

Preserving Knowledge and Culture: Exploring the Relationship Between Intellectual Capital and Intangible Cultural Heritage

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Abstract: This paper explores the relationship between intellectual capital and intangible cultural heritage, two interconnected yet distinct concepts. Intellectual capital refers to the intangible assets of organizations, encompassing human capital, structural capital, and relational capital, where IC contribute to value creation and competitive advantage. In contrast, intangible cultural heritage represents the collective cultural expressions, traditions, and knowledge passed down through generations within communities. While intangible cultural heritage may be considered a form of intellectual capital in a broader sense, key distinctions exist in terms of ownership, purpose, evolution, and protection mechanisms. Intellectual capital is typically owned by organizations and protected by intellectual property rights, whereas intangible cultural heritage belongs to communities and is characterized by its dynamic and evolving nature. Despite these differences, both concepts share common ground in knowledge preservation, value creation, and innovation. The study further examines the fields in which intangible cultural heritage is part of intellectual capital and the intersections where intangible cultural heritage could contribute to cultural capital and economic benefits, using Latvia's national intangible cultural heritage list and Upīte cultural space as a case study. In order to achieve this, a literature analysis will be conducted beforehand. By highlighting these distinctions and synergies, this paper underscores the need for nuanced approaches to the preservation and utilization of both intellectual capital and intangible cultural heritage.

Keywords: Intellectual capital, Intangible cultural heritage

1. Introduction

In academic discourse, the terms intellectual capital and intangible cultural heritage are not often discussed side by side. The significance of this paper lies in the fact that each year, an increasing number of intangible cultural heritage elements are added to national and international UNESCO lists. This trend indicates that we are continuously acquiring knowledge that can later be applied across various fields. As the topic of intangible cultural heritage is relatively new, there is still a limited amount of academic research available. However, existing studies suggest that this is a field that warrants further exploration. A major milestone in researching intangible cultural heritage from the perspective of intellectual property occurred in 2017, with the publication of the book *Intellectual Property, Cultural Property and Intangible Cultural Heritage* by Christoph Antons and William Logan. This work demonstrated that only more than a decade after the adoption of the UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage did scholars begin to explore the interconnection between intellectual property, intellectual capital, and intangible heritage. Several important questions arise in these discussions: What regulations govern heritage and indigenous rights? How are these concepts perceived by governments, as well as by indigenous and local communities around the world? Therefore, this paper aims to examine both terms—intellectual capital and intangible cultural heritage—and explore their points of connection and divergence. It should be noted that in academic literature, intangible cultural heritage is often related to concepts such as intellectual property rights and human capital. However, since intellectual capital is an umbrella term that encompasses all these aspects, it will be used throughout this paper as the primary analytical framework. The object of this research is knowledge and culture, while the subject is the relationship between intellectual capital and intangible cultural heritage.

2. Theoretical Background

The topicality of intellectual capital has been embraced by most organizations worldwide. Intellectual capital plays a fundamental role within modern organizations and is part of the foundation of business in the 21st century (Hsu & Wang 2010). Spica et al. (2024) states that intellectual capital is an economic category, the spiritual value created by human potential, and it can be accumulated and converted into the value of other capitals. By investigating certain information about the management of education, we can increase the capacity and significance of a country's total economic capital movement. Other scholars assert that intellectual capital "is considered an intangible resource for an organization and must be included in determining organizational performance and sustained competitive advantage." (Rehman et al. 2021). At first glance, intellectual capital and intangible cultural heritage may appear to be unrelated concepts. However, this paper aims to explore their common characteristics and key differences, in order to understand how intangible cultural heritage might contribute to broader development and potentially gain economic value.

Intangible cultural heritage is often described as a "living heritage", namely, something that is still developing and is complicated to record because that would mean that this heritage is no longer alive. Intangible cultural heritage includes practices, representations, expressions, knowledge, skills, and various cultural elements that communities, groups, and individuals identify as part of their heritage. This heritage passed down from generation to generation, is constantly evolving and plays a crucial role in fostering cultural diversity, human creativity, and a sense of identity and continuity (Lenzerini 2011, Blake 2011).

It is essential to look back at the starting point from which the idea of safeguarding intangible cultural heritage emerged. As (Dewi *et al.* 2025) state it was mainly from the recognition that cultural heritage is not limited to material products of arts and architecture, but also involves, *inter alia*, knowledge, skills and practices that are passed down through generations. The reason why it is important to talk about intellectual capital and intangible cultural heritage is that similar to intellectual property protection intellectual capital refers to protecting intangible cultural heritage by incorporating it into intellectual property rights (Peng 2021). Intangible cultural heritage is also seen and understood as "a valuable cultural information resource of human society." (Hu *et al.* 2024) Safeguarding and promoting intangible cultural heritage is closely linked to the rights of the communities that hold it, as well as to their intellectual capital, which—through inscription on the national list—gains recognition not only as a philosophical value but also as one of economic importance.

One of the main factors that influenced its importance, according to Sullivan (2000), was "the spread of the Internet and information technologies. High-speed Internet use is associated with the dissemination speed of information. In the production era, the main source of value was given by the raw material resources, but in an information era intangible assets are more valuable than tangible assets." (Sullivan 2000) and it still plays a role today. Regarding intangible cultural heritage, once an element is accepted onto the national list, it also becomes available digitally—through videos, information, and photos—providing a more detailed view of why and how the intangible cultural heritage is maintained and practiced.

3. Methodology

In order to achieve the aim of this paper the following methodology was used:

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The following tasks were stated:

1. To conduct a theoretical exploration of intellectual capital and intangible cultural heritage in the context of knowledge and culture;
2. To examine the practical aspects of the interaction between intellectual capital and intangible cultural heritage in the context of knowledge and culture;
3. To carry out a case study on the interaction between intellectual capital and intangible cultural heritage.

The following theoretical research methods were used: referential analysis of scientific literature on knowledge, culture, intellectual capital, and intangible cultural heritage; and on the exploration of the interaction between intellectual capital and intangible cultural heritage in the context of knowledge and culture. It should be noted that this is a pilot study – small scale research in order to test and refine the approach for continuous research in the future. Empirical methods used in this pilot study were observation aimed at studying the mutual influence between intellectual capital and intangible cultural heritage; content analysis and interviews with an official from a non-governmental institution in Latvia; content analysis and interview with a representative of "Upīte Intangible Cultural Heritage Center" in Latvia; analysis of documents regulating intangible cultural heritage in Latvia; comparative analysis of intellectual capital and intangible cultural heritage from the perspective of knowledge and culture in Latvia; study of data from public and non-governmental institutions in Latvia. The research basis were the key features of intellectual capital and intangible cultural heritage in the context of knowledge and culture; exploration of the interaction between IC and ICH in the context of knowledge and culture in Latvia; an interview conducted by the author on the interaction between IC and ICH with a representative from "Upīte Intangible Cultural Heritage Center". Research Period – Theoretical exploration of the period from 2000 to 2025; observations during the period from October 2024 to March 2025; interview period March 2025.

4. Case study: Upīte's Cultural Space

This paper analyzes a case study of Latvia's National Intangible Cultural Heritage List. As of March 2025, the list includes 40 inscriptions, primarily showcasing the diversity of specific cultural spaces, such as the Piebalga Cultural Space, Bārta Cultural Space, and Vidzeme Livonian Cultural Space. This highlights that Latvia's national list covers a broad spectrum of cultural practices present in the region. On one hand, this demonstrates the uniqueness of these communities and their ability to preserve a rich variety of cultural artifacts and living traditions. On the other hand, it creates a situation where someone unfamiliar with the field may recognize that such a place exists, but it takes significantly more effort to fully grasp the meaning and depth of that cultural space. While it is beneficial for the cultural space to have the opportunity to present everything from the region as special and worthy of inclusion, the list does not always clearly communicate what the unique trait of each particular community is. To truly understand this, one must show genuine interest in the specific inscription.

One of the most active communities inscribed in the National Intangible Cultural Heritage List is the Upīte Cultural Space. Upīte is a small village located 249.7 km from Riga, the capital of Latvia, and only 3 km from the country's border with the Russian Federation. Due to its geographical location, limited job opportunities, and the fact that it can only be reached by car (public transportation is available but insufficient), the village faces significant challenges in being a competitive place for comfortable living. Nevertheless, thanks to its active community dedicated to preserving intangible cultural heritage, Upīte has gained visibility on social media and in national mass media. This renewed attention has revitalized the region, which now hosts several large concerts, local activities, heritage preservation projects, and even music festivals featuring well-known local artists and public officials. The community has also established the Upīte Intangible Cultural Heritage Center, which is responsible for coordinating intangible heritage activities in the region.

An expert interview with a representative of the Cultural Heritage Center was conducted in March 2025. The selected expert was Andris Slišāns, the main activist and leader of the Upīte Cultural Space and its community. Andris Slišāns has a long history of contributing to his community, as his father, Antons Slišāns, was a poet, folklorist, publicist, and cultural worker who was highly active in the region during the second half of the 20th century until his death in 2010. The interview was conducted in writing and the first interview question was "Does the inclusion of Upīte's cultural space in the list contribute not only to the promotion of your intellectual knowledge and skills but also to a financial contribution to the cultural space?". Andris Slišāns stated, "The inclusion of Upīte's cultural space in the list of intangible cultural heritage gave us the feeling that great work has been recognized and was not in vain." He added that "because of this inscription for the past 4 years, the Latvian Cultural Capital Fund has had a special program for the values from the intangible cultural heritage list, which can attract funding for community capacity building, research, and various activities that are important to us."

This case study highlights the importance of recognizing such communities on the National Intangible Cultural Heritage List. Inclusion provides them with access to a broader range of resources that can support the preservation of their heritage, culture, and, consequently, their intellectual capital. In this case, the community was able to monetize that capital to promote further development of both their heritage and the region. Recognition on the list not only helps preserve their traditions but also enables ongoing work with their intellectual capital. This interconnection offers a new perspective on how we perceive intangible cultural heritage. It shows that the intangible cultural heritage and intellectual capital are very likely linked concepts because "the fortunes and values of organizations, industry sectors, and regions can increase or decrease depending on how well they create, capture, and leverage their local knowledge" (Rusu-Tanasa 2015) and as "these economies evolve, there is a need to create and maintain networks of knowledge, to combine knowledge theory and business practice, to strengthen the cooperation between two different environments" (Romano et al. 2025). This also is important for the intangible cultural heritage, because it underlines the importance of how we can create an opportunity to cooperate with intangible cultural heritage and give it a chance to make some profit. Especially for such small regions, it is crucial that through such practices they are not only able to maintain their heritage but also able to make some profit. Even one concert or one event has an impact on society as such.

5. Discussion

To discuss intellectual capital and intangible cultural heritage, it is essential to begin with the fact that, like knowledge and skills in other sectors, intangible cultural heritage also needs to be protected from being restricted to the wider public due to the possible privatization of this knowledge. Deacon and Smeets mention

that "the relationship between IP rights protection and intangible cultural heritage safeguarding under this UNESCO Convention for the Safeguarding of Intangible Cultural Heritage (UNESCO 2003a), has not received much specific attention. (Deacon & Smeets 2018). Therefore, further research in this field is needed. As Yan and Li (2021) point out, the current intellectual property rights system has significant limitations in protecting traditional crafts, and its revision regarding these crafts needs to be more scientific and feasible (Yan & Li 2021). This is one of the main reasons why researchers acknowledge that greater precision is needed in defining the legal protection of intangible cultural heritage elements, as this would also make it possible to strengthen legal recognition in wider society (Hu et al. 2024). This is a problem that is similar to intellectual capital and its legal protection. When discussing intellectual property that intellectual capital is part of, it should be mentioned that "conventional intellectual property rights regimes, such as copyright, patents, and design protection, offer time-limited protection to the authors of original creations or new inventions. They cannot therefore easily be used to protect cultural expressions whose authors are unknown, and which have been passed down through generations, changing and adapting to new contexts." (Deacon & Smeets 2018). Resources that are valuable, rare, and impossible to copy or replace are the source of long-lasting competitive advantage (Kozak 2011). This is seen as intellectual capital, but we can also consider intangible cultural heritage as an advantage in international competition.

The interconnection and importance of both these terms are closely linked to the understanding of intellectual capital as a part of intangible cultural heritage and the other way around. Not only because nowadays we see the high demand for intangible resources, for instance, multi-skilled employees, well-handled customers, and societal relationships that are a driving force for organizations (Karol Jan Borowiecki 2016), but also because the communities of intangible cultural heritage build organizations based on their skills and knowledge and therefore work with intangible cultural heritage. It must be noted that according to Borowiecki, Forbes, and Fresa (2016), intellectual capital has "an influence on the organizations, regions and nations alike" (Borowiecki, Forbes & Fresa 2016). This means that also intangible cultural heritage is influenced by intellectual capital and should be recognized as an essential part of knowledge and skills that are usually connected to intellectual capital as something that brings profit, not only as intangible cultural heritage that needs financial support from the state to preserve it.

An important common characteristic of intangible cultural heritage and intellectual capital is that both concepts share the way knowledge is transmitted. "The importance of intangible cultural heritage refers to the wealth of knowledge and skills that is transmitted from one generation to the next ones" (Petronela 2016). Scholars note that intangible cultural heritage is a kind of "human-based cultural transmission, which is the shaping of people's morality, character, sentiment, will, ideals and beliefs, value orientation, humanistic cultivation, artistic taste, way of thinking, wisdom, and ability in the practice of production and life of various ethnic groups." (Zhao et al. 2022). Another aspect worth mentioning is that the term intellectual capital itself consists of an idea of capital. Therefore, it is seen as something that one is able to monetize and use to enhance an organization, a region, or a nation. The intangible cultural heritage, on the other hand, is not at first seen like this, because it consists of values that are learned by a certain community and therefore it is seen as something that needs resources, not as something that is able to create resources and profit. Nevertheless, the preservation of intangible cultural heritage should be seen as a long-term investment and the possibility to develop regions that hold intangible cultural heritage values recognized by the state or internationally.

The main difference that should be noted when discussing intellectual capital and intangible cultural heritage is that intellectual capital is seen as a more individual term, meaning something that refers to an individual, which is this organization or person's individual property and knowledge. This makes the comparison of such two terms complicated. The individualistic nature of this concept is however more applicable to Western societies that have been described as individualistic societies already since the 1980s, starting with Dutch social psychologist Geert Hofstede (Hofstede 2001) whose works about individualism versus collectivism have later been discussed in scientific discourse by many other scholars. The collective and individual nature of a nation is important when we discuss the concepts of intangible cultural heritage and intellectual capital. The collective and individual approach of society as such has a huge influence on the perception not only of the way intellectual capital works but also on the way it influences how the intangible cultural heritage is seen in the group. It is possible to also look at how the intangible cultural heritage is influenced by the collectivistic or individualistic nature of a nation. The main aspect that should be underlined is indicated in the core of how intangible cultural heritage is created. The intangible cultural heritage is seen as something heavily influenced by the collective idea because intangible cultural heritage needs a community for it to be maintained. Nevertheless, also intellectual capital needs at least two individuals for the transmission of the knowledge gained. Even if it is possible to underline the main

difference between intellectual capital and intangible cultural heritage, mainly the lack of a community, it still allows us to recognize the similarities which are mainly the transmission of knowledge. It is also important to involve the relationship between intellectual capital and the nation because that has a direct link to the intangible cultural heritage. After all, on the national list, also a nation's perception of intangible cultural heritage is represented and seen. Author Rusu-Tanasa's (2015) debate about the intellectual capital of a nation (or a region of nations) requires the articulation of a system of variables that helps uncover and manage the invisible wealth of a country. It is important to mention that "knowledge is considered a basic resource for value creation both at the corporate and regional level therefore the European Union's countries and regions try to promote/use regional and national innovation strategies to achieve the Lisbon aim to make the European economy the most competitive knowledge-based economy in the world." (Petronela 2016)

The intellectual capital of a nation (or a region of a nation) requires the articulation of a system of variables that helps to uncover and manage the invisible wealth of a country. Knowledge is considered a basic resource for value creation both at the corporate and regional levels. (Rusu-Tanasa 2015).

6. Conclusions

Intellectual capital and intangible cultural heritage are interconnected terms that share the same idea: 1. Intangible knowledge transmitted to the next generation or community, or in the case of intellectual capital to the further organization members; 2. Both concepts have assets that are seen as important and valuable, for instance, the specific knowledge and skills needed to contribute to the organization's wealth or for intangible cultural heritage the ability to learn the skills and knowledge in order to pass this knowledge to the community members. The main differences are: 1. The different perceptions of intellectual capital and intangible cultural heritage – intellectual capital is always seen as something that might contribute and should contribute to an organization's economic development, whereas intangible cultural heritage is seen as something that requires resources. Regarding the case study of Upite's cultural district, it would be important not to forget that admitting intangible cultural heritage elements to the national list not only gives acknowledgment to the community but also an opportunity to gain significant financial support from the state. 2. The main difference is that because intangible cultural heritage is perceived as something that is owned by a community and recognized as something important by the state it entitles different perceptions of its legal protection, because intangible cultural heritage is not owned by an individual, but a community. This is not the case with intellectual capital, where we see that intellectual capital is seen as something that is owned by an individual or organization, but on the other hand, needs to be shared further. So, this is another important common issue that even though the intellectual capital is individual, it is still perceived as something that needs to be passed on to the next co-workers, team, or organization.

It must be concluded that both intellectual capital and intangible cultural heritage consist of such resources. Therefore, the role of intangible cultural heritage in the field of intellectual capital, and intellectual capital in the field of intangible cultural heritage, should not be undermined but taken seriously. Intangible cultural heritage should be seen as an asset that can bring economic profit to a community, region, or even a state, in the same way as intellectual capital does. Further research is needed to continue exploring the relationships between these two terms and to examine more case studies on how each intangible cultural heritage element has evolved since being inscribed on the list. Further research could also focus, for instance, on craft fair markets that certainly generate profits, but still rely on the knowledge gained from intangible cultural heritage.

Ethical Declaration: The author declares that there are no ethical issues related to the research presented in this paper.

AI Declaration: The author declares that no significant AI tools or technologies were used in the conduct of the research for this paper.

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