interpreted through a mechanism-based lens: it concerns the pathways through which cultural interventions are expected to influence behaviours, perceptions and institutional performance.

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2.2. Governance implications

The main governance implication of treating culture as democratic infrastructure is to shift the focus from the “cultural sector” to the policy system in which culture operates.

This means recognizing that culture’s democratic effects (voice, belonging, trust, pluralism) depend less on isolated instruments and more on institutional architectures: rules, routines, capabilities, and accountability circuits that stabilize objectives over time and enable cross-sector coordination. In governance terms, the decisive question ceases to be “which project

should we fund?" and becomes "which governance configurations make it possible to produce democratic public value through culture with consistency and reliability?".

Second, this framing requires cultural governance to be multi-level and cross-cutting, because the determinants of cultural access and civic participation are territorially embedded (mobility, cost, supply, mediation, symbolic barriers) while also shaped by adjacent policies (housing, education, territorial cohesion, digital policy, tourism).

The practical consequence is that cultural governance should be designed as portfolio governance: combining instruments that support creation and programming with instruments for inclusion, affordability/accessibility protection, and community mediation, while ensuring compatibility across scales (municipality-region-state) and across sectors.

Without this portfolio logic, cultural policy tends to remain confined to outputs (events, programming) and lacks the capacity to influence democratic outcomes.

A third implication is that culture as democratic infrastructure requires institutional capacity for learning. This entails making mechanisms explicit (theories of change), clarifying roles (who decides what and on the basis of which information), and specifying update moments (when and how the system corrects course).

Governance should incorporate minimal "artefacts": public criteria, decision logs, participation audits, and learning notes that bridge evidence and decision-making. From this perspective, evaluation is no longer a terminal stage of accountability but a cumulative capability – an applied memory of the system, essential to reduce fragmentation, avoid repeating errors, and strengthen trust.

Finally, governance oriented to democratic infrastructure demands safeguards, not as ancillary elements, but as conditions of legitimacy. In contexts of culture-led regeneration and urban transformation, for instance, it is crucial to treat risks such as displacement/exclusion and capture by vested interests as "design constraints". Likewise, in the digital and AI context, cultural governance must articulate rights, transparency, literacy, and value-sharing arrangements, otherwise it risks reinforcing asymmetries and accelerating erosion of the public sphere.

In sum, culture operates as democratic infrastructure only when governance is robust enough to align objectives and instruments, coordinate scales and sectors, learn systematically, and protect inclusion as an operational principle.

2.3. Mechanisms and functional cartography

Analytically, this point is best interpreted through a mechanism-based lens: it concerns the pathways through which cultural interventions are expected to influence behaviours, perceptions and institutional performance. From an implementation perspective, it therefore requires explicit allocation of responsibilities, adequate capabilities (including mediation, data

and evaluation), and stable coordination across relevant policy domains. Methodologically, it also implies the need for a learning loop: evidence should not only be collected for compliance, but used to adjust instruments, safeguards and targeting over time.

Policy systems often fail less for lack of instruments and more for lack of functional cartography: explicit knowledge of how objectives, instruments, governance levels, resources and accountability loops connect.

In cultural policy, this requires making causal mechanisms visible (theory of change), clarifying who links what across institutions, and specifying how learning travels back into decision-making (Mazzucato, 2025; OECD, 2025).

2.4. A minimal evidence architecture for cultural democracy

Analytically, this point is best interpreted through a mechanism-based lens: it concerns the pathways through which cultural interventions are expected to influence behaviours, perceptions and institutional performance. From an implementation perspective, it therefore requires explicit allocation of responsibilities, adequate capabilities (including mediation, data and evaluation), and stable coordination across relevant policy domains.

Methodologically, it also implies the need for a learning loop: evidence should not only be collected for compliance, but used to adjust instruments, safeguards and targeting over time.

A minimal evidence architecture combines: (i) a small outcome menu aligned with democratic goals (belonging, recognition, pluralism, trust); (ii) process evaluation (participation quality, transparency, inclusion of marginalised voices); (iii) distributional monitoring (who benefits and who bears costs, including displacement); and (iv) longitudinal tracking that supports adaptation over time. Treating evaluation as cumulative learning – rather than episodic reporting – is a core capability (OECD, 2025; Mazzucato, 2025).

Table 1. Minimal evidence architecture (illustrative)

Layer	What it tracks	Typical outputs
Outcome menu	Belonging, trust, pluralism, access, capabilities	Annual outcome dashboard
Process evaluation	Participation quality, inclusion, transparency	Quarterly learning notes
Distributional effects	Affordability, displacement warnings, equity	Biannual distributional briefs
Longitudinal learning	Change over time; adaptation decisions	Annual evaluation report + decision log

Source: Author's elaboration.

Cultural policy portfolios should be evaluated against an explicit outcome menu, with mechanisms and responsibilities made visible through theory-of-change logic and learning loops. Analytically, this point is best interpreted through a mechanism-based lens: it concerns the pathways through which cultural interventions are expected to influence behaviours, perceptions and institutional performance.

From an implementation perspective, it therefore requires explicit allocation of responsibilities, adequate capabilities (including mediation, data and evaluation), and stable coordination across relevant policy domains. Methodologically, it also implies the need for a learning loop: evidence should not only be collected for compliance, but used to adjust instruments, safeguards and targeting over time.

3. Three structural stressors shaping cultural policy (2014-2026)

The last decade can be read through three interacting stressors that raise the stakes of cultural policy for democratic resilience.

3.1. Plural societies: diversity, inequality, contested narratives

Plural societies are characterised not only by demographic diversity but by asymmetric access to voice, recognition and public space, which turns culture into a governance-sensitive field. In such contexts, cultural policy is inevitably entangled with questions of democratic legitimacy: who is represented, who is heard, and which forms of expression are treated as "normal" or "valuable".

Evidence reviewed at EU level suggests that cultural participation is positively associated with civic engagement and social cohesion, but it is also patterned by socio-economic gradients and unequal opportunities, which means that the democratic promise of culture is conditional on inclusion and accessibility (European Commission, 2023). Treating culture as democratic infrastructure therefore requires making equity a design constraint rather than a downstream aspiration (Mazzucato, 2025).

Inequality in plural societies is not only material; it is also symbolic and relational, shaping belonging, trust and the capacity to participate in collective life. When cultural ecosystems are unevenly distributed across territories or when affordability barriers exclude specific groups, participation gaps can reproduce political alienation and weaken civic attachments (European Commission, 2023; OECD, 2025).

Culture-led regeneration can further intensify these dynamics if cultural investment increases attractiveness while. displacing residents and creators, turning cultural policy into an

unintended driver of exclusion unless safeguards are embedded ex ante (OECD, 2025). From a public value perspective, the governance challenge is to align cultural investment with distributive and recognition goals, and to publish learning outputs that allow correction over time (Mazzucato, 2025).

Contested narratives are a third structural feature of plural societies: collective memories, heritage claims and identity frames are rarely consensual, and public institutions are often asked to arbitrate conflicts over what is celebrated, commemorated or made visible. The European Framework for Action on Cultural Heritage explicitly promotes participation and shared responsibility, recognising heritage as a common good that requires inclusive governance arrangements rather than purely technical conservation logics (European Commission, 2019).

The UN Special Rapporteur on cultural rights similarly argues that public spaces—including symbolic elements such as memorials, language, architecture and advertising—are central to cultural rights, and that exclusionary narratives can be embedded in the governance of space and visibility (United Nations General Assembly, 2019). In short, narrative governance is not a communication add-on: it is an institutional practice of managing plural meanings under conditions of conflict and asymmetry (European Commission, 2019; United Nations General Assembly, 2019).

Finally, plural societies expose the limits of purely economic or technocratic approaches to culture, because cultural value is multi-register and often disputed. Klamer's "conversation" between economics and the arts highlights how cultural domains operate with competing value languages – market, prestige, meaning and civic worth – making policy choices inherently normative and politically consequential (Klamer, 1996). This reinforces the need for plural evaluation architectures that combine evidence with deliberation and participation, rather than reducing legitimacy to single metrics or short-term outputs (Einarsson, 2016; Mazzucato, 2025).

Commons-oriented approaches also point to institutional solutions: participation becomes credible when it is resourced, when governance is horizontal where appropriate, and when accountability is operationalised through shared criteria and peer learning (Cremer et al., 2021). In this sense, governing diversity and contested narratives is less about "managing culture" and more about building democratic capabilities to sustain pluralism without exclusion (Mazzucato, 2025; Cremer et al., 2021).

3.2. Place transformation: territorial disparities and displacement risk

Place transformation is increasingly shaped by the recognition that territorial development is not an "averaging" process: the same policy instruments generate different effects across neighbourhoods, cities and regions, depending on baseline capabilities, institutional arrangements and socio-spatial inequalities. Culture-led and creativity-led strategies often operate as catalysts for place attractiveness, entrepreneurship and identity, yet their impacts

are mediated by housing markets, mobility constraints and governance capacity. The OECD's analysis of culture-led regeneration stresses that culture can contribute to place transformation when it is integrated into broader development strategies, but also warns that cultural investment can amplify territorial disparities if it is not accompanied by inclusive governance and continuous monitoring (OECD, 2025).

In this sense, place-based cultural policy requires a portfolio logic that connects cultural interventions to social, housing and cohesion instruments rather than treating culture as a stand-alone sector (European Commission, 2019; OECD, 2025).

Territorial disparities matter because they shape both access to culture and the civic returns that participation may generate. European evidence suggests that cultural participation correlates with civic engagement and social cohesion outcomes, but participation itself is unevenly distributed and often constrained by affordability, distance, information barriers and unequal cultural infrastructure (European Commission, 2023).

Measurement tools such as the Cultural and Creative Cities Monitor provide a multidimensional way to benchmark cultural vibrancy, creative economy performance and enabling environment conditions, highlighting that "ecosystem capacity" and governance quality are key differentiators across places (Montalto et al., 2019; Alberti et al., 2023).

For policy teams, the implication is practical: territorial disparities must be tracked as part of the evidence architecture, and interventions must be sequenced so that capability-building (skills, mediation, networks, access) precedes or accompanies high-visibility cultural investments.

Displacement risk is the most sensitive governance challenge in culture-led place transformation. When cultural strategies raise attractiveness, they can trigger rent escalation and land-use pressures that displace residents and creators, turning cultural policy into an unintended mechanism of exclusion. The OECD argues that displacement and affordability should be treated as design constraints, requiring explicit safeguards and decision triggers rather than ex post mitigation (OECD, 2025).

This aligns with the broader claim that culture as democratic infrastructure must protect inclusion as an operational principle: policy effectiveness cannot be evaluated only by visitor numbers or flagship projects if the social composition of the place and the viability of local cultural ecosystems deteriorate (Mazzucato, 2025; European Commission, 2023).

Accordingly, governance should institutionalise distributional monitoring and publish learning outputs that document trade-offs and corrective action over time.

Finally, place transformation is also a narrative and heritage process, not merely a physical or economic one. The European Framework for Action on Cultural Heritage positions heritage as a common good and promotes participatory governance, recognising that identity and recognition are central to sustainable transformation (European Commission, 2019).

In crisis and recovery contexts, the UNESCO–World Bank CURE framework similarly argues that culture must be mainstreamed across reconstruction phases, because community ownership,

meaning and social cohesion are prerequisites for durable recovery and resilience (UNESCO & World Bank, 2018). These perspectives reinforce a governance conclusion: place transformation should be managed as a multi-level system in which cultural investment, housing affordability, public space rights and participatory decision-making are jointly governed.

In short, culture can anchor development "where it happens," but only if policy portfolios are designed to generate inclusive outcomes and to prevent displacement as a predictable risk rather than an unfortunate surprise (OECD, 2025; European Commission, 2019).

3.3. Platformisation and generative AI: new asymmetries in visibility and value

The platformisation of culture – i.e., the growing mediation of visibility, circulation, and monetisation by digital platforms – creates a structural governance shift: it relocates the core functions of intermediation (curation, discoverability, reputational ranking, and revenue allocation) from public institutions and local ecosystems to private infrastructures built on data extraction and attention markets. In this transition, what counts as "relevant" or "valuable" is increasingly filtered through recommendation systems and business models optimised for retention, engagement and advertising value.

While platformisation can lower distribution barriers and expand access, it also concentrates power in a small set of actors that set the terms of visibility, moderation and value capture, often with limited public accountability. From a cultural policy perspective, this means that "access" now includes the governance of attention and the conditions of participation in the digital public sphere (European Commission, 2023; CULTAI Independent Expert Group, 2025).

The first emerging asymmetry is therefore an asymmetry of visibility. Platform-driven discoverability tends to reward dominant patterns and amplify cumulative advantage ("winner-takes-most"), which can reduce diversity even when the supply of content increases. This dynamic disproportionately affects emerging creators, minority cultures, peripheral languages, and less central territories, whose algorithmic presence is weaker and whose cultural signals are less represented in historical data.

As the European evidence base indicates, cultural participation is linked to civic engagement and social cohesion, but participation is shaped by unequal opportunities—digital mediation can thus reinforce pre-existing inequalities if visibility becomes more concentrated and if diverse publics are not intentionally supported (European Commission, 2023).

Policy implications include treating diversity and pluralism as design constraints in publicly supported digital cultural ecosystems, and strengthening local mediators and institutions that can counterbalance purely platform-mediated visibility regimes (OECD, 2025).

With generative AI, these asymmetries extend to value appropriation and the governance of cultural labour. Models trained on large cultural corpora can produce "functional substitutes"

for human creation, reconfiguring competition, attribution and remuneration, often without sufficient transparency regarding provenance, consent, or the distribution of benefits.

The CULTAI expert report stresses that AI and culture governance must address provenance and traceability, bias and discrimination risks, and fair benefit-sharing arrangements, because otherwise cultural value is extracted and reallocated towards those who control computational infrastructure and data (CULTAI Independent Expert Group, 2025).

This is not only an economic issue; it is democratic and institutional: opacity in attribution and responsibility undermines trust, and the scale of synthetic content can distort informational environments and cultural deliberation, weakening the public sphere (United Nations General Assembly, 2019; CULTAI Independent Expert Group, 2025).

The central governance implication is that cultural policy should treat platforms and AI as infrastructure, not merely as channels. This requires embedding conditions in public funding and procurement: transparency and documentation standards, auditing and reporting obligations, non-discrimination and accessibility safeguards, and literacy-building programmes for creators and audiences (CULTAI Independent Expert Group, 2025; European Commission, 2023).

It also implies designing portfolio-level responses that link digital governance to place-based resilience, including hybrid physical-digital spaces, community anchors and commons-oriented infrastructures that support plural participation and shared stewardship (Cremer et al., 2021; OECD, 2025).

In sum, platformisation and generative AI reshape who is seen, who is heard, and who captures the returns of cultural production; cultural public policy must therefore reassert democratic goals – pluralism, inclusion, rights and accountability – within the infrastructures that now organise cultural visibility and value (Mazzucato, 2025; CULTAI Independent Expert Group, 2025).

4. Analytical lenses and design principles

Across the referenced literature, three design principles recur: directionality (explicit goals), co-creation (meaningful participation), and learning loops (evaluation as institutional memory).

4.1. Common good principles and collective value creation

Framing culture and cultural policy through common good principles shifts the analytical baseline from “sectoral support” to the governance of shared resources and shared outcomes.

A common good perspective recognises that certain forms of cultural value—belonging, mutual recognition, plural public debate, and intergenerational transmission—are not adequately produced or sustained by market allocation alone, because they depend on collective infrastructures, long time horizons, and rights-based access.

This rationale aligns with a broader move in public policy from correcting market failures to shaping collective goals and directionality, where public value is not incidental but intentionally governed (Mazzucato, 2024a; Mazzucato, 2025). In cultural policy terms, the common good lens therefore supports a shift from project-by-project funding decisions to portfolio architectures that stabilise democratic objectives and institutional learning over time (European Commission, 2019; OECD, 2025).

The notion of collective value creation complements this perspective by emphasising that value is often co-produced across multiple stakeholders – public institutions, communities, creators, and private actors – and that governance should explicitly organise the conditions under which co-creation occurs.

Rather than assuming that private value automatically aggregates into societal value, collective value approaches require policymakers to define the collective objectives at stake, to allocate roles and responsibilities, and to design accountability mechanisms that keep outcomes aligned with democratic commitments (Mazzucato, 2024b).

This is particularly important in cultural systems where value registers are plural and contested: aesthetic, social, economic and rights-based considerations must be balanced through transparent criteria and participatory legitimacy, not through a single metric or a single institutional vantage point (Klamer, 1996; Einarsson, 2016). Accordingly, collective value creation implies that cultural policy is unavoidably normative and must make its trade-offs explicit.

Operationally, common good principles translate into governance requirements that resemble a "minimum institutional package": accessibility and non-discrimination, participatory decision-making, safeguards against exclusion, and a commitment to publish learning outputs as a public asset. The European Framework for Action on Cultural Heritage explicitly advances this logic by treating heritage as a common good, promoting shared responsibility and participatory governance, and mainstreaming culture across policy domains (European Commission, 2019).

In parallel, rights-based approaches to public space stress that cultural rights depend on adequate and accessible public spaces – physical and digital - and that exclusionary governance of space undermines both cultural participation and democratic freedoms (United Nations General Assembly, 2019).

In practice, these principles require that cultural programmes embed participation audits, decision logs, and distributional monitoring, especially where culture-led transformation intersects with housing markets and displacement risk (OECD, 2025).

Finally, collective value creation offers a useful bridge to instrument design in contexts shaped by platformisation and AI. As cultural value is increasingly mediated by private infrastructures

and data-driven systems, the risk grows that value is extracted from creators and communities while benefits concentrate upstream among infrastructure owners.

The CULTAI expert report argues that credible governance must address provenance and traceability, bias and discrimination, and fair benefit-sharing arrangements, otherwise AI amplifies asymmetries in both visibility and value capture (CULTAI Independent Expert Group, 2025).

A common good approach, therefore, implies that public funding and procurement should attach conditions – transparency, auditability, literacy and rights safeguards – so that collective goals remain governable even in digital environments (Mazzucato, 2024b; CULTAI Independent Expert Group, 2025).

In sum, common good principles and collective value creation provide not only a normative justification for cultural policy, but a governance blueprint for aligning cultural systems with democratic resilience (Mazzucato, 2025; OECD, 2025).

4.2. Collective intelligence as governance capability

Treating collective intelligence as a governance capability means recognising that, in complex policy fields, no single actor – ministry, municipality, expert body, or institution – holds sufficient knowledge to design, implement and adapt effective interventions. Cultural public policy is a paradigmatic case: it involves plural value registers, contested narratives, and heterogeneous territorial conditions, while operating under uncertainty and long time horizons.

A collective intelligence lens reframes governance as the structured mobilisation of diverse people, data and methods to solve problems, not as a one-off consultation exercise. It aligns with mission-oriented perspectives that emphasise directionality, coordination and learning loops as core elements of state capacity (Mazzucato, 2024a; Nesta's Centre for Collective Intelligence Design, n.d.).

Operationally, collective intelligence requires deliberate design of participatory infrastructures – the "how" of gathering and integrating distributed knowledge. Nesta's playbook highlights a sequence that is particularly relevant to cultural policy: framing the challenge; mapping the system; mobilising diverse contributors; prototyping solutions; and iterating based on feedback and evidence (Nesta's Centre for Collective Intelligence Design, n.d.).

In practice, this implies that participation must be resourced (mediation, facilitation, time, accessibility), and that the outputs of participation must be legible in decision-making (criteria, decision logs, follow-up commitments). Without these institutional supports, participation tends to collapse into symbolic engagement, which weakens trust and undermines democratic objectives (European Commission, 2023; United Nations General Assembly, 2019).

Collective intelligence is also an evidence architecture, not merely a social process. It requires combining quantitative dashboards with qualitative interpretation and experiential knowledge, and it benefits from measurement systems that support territorial comparison and learning.

Tools such as the Cultural and Creative Cities Monitor enable benchmarking of ecosystem capacity and enabling conditions across places, while EU evidence on culture and democracy provides outcome domains linked to civic engagement and social cohesion (Montalto et al., 2019; Alberti et al., 2023; European Commission, 2023).

The governance implication is that collective intelligence should be coupled with explicit learning loops: evidence is generated, interpreted with stakeholders, and used to revise instruments and targeting. This shifts evaluation from compliance reporting to cumulative institutional memory, reducing fragmentation and increasing policy coherence over time (OECD, 2025; Mazzucato, 2025).

Finally, collective intelligence becomes even more critical under platformisation and generative AI, where information environments are distorted, value capture is concentrated, and the rules shaping visibility and participation are often opaque. The CULTAI expert report underlines that AI governance in culture requires transparency, provenance, bias auditing and fair benefit-sharing, and that literacy and institutional capacity are essential for democratic accountability (CULTAI Independent Expert Group, 2025).

A collective intelligence approach therefore supports multi-stakeholder governance arrangements that can negotiate standards, monitor harms, and adapt policies as technologies evolve. In short, collective intelligence is a capability that enables cultural public policy to remain both evidence-informed and democratically legitimate in plural, dynamic and contested environments (CULTAI Independent Expert Group, 2025; Mazzucato, 2024b).

4.3. Cultural economics, creative economy and plural evaluation

Cultural economics provides a foundational insight for policy design: cultural value is not reducible to market price, and cultural production is structurally different from many other sectors. Cultural goods often involve high fixed costs, uncertain demand, and “experience” qualities that are difficult to evaluate ex ante, which helps explain persistent reliance on public support, philanthropy and hybrid revenue models.

At the same time, cultural domains operate through multiple value registers – artistic, social, civic and economic – which means that policy decisions are inherently normative and cannot be fully settled by technical metrics alone (Einarsson, 2016; Klamer, 1996). This reinforces the argument that cultural policy should be framed as democratic infrastructure: it institutionalises which values are protected, which publics are included, and which cultural capabilities are sustained over time (Mazzucato, 2025).

The creative economy perspective expands this by emphasising ecosystems, spillovers and capability formation. Creative sectors can contribute to employment, innovation, place attractiveness and knowledge diffusion, but these effects depend on enabling conditions such as human capital, openness, connectivity and governance quality.

European benchmarking tools operationalise this ecosystem logic: the Cultural and Creative Cities Monitor combines cultural vibrancy, creative economy performance and an enabling environment, highlighting that "creative success" is rarely a simple function of cultural supply and often reflects broader institutional quality and territorial capacity (Montalto et al., 2019; Alberti et al., 2023).

For public policy, this implies that culture-led strategies should be designed as portfolios that connect culture to education, entrepreneurship, digital capability and cohesion instruments, rather than as isolated grant schemes (OECD, 2025; European Union (Open Method of Coordination Working Group), 2018).

However, the policy relevance of cultural economics and creative economy frameworks depends on adopting plural evaluation. The risk of "economisation" is to treat culture's legitimacy as a function of monetised outputs—tourism revenue, visitor numbers, or short-term job creation, while neglecting democratic outcomes such as belonging, trust, voice and pluralism.

Evidence synthesised at EU level suggests that cultural participation correlates with civic engagement and social cohesion, but these outcomes require accessible infrastructures and inclusive governance, not merely cultural "activity" (European Commission, 2023).

Plural evaluation therefore combines bounded economic evidence (where appropriate) with rights-based and democratic outcome measures, and it uses deliberation and participation to adjudicate trade-offs among competing value claims (Einarsson, 2016; Mazzucato, 2025; United Nations General Assembly, 2019).

In practical terms, plural evaluation can be implemented through a dual architecture: (i) an ecosystem dashboard that tracks capability and enabling conditions (e.g., C3 Monitor dimensions), and (ii) a culture–democracy dashboard that tracks participation inequalities and civic outcomes (European Commission, 2023; Montalto et al., 2019).

Where valuation is necessary – particularly for heritage assets – benefit transfer and stated-preference approaches can provide useful but bounded evidence, provided they are treated as inputs to democratic judgement rather than substitutes for it (Lawton et al., 2018).

The governance implication is that evaluation should function as a learning loop: decision logs, participation audits and publicly shared learning notes support adaptation, protect legitimacy, and prevent culture-led transformation from drifting into exclusionary or displacement-inducing dynamics (OECD, 2025; European Commission, 2019).

5. 2014-2026: a decade in review

Cultural policy rationales expanded: from access and participation toward inclusion, diversity, public value creation and democratic trust. This implies a shift from programmes to ecosystems and from episodic initiatives to cumulative capability (Mazzucato, 2025).

5.1. From projects to capabilities

Moving "from projects to capabilities" means treating cultural public policy not as a sequence of discrete funded activities, but as a strategy to build durable institutional, organisational and community capacities that can repeatedly generate public value. Project-based logics often optimise for short-term outputs – events, productions, visitor numbers – while underinvesting in the infrastructures that make outcomes sustainable: mediation, networks, governance routines, data systems, and learning loops.

A capability lens aligns with mission-oriented public policy approaches that emphasise directionality and the shaping of collective goals, rather than merely correcting market failures through fragmented interventions (Mazzucato, 2024a; Mazzucato, 2025). In cultural policy, this translates into prioritising the conditions under which plural participation, voice and belonging can be reproduced over time.

Capability building is particularly important in place-based contexts, where baseline resources, institutional maturity and cultural infrastructure vary widely across territories. European benchmarking tools such as the Cultural and Creative Cities Monitor illustrate that enabling conditions—human capital, openness, connectivity, and governance quality, often explain more of a place's cultural and creative performance than isolated investments in venues or flagship programmes (Montalto et al., 2019; Alberti et al., 2023).

The OECD similarly argues that culture-led regeneration works best when embedded in integrated development strategies and when supported by stable cross-sector coordination, rather than treated as a stand-alone cultural initiative (OECD, 2025). In practical terms, a capability approach implies sequencing: invest first in access, mediation and governance capacity, then scale higher-visibility interventions that depend on those foundations.

A capability shift also changes how accountability and evaluation are designed. If the objective is capability formation, evaluation must track intermediate outcomes such as coordination quality, participation depth, learning routines, and institutional legitimacy—not only final outcomes or monetised impacts. EU evidence indicates that cultural participation is positively associated with civic engagement and social cohesion, but these effects are conditional on inclusion and opportunity structures, which are precisely what capabilities are meant to secure (European Commission, 2023).

This reinforces the case for plural evaluation architectures that combine dashboards with qualitative interpretation and participatory accountability, treating evidence as a cumulative asset of the policy system (Mazzucato, 2025; Einarsson, 2016). Put differently, "capability" is what makes cultural policy governable at the level of democratic outcomes, rather than merely reportable at the level of activity.

Finally, moving from projects to capabilities becomes even more pressing under platformisation and generative AI, where visibility and value capture are shaped by private infrastructures and opaque algorithmic systems. The CULTAI expert report stresses that credible governance requires institutional capacity for transparency, provenance, bias auditing, and benefit-sharing, alongside literacy and stakeholder engagement, none of which can be delivered by one-off projects alone (CULTAI Independent Expert Group, 2025).

Rights-based approaches to public space likewise imply durable safeguards and governance routines that protect inclusion in both physical and digital environments (United Nations General Assembly, 2019). A capability agenda therefore points to portfolio governance: bundling instruments for creation and access with safeguards, learning outputs and institutional memory, so that cultural public policy can adapt over time without losing legitimacy or excluding vulnerable publics (OECD, 2025; Mazzucato, 2024b).

5.2 The platform turn

The "platform turn" refers to the structural reorganisation of cultural production, circulation and monetisation around digital platforms that operate as infrastructures of attention, data and intermediation. In governance terms, this is not simply a technological shift; it is an institutional shift in who sets the rules of visibility, access, moderation and value allocation.

Platforms increasingly mediate discoverability through algorithmic recommendation and ranking systems, while their business models prioritise engagement, scale and data capture. As a result, the cultural public sphere becomes partially governed by private infrastructures whose incentives are not necessarily aligned with pluralism, democratic deliberation or cultural rights (European Commission, 2023; CULTAI Independent Expert Group, 2025).

For cultural public policy, the platform turn therefore expands the policy object: governing culture today includes governing the conditions of cultural visibility and participation in digital environments.

A central implication is the emergence of new inequalities in attention and discoverability, which can reinforce existing socio-economic and territorial disparities. Even where platforms increase nominal access, they can also concentrate visibility and reward cumulative advantage, making it harder for minority cultures, peripheral languages and emerging creators to be seen and sustained.

EU evidence indicates that cultural participation is associated with civic engagement and social cohesion, but participation is shaped by unequal opportunities and barriers; if the digital environment systematically filters visibility, it becomes a mechanism through which participation inequalities are reproduced (European Commission, 2023). This interacts with place-based dynamics: cultural ecosystems in less central territories may face double disadvantage – limited local infrastructure and weaker algorithmic visibility – unless policy portfolios explicitly include mediation, network-building and targeted inclusion strategies (OECD, 2025).

The platform turn also shifts value capture, often away from creators and local ecosystems and toward infrastructure owners who control data and distribution. With generative AI, these dynamics intensify: training and deployment regimes can appropriate cultural corpora at scale and reallocate returns without transparent consent, provenance or benefit-sharing.

The CULTAI expert group argues that AI and culture governance must address traceability, bias, accountability, and fair benefit-sharing arrangements, because otherwise AI amplifies asymmetries in both visibility and value capture, undermining trust in cultural ecosystems and in the public sphere (CULTAI Independent Expert Group, 2025).

In this context, cultural public policy needs to treat platforms and AI as infrastructure – requiring standards, audits and rights safeguards – rather than as neutral channels (United Nations General Assembly, 2019; CULTAI Independent Expert Group, 2025).

Finally, the platform turn implies a capability agenda: public institutions must build the competencies and governance tools needed to operate effectively in hybrid physical–digital ecosystems. This includes digital and AI literacy for creators and audiences, procurement and funding conditions that embed transparency and non-discrimination, and evidence architectures that monitor participation inequalities and distributional impacts.

Commons-oriented approaches, such as “Homes of Commons,” suggest institutional pathways for creating hybrid spaces that protect shared cultural resources and ensure meaningful participation through peer learning and participatory guarantee systems (Cremer et al., 2021). More broadly, mission-oriented and public value perspectives underscore that the state can shape market conditions by setting directionality and accountability, not merely by subsidising activity (Mazzucato, 2024a; Mazzucato, 2025).

In sum, addressing the platform turn is a core governance task for cultural democracy: it concerns who is visible, who benefits, and how cultural participation and rights are protected in the infrastructures that increasingly organise collective meaning.

6. Culture-led place transformation: evidence and constraints

OECD (2025) cautions against assuming automatic effects from cultural flagships or events. Place transformation depends on context, policy mixes, governance quality, and the capacity to sustain participation and learning over time.

6.1. The displacement constraint

The “displacement constraint” refers to a predictable governance risk in culture-led place transformation: cultural investment can increase attractiveness and intensify land and housing pressures, thereby displacing residents, small businesses and creators—the very social and cultural fabric that makes a place distinctive.

The OECD’s analysis of culture-led regeneration stresses that culture can contribute to place transformation, but it can also generate exclusionary dynamics if affordability and distributional effects are not treated as central design parameters (OECD, 2025). In this sense, displacement is not an unfortunate side-effect to be managed ex post; it is a constraint that must shape instrument choice, sequencing and governance arrangements from the outset.

Treating culture as democratic infrastructure reinforces this point: if cultural policy erodes belonging and participation through displacement, it undermines the democratic outcomes it claims to support (Mazzucato, 2025; European Commission, 2023).

Displacement operates through multiple channels, including rent escalation, short-term tourism pressures, commercial gentrification and the reallocation of public space toward higher-income consumption patterns. These effects can be amplified when cultural programmes are tied to branding and visitor economy strategies without parallel safeguards, or when planning systems fail to protect cultural workspaces and community anchors.

The European Framework for Action on Cultural Heritage promotes participatory and integrated governance, implying that heritage and culture strategies must be mainstreamed across policy domains, including urban planning, housing and sustainable development (European Commission, 2019).

This is especially relevant because the benefits and burdens of culture-led regeneration are often unevenly distributed, and distributional conflict can erode trust in institutions and legitimacy of public investment. Therefore, a displacement-aware approach requires explicit governance of who benefits, who bears costs, and who remains in place after intervention (OECD, 2025; European Commission, 2019).

Operationally, the displacement constraint calls for a safeguards package embedded in cultural policy portfolios. At minimum, this includes monitoring affordability indicators, protecting cultural workspaces, aligning cultural investment with housing and mobility policies, and setting decision triggers that activate corrective measures when displacement risk rises.

Evidence architectures should combine ecosystem dashboards (capability and enabling conditions) with participation and equity dashboards, because exclusion can emerge even when aggregate cultural activity increases (Montalto et al., 2019; Alberti et al., 2023; European Commission, 2023).

A public value perspective suggests that these safeguards are not merely technical; they are accountability instruments that make trade-offs explicit and governable, enabling policy systems to adapt without losing legitimacy (Mazzucato, 2025; OECD, 2025).

Finally, displacement is also a rights and public-space issue: exclusion often materialises through who can access cultural venues, public space, and civic platforms, and under what conditions. The UN Special Rapporteur on cultural rights argues that adequate and accessible public spaces are prerequisites for cultural rights and democratic freedoms, and that governance must confront exclusionary dynamics in the regulation and symbolic organisation of space (United Nations General Assembly, 2019).

In crisis or rapid-transition contexts, the UNESCO–World Bank CURE framework similarly highlights that recovery and reconstruction must be people-centred and culture-aware, foregrounding community ownership and social cohesion to avoid rebuilding that displaces communities or erases local meaning (UNESCO & World Bank, 2018).

In sum, the displacement constraint should be treated as a first-order design principle: culture-led transformation is democratically sustainable only when it protects affordability, preserves cultural livelihoods, and keeps public space inclusive as places change (OECD, 2025; European Commission, 2019).

6.2. Evaluation as longitudinal learning

Evaluation as longitudinal learning reframes evaluation from a terminal compliance exercise into a cumulative capability of the policy system. In complex policy domains – such as cultural public policy – outcomes unfold over long time horizons, mechanisms are multi-causal, and effects are mediated by territorial context and institutional capacity. Under these conditions, evaluation needs to be designed to support iterative decision-making: clarifying what is expected to change, when change should become visible, and how evidence will be used to adjust instruments and targeting.

This aligns with mission-oriented perspectives that stress directionality and learning loops as core elements of public sector capacity, rather than as optional add-ons (Mazzucato, 2024a; Mazzucato, 2025). It also reflects the practical insight that policy systems often fail less from lack of instruments than from weak “functional cartography” and poor feedback circuits.

A longitudinal approach is particularly important for culture-led place transformation, where short-term outputs can obscure long-term distributional effects. For example, a successful programme in terms of attendance, tourism and symbolic visibility may simultaneously intensify affordability pressures and trigger displacement dynamics that erode belonging and trust, precisely the democratic outcomes cultural policy aims to strengthen (OECD, 2025; European Commission, 2023).

Evaluation therefore needs to track both end outcomes and intermediate indicators (participation equity, coordination quality, affordability signals, mediation capacity), and it must do so consistently across time so that trends and turning points are visible.

European measurement architectures provide useful building blocks: the Cultural and Creative Cities Monitor offers an ecosystem dashboard for benchmarking capability and enabling conditions, while EU evidence on culture and democracy provides outcome domains linked to civic engagement and social cohesion (Montalto et al., 2019; Alberti et al., 2023; European Commission, 2023). Together, these tools support an evidence infrastructure that can inform timely adaptation.

Longitudinal learning also implies governance requirements for documentation and transparency. Evidence only becomes actionable when decision roles are clear and when minimal artefacts are institutionalised: public criteria, decision logs, participation audits and periodic learning notes that capture what was tried, what worked, what did not, and why.

This is particularly relevant in cultural systems where value is plural and contested; evaluation must combine quantitative indicators with qualitative interpretation and participatory accountability, rather than collapsing legitimacy into a single metric (Einarsson, 2016; Klamer, 1996; Mazzucato, 2025).

In practice, publishing learning outputs functions as a democratic safeguard: it makes trade-offs explicit, allows external scrutiny, and reduces fragmentation by enabling institutional memory to accumulate across cycles.

Finally, evaluation as longitudinal learning becomes even more critical in digital and AI-mediated environments, where policy conditions change rapidly and risks can escalate quickly. The CULTAI expert report stresses that AI governance in culture requires traceability, bias auditing, transparency and benefit-sharing arrangements; these requirements must be monitored and revised over time, because both technologies and harm profiles evolve (CULTAI Independent Expert Group, 2025).

Rights-based approaches to public spaces likewise underline that inclusion and non-discrimination must be tracked across physical and digital public spheres, especially when new exclusionary dynamics emerge (United Nations General Assembly, 2019).

A longitudinal evaluation model therefore equips cultural public policy to remain both evidence-informed and legitimate: it creates feedback circuits that support iteration without mission drift, and it strengthens democratic resilience by treating learning as a public good rather than an internal bureaucratic ritual (OECD, 2025; Mazzucato, 2025).

6.3. Heritage governance and place attachment: lessons from ICH governance debates

Heritage governance is increasingly recognised as a core dimension of place attachment and democratic legitimacy, because heritage is not only an asset to be conserved but a living system

of meaning through which communities narrate continuity, identity and belonging. This implies that governance choices - how heritage is defined, who decides, and which practices are recognized - shape social cohesion and civic trust, especially in plural societies where narratives are contested.

The European Framework for Action on Cultural Heritage treats heritage as a common good and emphasises participatory governance and shared responsibility, signalling that heritage policy must be mainstreamed across domains rather than confined to technical conservation (European Commission, 2019). In this framing, place attachment is not merely cultural; it becomes a policy outcome linked to legitimacy, inclusion and resilience.

Debates on intangible cultural heritage (ICH) governance illustrate a key tension relevant to European contexts: administrative coherence and international alignment can strengthen safeguarding, but they can also weaken vernacular meanings and local attachment if practices are over-formalised or standardised.

Place-based research on ICH governance shows that when local practices are translated into rigid administrative categories, communities may experience a loss of ownership, and heritage can shift from lived practice to performative display. Conversely, governance arrangements that support locally rooted revitalization – through community stewardship, adaptive interpretation and recognition of evolving practices – can strengthen resilience and social cohesion while maintaining continuity with historical trajectories (Li, Wu, & Du, 2025).

The implication is that "good governance" in heritage is not equivalent to centralisation; it is the ability to balance safeguarding with living cultural dynamics.

This tension matters because heritage is often mobilised in place transformation strategies, where culture-led regeneration and tourism can create both benefits and risks. The OECD's analysis of culture-led regeneration highlights the potential for cultural investment to support place transformation, but also warns that it can generate displacement and exclusion if distributional effects and affordability constraints are not treated as design parameters (OECD, 2025).

Heritage-led attractiveness can accelerate these pressures, particularly when governance is dominated by visitor-economy incentives rather than resident-centred public value. Therefore, heritage governance must integrate safeguards and include mechanisms for continuous monitoring and learning, ensuring that heritage remains a resource for residents' belonging rather than a driver of exclusionary transformation (OECD, 2025; European Commission, 2019).

Finally, the ICH governance debate reinforces a broader methodological lesson for cultural public policy: evaluation must be plural and longitudinal, because heritage outcomes are multi-dimensional and unfold over time. Cultural participation and belonging relate to civic engagement and social cohesion, but participation is patterned by inequality and opportunity structures, so inclusion and access must be continuously assessed (European Commission, 2023).

In crisis and recovery contexts, the UNESCO–World Bank CURE framework similarly argues that culture should be mainstreamed across recovery phases, emphasising community ownership and the safeguarding of both tangible and intangible heritage as prerequisites for durable resilience (UNESCO & World Bank, 2018).

In sum, heritage governance that strengthens place attachment requires participatory legitimacy, safeguards against exclusion, and learning loops that allow policies to adapt without eroding the lived meanings that make heritage democratically valuable (Li et al., 2025; European Commission, 2019).

7. The New European Bauhaus (NEB) as a hybrid policy instrument

NEB offers a relevant template for hybrid policy instrumentation: values-led directionality (Beautiful, Sustainable, Together), co-creation, cross-programme funding, and operational tools (Compass and Checklist) that translate narrative into assessable criteria and self-assessment. For cultural policy, NEB is methodological: it treats culture and aesthetics as governance infrastructure.

7.1. What is 'hybrid' in NEB

The "hybrid" character of the New European Bauhaus (NEB) lies in the fact that it operates simultaneously as a normative framework, a policy instrument, and a community-based innovation process.

NEB is not only a programme that funds projects; it is also a values-led policy gramar – centred on beauty, sustainability and inclusion – that shapes how problems are framed, how solutions are assessed and how learning is communicated. In this sense, NEB resembles mission-oriented governance: it defines directionality (what Europe wants to achieve), while leaving room for contextual experimentation and portfolio building across territories (European Commission, 2025; Mazzucato, 2024a).

For cultural public policy, the hybrid nature of NEB is therefore analytically valuable because it demonstrates how values can be operationalised through selection criteria, documentation routines and cross-sector coordination.

A second hybrid dimension is cross-sectoral bundling. NEB deliberately combines cultural, environmental, social and spatial levers, connecting architecture, design and heritage with climate transition, social inclusion, innovation and territorial development. This bundling is not merely thematic; it is institutional: NEB encourages partnerships across government levels and

across actor types (public institutions, communities, universities, businesses, cultural organisations).

From a place-based perspective, this is significant because place transformation requires integrating instruments rather than sequencing siloed interventions, and it requires coordination capacity to avoid policy fragmentation (OECD, 2025). NEB can thus be read as an institutional template for portfolio governance: it prompts policymakers to build coherent combinations of instruments that can deliver multi-dimensional outcomes.

Third, NEB is hybrid because it connects experimentation to scaling. The NEB pipeline is designed to support prototypes, demonstrators and local experiments, while also structuring pathways for diffusion, replication and policy uptake. This "prototype-to-policy" logic aligns with collective intelligence design approaches, which emphasise structured participation, rapid learning cycles and adaptation based on evidence (Nesta's Centre for Collective Intelligence Design, n.d.).

It also resonates with the idea that evaluation should function as longitudinal learning rather than as a final compliance step: NEB-style approaches become governable when they institutionalise learning outputs – criteria, decision logs, participation audits and documented trade-offs – that allow scaling without losing legitimacy (Mazzucato, 2025; European Commission, 2025). In cultural policy terms, this hybrid sequencing helps prevent the common problem of isolated good projects with weak systemic impact.

Finally, NEB is hybrid because it blends public value and market Dynamics – it mobilises public funding and public criteria, while engaging private actors and innovation ecosystems. This creates both opportunity and risk: it can catalyse investment and capability-building, but it can also amplify displacement pressures if place attractiveness rises without affordability safeguards.

The OECD explicitly warns that culture-led regeneration can generate exclusionary outcomes unless displacement and distributional effects are treated as design constraints (OECD, 2025). Therefore, the hybrid governance lesson of NEB is that values-led frameworks require explicit safeguards and accountability mechanisms to ensure inclusion is operational, not rhetorical.

Read through the lens of culture as democratic infrastructure, NEB illustrates how hybrid policy instruments can translate normative goals into governable portfolios – provided that learning loops and equity safeguards are embedded from the start (European Commission, 2025; Mazzucato, 2025).

7.2. NEB-style transfer to cultural policy (Portugal/EU)

A NEB-style transfer to cultural policy in Portugal and the EU is best understood not as replication of a brand or a funding label, but as adoption of a governance logic: values-led directionality, cross-sector portfolio design, and learning-oriented implementation. NEB

demonstrates how normative principles (beauty, sustainability, inclusion) can be translated into selection criteria, documentation routines and partnership architectures that make values governable rather than aspirational (European Commission, 2025).

This resonates with mission-oriented approaches that argue public policy should shape collective goals and coordinate actors around them, rather than merely correct market failures through fragmented instruments (Mazzucato, 2024a; Mazzucato, 2025). For cultural policy, the transfer question therefore becomes: how can cultural democracy goals – access, pluralism, belonging, rights – be operationalised through comparable "compass + checklist + portfolio" instrumentation?

A second transfer implication is institutional: NEB-style approaches assume cross-sector bundling as the default, because place transformation requires coordinated levers across housing, public space, mobility, social inclusion, education, heritage and digital transition. In Portugal, as in many EU contexts, cultural policy often remains organisationally siloed, which limits its capacity to influence democratic outcomes and territorial disparities.

The OECD's work on culture-led regeneration stresses that cultural strategies are most effective when embedded in integrated place-based development portfolios, and it also warns that regeneration can generate exclusionary outcomes unless distributional effects and safeguards are designed ex ante (OECD, 2025). A NEB-style transfer therefore supports building multi-level governance arrangements – municipal, regional and national – that can combine cultural investment with affordability safeguards, participation infrastructures and complementary social policy instruments.

Third, NEB-style transfer requires an evidence and learning infrastructure that is longitudinal and decision-relevant. NEB is governable because it structures experimentation and scaling through explicit criteria, documentation and learning outputs; cultural policy can adopt the same approach by institutionalising decision logs, participation audits and periodic learning notes that connect evidence to adaptation (European Commission, 2025; Mazzucato, 2025).

Measurement architectures provide practical building blocks: the Cultural and Creative Cities Monitor enables benchmarking of cultural vibrancy, creative economy and enabling environment conditions across places, while EU evidence on culture and democracy helps define outcome domains linked to civic engagement and social cohesion (Montalto et al., 2019; Alberti et al., 2023; European Commission, 2023).

The key is to link these dashboards to decision triggers – e.g., participation inequalities, governance quality signals, or affordability alerts – so that learning becomes operational rather than rhetorical.

Finally, a NEB-style transfer to cultural policy must incorporate rights-based safeguards for both physical and digital public spaces. The UN Special Rapporteur on cultural rights argues that accessible public spaces are prerequisites for cultural rights and democratic freedoms and that exclusionary governance of space undermines participation and legitimacy (United Nations General Assembly, 2019).

In parallel, the CULTAI expert report highlights that platformisation and AI introduce new asymmetries in visibility and value capture, requiring governance mechanisms for transparency, provenance, bias auditing and fair benefit-sharing (CULTAI Independent Expert Group, 2025).

A NEB-style cultural policy, therefore, should not only fund projects; it should build institutional capacity to govern visibility, inclusion and value capture in hybrid physical–digital ecosystems.

In sum, the NEB transfer opportunity for Portugal and the EU is to turn cultural policy into an explicit democratic infrastructure strategy: values-led, portfolio-based, evidence-enabled and safeguarded against exclusion and displacement (OECD, 2025; European Commission, 2025; Mazzucato, 2025).

8. Territorial image and narrative governance

Territorial image is often treated as an external communication artefact – branding, promotion, reputation management – but, from a governance perspective, it is better understood as an internal institutional resource that structures expectations, coordinates actors and stabilises strategic priorities over time.

Earlier work on territorial image and attractability already emphasised that image is not simply "what outsiders think", but a composite of narratives, signals and experiences that influence investment, visitation, talent attraction and, crucially, residents' identification with place (Neto, 2007).

In plural societies, this internal dimension becomes even more salient: when citizens do not recognise themselves in the dominant territorial narrative, policy legitimacy weakens and participation costs rise. Territorial image therefore belongs to the governance toolkit of place-based policy, not merely to its communication layer (OECD, 2025; European Commission, 2023).

Narrative governance becomes necessary precisely because territorial narratives are contested and embedded in asymmetries of recognition and visibility. Choices about which heritage is preserved, which communities are represented, and which histories are made visible in public space are governance decisions with distributive and democratic consequences.

The European Framework for Action on Cultural Heritage positions heritage as a common good and explicitly promotes participation and shared responsibility, implying that narrative conflicts should be governed through inclusive processes rather than "managed away" through technocratic conservation alone (European Commission, 2019).

Similarly, rights-based approaches to public space stress that memorials, architecture, language and symbolic elements shape cultural rights and democratic freedoms; exclusionary narratives can be "coded" into public space governance and require explicit corrective action (United

Nations General Assembly, 2019). In this sense, territorial image is not a neutral story: it is a governance field where legitimacy is built – or eroded – through recognition.

A capability-oriented lens helps clarify how narratives become implementable. Recent work co-authored by the present author proposes the Purpose-Driven Smart Specialization (S3+P) framework as a multilevel model for sustainable regional development that links individual, organisational, territorial and macro-policy levels through catalytic mechanisms—particularly identity and memory - and translates them into an operational policy cycle and indicator logic (Silva et al., 2026).

The relevance for narrative governance is direct: identity is treated not as an ornamental discourse, but as a mechanism that makes priorities intelligible, mobilises coalitions, reduces capture and legitimises trade-offs across time.

Memory, in turn, is operationalised as cumulative learning – repositories, observatories, documentation routines – through which strategic narratives remain coherent beyond electoral cycles. This connects narrative construction to the "infrastructure of governance" that sustains coordination and learning (Silva et al., 2026; Mazzucato, 2025).

Finally, territorial image and narrative governance must be evaluated with the same rigor as other policy mechanisms, otherwise they drift into symbolic politics or pure marketing metrics. A defensible approach is to treat territorial narratives as governing hypotheses: explicit claims about what the place is, what it aims to become, and how collective action will get there—claims that can be monitored, revised and made accountable.

This implies plural evaluation: combining participation and civic indicators (e.g., belonging, trust, engagement) with distributional safeguards, particularly where culture-led place transformation can intensify affordability pressures and displacement risk (European Commission, 2023; OECD, 2025). It also implies documentation standards – decision logs, participation audits and learning notes – so that narrative governance is transparent and cumulative rather than episodic.

In short, territorial image becomes democratically productive when it is governed as an institutional capability: inclusive in who it recognises, evidence-enabled in how it learns, and accountable in how it translates meaning into sustained place-based transformation (Neto, 2007; Silva et al., 2026; Mazzucato, 2025).

8.1. Policy implications

he first policy implication of territorial image and narrative governance is that territorial narratives should be treated as governing instruments, not as communication outputs. When narratives are conceived only as branding, they tend to privilege external visibility (tourism, investment attraction) and overlook internal legitimacy (belonging, recognition, trust).

Yet place-based development depends on internal coordination and civic buy-in; narratives shape what actors consider feasible, urgent, and worth investing in. Earlier work on territorial image and attractability already highlighted that image is a strategic resource influencing behavioural choices and investment decisions, rather than a superficial layer of messaging (Neto, 2007).

Consequently, policymakers should embed narrative governance within strategy-making processes, linking it to explicit priorities, portfolios, and accountability routines (OECD, 2025; Mazzucato, 2025).

A second implication is that narrative governance must be explicitly inclusive and conflict-aware, because plural societies contain contested memories and unequal recognition. Heritage and public space governance—memorials, language, architecture, symbolic representation—are arenas where inclusion is either operationalised or undermined.

The European Framework for Action on Cultural Heritage frames heritage as a common good and emphasises participatory governance and shared responsibility, signalling that narrative choices cannot be left to technical conservation logics alone (European Commission, 2019).

Rights-based approaches further stress that adequate and accessible public spaces are prerequisites for cultural rights and democratic freedoms, and that exclusionary narratives can be embedded in the regulation and symbolic organisation of space (United Nations General Assembly, 2019).

Policy design therefore requires participation infrastructures, mediation capacity, and decision transparency, particularly where identity conflicts are politically salient.

Third, a narrative governance agenda should be operationalised through capabilities and learning loops, not through one-off campaigns. A multilevel capability approach – such as Purpose-Driven Smart Specialization (S3+P) – treats identity and memory as catalytic mechanisms that enable coordination, legitimacy and continuity across cycles, translating narratives into an operational policy process and indicator logic (Silva et al., 2026).

For policymakers, the implication is to institutionalise “narrative infrastructure”: observatories, repositories, structured stakeholder forums, and documented decision criteria that stabilise strategic directionality while allowing adaptation.

This aligns with mission-oriented and public value perspectives that stress directionality, coordination and iterative learning as core elements of effective governance, especially in complex systems (Mazzucato, 2024a; Mazzucato, 2025). In practical terms, narrative governance should therefore be coupled with clear roles, resourced facilitation, and periodic learning outputs that update the narrative based on evidence and experience.

Finally, territorial image policies must incorporate distributional safeguards, because narratives and place attractiveness can accelerate affordability pressures and displacement risk. The OECD’s work on culture-led regeneration warns that culture-led strategies can generate exclusionary dynamics if displacement and distributional effects are not treated as design constraints and monitored through decision triggers (OECD, 2025).

This means that narrative governance should not celebrate "revitalisation" without tracking who remains in place, who benefits, and whether cultural ecosystems remain viable for residents and creators. Evaluation should be plural and longitudinal, combining civic and participation indicators with affordability, access and representation measures, and publishing decision logs and participation audits to preserve legitimacy (European Commission, 2023; OECD, 2025).

In sum, the policy implication is straightforward: territorial narratives become democratically valuable only when they are governed as capabilities – inclusive in recognition, evidence-enabled in learning, and safeguarded against exclusion in place transformation (European Commission, 2019; United Nations General Assembly, 2019).

8.2. Narrative Infrastructure: From storytelling to institutional capability

Narrative infrastructure refers to the institutional and material arrangements that allow territorial narratives to function as governance capabilities rather than as episodic storytelling. In place-based policy, narratives are not only descriptive; they are performative: they shape expectations, mobilise coalitions, and stabilise priorities across time. Earlier work on territorial image and attractability emphasised that territorial image is a strategic resource influencing behavioural choices and investment decisions, and that it depends on coherent signals and experiences rather than on slogans alone (Neto, 2007).

The governance implication is that narratives require durable infrastructures – forums, routines, repositories and criteria – that turn meaning into coordinated action. Without such infrastructures, narrative "branding" tends to remain external-facing and weakly connected to internal legitimacy and policy execution (OECD, 2025; Mazzucato, 2025).

A capability lens helps specify what counts as narrative infrastructure. Purpose-Driven Smart Specialization (S3+P) conceptualises identity and memory as catalytic mechanisms that translate shared purpose into implementable strategies and learning cycles, linking individual, organisational and territorial levels through an operational policy process and indicator logic (Silva et al., 2026).

This approach is directly applicable to narrative governance: identity functions as an interpretive frame that makes priorities intelligible and legitimate, while memory functions as cumulative learning – documentation, evaluation routines and repositories that preserve coherence beyond electoral or organisational turnover.

In other words, narrative infrastructure is not a "communications unit"; it is a distributed institutional capability that reduces fragmentation, supports coordination and enables adaptation without mission drift (Silva et al., 2026; Mazzucato, 2024a).

Narrative infrastructure also has a democratic function: it governs recognition and contested meanings in plural societies. Territorial narratives intersect with heritage choices, public space

symbolism, and the visibility of minority cultures, where legitimacy hinges on who is included and how conflicts are mediated. The European Framework for Action on Cultural Heritage frames heritage as a common good and stresses participatory governance and shared responsibility, implying that narrative governance must be inclusive and procedurally legitimate rather than purely technocratic (European Commission, 2019). Therefore, narrative infrastructure must include resourced participation formats, mediation capacity and transparent decision criteria that make recognition governable.

Finally, narrative infrastructure becomes policy-relevant only if it is connected to evidence and accountability. A practical approach is to treat territorial narratives as governing hypotheses – explicit claims about what the place is and aims to become – and to monitor whether portfolios are producing inclusive outcomes rather than merely external visibility.

This is crucial in culture-led place transformation, where attractiveness gains can coexist with rising affordability pressures and displacement risk; the OECD recommends treating displacement and distributional effects as design constraints with decision triggers, not as ex post concerns (OECD, 2025).

EU evidence also suggests that cultural participation correlates with civic engagement and social cohesion, but participation is patterned by inequality, implying the need to monitor barriers and representation as part of narrative governance (European Commission, 2023).

In sum, narrative infrastructure is the bridge between meaning and capability: it institutionalises inclusion, stabilises directionality, and converts territorial stories into accountable, learning-oriented place-based governance (Neto, 2007; Silva et al., 2026; Mazzucato, 2025).

9. Policy Recommendations (Portugal and the EU)

1. **Adopt "culture as democratic infrastructure" as an explicit guiding principle**
   Embed democratic objectives (voice, belonging, trust, pluralism) in strategy documents, funding criteria, and evaluation frameworks.
2. **Shift from project funding to portfolio governance**
   Design programmes as coherent bundles of instruments (creation + access + inclusion + mediation + safeguards), with explicit mechanisms and trade-offs.
3. **Institutionalise a minimum evidence-and-learning architecture (learning loops)**
   Require: theory of change, public criteria, decision logs, participation audits, and periodic learning notes – used explicitly to update decisions.
4. **Implement a "dual dashboard" (ecosystem + cultural democracy outcomes)**
   Combine (i) ecosystem/capability metrics (e.g., C3-style) with (ii) participation/barriers and civic outcomes, linking both to decision triggers.

5. **Treat displacement risk as a design constraint, not an ex post issue**
   In culture-led regeneration, embed affordability/access safeguards, protect cultural workspaces, and monitor distributional impacts from the outset.
6. **Invest in local mediation and participation infrastructures ("community anchors")**
   Fund and professionalise mediation functions (facilitation, outreach, cultural translation), ensuring continuity and multi-level coordination capacity.
7. **Build territorial narrative governance as institutional capability ("narrative infrastructure")**
   Create observatories/repositories, forums, and routines to update strategic narratives (identity and institutional memory) through inclusive, conflict-aware processes.
8. Apply a cultural-rights approach to physical and digital public spaces
   Integrate rights-based checklists (non-discrimination, accessibility, proportional security, freedom of expression) into cultural programming, urban governance, and platform-facing policies.
9. Establish an AI-and-culture governance package (transparency + equity + value sharing)
   For publicly supported AI use: require provenance/labeling, bias audits, consent/attribution rules, and credible benefit-sharing arrangements.
10. **Create peer-learning and participatory guarantee mechanisms for cultural spaces (commons)**
    Develop "Homes of Commons" or similar models: peer review, shared criteria, transparency, and mutual learning - protecting cultural spaces from real-estate pressures.

11. Conclusion

This Policy Paper has advanced a deliberately demanding thesis: culture should be treated as democratic infrastructure rather than as a residual sectoral domain. The central implication is that cultural public policy cannot be assessed primarily through activity outputs, prestige narratives, or short-run economic spillovers; it must be assessed through the institutional capacity it builds to sustain voice, belonging, trust, pluralism and rights over time.

This reframing aligns with public value and mission-oriented approaches that emphasise directionality, coordination and learning as core features of effective governance (Mazzucato, 2024a; Mazzucato, 2025). It is also consistent with European evidence that links cultural participation to civic engagement and social cohesion, while highlighting that these benefits are conditional on inclusion, accessibility and opportunity structures (European Commission, 2023).

Plural societies make this argument unavoidable. Diversity is not simply demographic; it is also a question of unequal recognition and unequal access to public space—physical and digital—where cultural voice is expressed and contested. Heritage, memorialisation, language and symbolic representation are therefore governance arenas, not mere cultural "topics".

The European Framework for Action on Cultural Heritage explicitly frames heritage as a common good requiring participatory governance and shared responsibility, while rights-based approaches emphasise that public spaces are prerequisites for cultural rights and democratic freedoms (European Commission, 2019; United Nations General Assembly, 2019).

If cultural policy is to strengthen democracy, it must institutionalise inclusive processes and transparent decision criteria for navigating contested narratives, rather than relying on technocratic or purely promotional approaches.

A place-based lens further clarifies that culture-led strategies operate in unequal territorial contexts. Cultural investment can be a powerful anchor for place transformation, but it can also intensify exclusion if it raises attractiveness while destabilising affordability and displacing residents and creators.

The OECD's work on culture-led regeneration makes clear that displacement is not an accidental side effect but a predictable risk that must be treated as a design constraint, governed through safeguards and decision triggers (OECD, 2025).

This shifts cultural policy from a "projects" logic to a portfolio logic: instruments must be bundled across domains – culture, housing, mobility, education, social policy – if democratic outcomes are to be protected in changing places (OECD, 2025; European Commission, 2023).

The digital turn adds a new layer of asymmetry. Platformisation reorganises visibility and participation around private infrastructures of recommendation and attention, while generative AI reshapes the production and appropriation of cultural value. These developments can expand access, but they can also concentrate visibility, redistribute value upstream, and erode trust through opacity in provenance, attribution and accountability.

The CULTAI expert report stresses that governance must address traceability, bias auditing, transparency and fair benefit-sharing, otherwise AI will amplify inequalities in visibility and value capture (CULTAI Independent Expert Group, 2025).

From a democratic infrastructure perspective, cultural public policy must therefore treat platforms and AI as infrastructure that requires public safeguards, not merely as channels for dissemination (United Nations General Assembly, 2019; CULTAI Independent Expert Group, 2025).

Against this background, the Policy Paper has argued for common good principles and collective value creation as a coherent normative and institutional baseline. Cultural value is plural and contested; it cannot be exhausted by price or by a single economic metric. The "conversation" between economics and the arts reminds us that policy choices are inherently normative, because they arbitrate among multiple value registers - artistic, social, civic, economic and rights-based (Klamer, 1996; Einarsson, 2016).

Collective value creation approaches reinforce the need to define collective objectives explicitly, allocate responsibilities, and design accountability mechanisms that keep outcomes aligned with democratic commitments rather than with narrow output optimisation (Mazzucato, 2024b; Mazzucato, 2025).

This, in turn, makes collective intelligence a central governance capability. Cultural policy operates under uncertainty and across heterogeneous contexts; it requires structured mobilisation of distributed knowledge (citizens, cultural workers, institutions, data systems) and the translation of that knowledge into decision routines. Collective intelligence design approaches emphasise iterative problem framing, prototyping, and feedback loops, while European measurement architectures enable benchmarking and learning across places (Nesta's Centre for Collective Intelligence Design, n.d.; Montalto et al., 2019; Alberti et al., 2023).

The key governance move is to make learning operational: decision logs, participation audits, and periodic learning notes should connect evidence to adaptation, turning evaluation into longitudinal learning rather than terminal compliance (European Commission, 2023; Mazzucato, 2025).

The New European Bauhaus (NEB) has been interpreted here as a valuable example of hybrid policy instrumentation. NEB combines a values-led compass with cross-sector bundling, experimentation-to-scaling pathways, and community-based mobilisation—showing how normative principles can become governable through criteria, documentation and partnerships.

This logic is transferable to cultural policy in Portugal and the EU, provided that it is adopted as a governance approach rather than as a label: portfolio coherence, multi-level coordination, safeguards, and learning loops are prerequisites for democratic outcomes (European Commission, 2025; OECD, 2025).

Equally, territorial image and narrative governance should be understood as institutional capability – "narrative infrastructure" – through which identity and memory become implementable and accountable, rather than as external-facing marketing (Neto, 2007; Silva et al., 2026).

In conclusion, treating culture as democratic infrastructure implies a clear policy agenda: move from projects to capabilities; govern displacement as a first-order constraint; adopt dual dashboards linking ecosystem capacity to cultural-democracy outcomes; embed cultural rights safeguards in physical and digital public spaces; and develop credible governance packages for platformisation and generative AI.

These recommendations are not incremental "add-ons" but design requirements for legitimacy in plural, contested and rapidly changing environments (OECD, 2025; European Commission, 2023; United Nations General Assembly, 2019; CULTAI Independent Expert Group, 2025). The broader claim is simple yet demanding: if democracy depends on infrastructures that sustain voice, belonging and trust, then cultural public policy is not peripheral—it is part of the institutional architecture of democratic resilience.

The opportunity for Portugal and the EU is therefore to govern culture with the same seriousness with which we govern finance, competition or security: with explicit objectives, transparent trade-offs, durable capabilities, and cumulative learning (Mazzucato, 2025; European Commission, 2019).

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