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Culture and Economic Growth of Cities; Evidence from Liberia

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Abstract

Culture can now be used as an instrument for sustainable economic growth and developmental instrument of cities. By reorganizing the socio-economic fiber of cities and using cultural activities for economic growth, we can drive these cities towards sustainable development. This was successfully demonstrated in case of Monrovia, the capital of Liberia, which remained in crises for 10 years. This paper examines the role of culture in overall economic growth sighting evidences from Liberia. Data was collected from few selected cultural spots and analyzed statistically. It was concluded from study that cultural economy is now playing an enhanced role in the sustainable economic development of Liberia. Because of the ongoing cultural activities at the selected cultural spots, Monrovia is in better economic position as compare to cities lacking cultural activities. This study forms a useful contribution on the role of culture in sustainable economic growth of cities.

Key words: Cities, culture, data, development, economic, growth, statistics, sustainable.

JEL Classification: R51, R52, R53, Z11.

1. Introduction

Economic growth is a term which is used to indicate the increase of per capita gross domestic product (GDP) or other measure of aggregate income (Bianchi 1993). It is often measured as the rate of change in GDP. Economic growth can be either positive or negative. Negative growth can be referred to by saying that the economy is shrinking. Negative growth is associated with economic recession and economic depression. Positive growth means the expansion of economy and increase in the per capita income owing to increased revenue generation and employment opportunities (Bianchi 1993). The Liberian Civil War (1989-98) destroyed much of Liberia's economy, especially the infrastructure in and around Monrovia.

Many businessmen fled the country, taking capital and expertise with them. Richly endowed with water, mineral resources, forests, and a climate favorable to agriculture, Liberia had been struggling even for basic products, while local manufacturing, mainly foreign owned, had been small in scope (Wikipedia 1999). The restoration of the infrastructure and the raising of incomes in this ravaged economy required the implementation of sound economic policies of the government, including the encouragement of foreign investment. However, lately it was realized that the rich culture of Liberia can be used as a meaningful instrument to augment the existing economic revival drive (Wikipedia 1999). Consequently, many steps were initiated to relive the cultural aspects of Liberia, especially around Monrovia. This paper elucidates how culture was used as a tool for economic growth and development in the capital of Liberia.

2. Literature Review

Historically, the idea of cultural economics was present even in medieval towns of 12th centuries (Scott 2000). The prevalence of a variety of traditions on the function of the seat of a territorial unit (shire), or the right to hold a fair, is the proof that cultural economics existed as early as the middle ages (Materasso 2001). The word “culture” has many different definitions and that’s why the notion of cultural economy is also extremely difficult to define. Cultural economics is the study of how culture interacts with economic events and conditions and how it plays its role in the economic growth and development of an area (Ramsden 2000). From the 1960s onward, economists in the world began to use their own techniques for analyzing topics related to cultural economics. The first classical product of the economic investigations of culture was the book written by Baumol and Bowen, which was published in 1966 (Baumol 1966). It was after this book that in the USA the market oriented view of culture gained strong support. The same idea has become popular in various countries of the Europe. Now, in many countries around the globe, culture is considered to be a type of industry from economics point of view.

Cultural economy has two main components. First, it comprises traditional cultural elements, including general and public education as well as tourism and visit to traditional spots. Second, it comprises cultural products industries, including jewelry making or fashion industry reflection the culture of an area. For example, Cairo (Egypt) has become the fourth

most popular destination of cultural and art tourism. It has 70% of the revenue from people participation in the cultural activities and tourism (King 1996).

The role of cultural economy in overall economic growth of cities has recently been recognized around the globe (Scott 2000). The role cultural centers play in overall economy is now considered to be of special significance around the globe (Koivunen 1998). Several regions that suffered from depression and crises in the past have been successfully rehabilitated with the help of cultural activities. Consequently, there has been a growing tendency to generate cultural activities in the cities and towns which are purely industrial and non-cultural. Three recent examples can be quoted to illustrate this fact; the opening of cultural activities and recreational clubs in Monrovia, Liberia, the introduction of cultural tourism in industrial cities of England, especially in Birmingham (Ramsden 2000) and the foundation of the Cultural Trust in Faisalabad, Pakistan, a city famous for textile industry (Shahid 2003).

3. Research Methodology

Comprehensive research methodology was adopted to study the contribution of cultural activities in the economic growth of Monrovia. Monrovia was focused for two reasons, firstly it was badly affected by the ten years war of Liberia and it was interesting to note how culture played its role in the development of this capital city; secondly the study was oriented for analyzing the effects of cultural activities in the urban context. Overall research methodology comprised following steps.

- Step – 1. Selection of study area and the cultural activities around the study area.
- Step – 2. Collection of data about selected cultural activities at selected cultural spots.
- Step – 3. Data analysis
- Step – 4. Conclusions

4. Study Area and Cultural Activities

Liberia is situated in West Africa, bordering the North Atlantic Ocean to the country's southwest. It lies between latitudes 4° and 9°N, and longitudes 7° and 12°W. Liberia rejoices a cultural heritage whose diversity and dynamism enriches the nation's life in all its aspects. Liberia is traditionally noted for its hospitality, cultural skills, arts and craft works. The

tallest man-made structure of Africa is situated in Liberia. It has number of cultural hubs for visitors; however, few selected spots around Monrovia, as shown in Figure 1, have been the focus of this study. Brief details of each spot are as given in succeeding paragraphs.

- *National Library* which is located in the center of capital Monrovia.
- *The Kendeja Cultural Center*, about 25 kilometers from Monrovia is a special site dedicated to the preservation and portrayal of Liberia's indigenous culture. It presents the arts and crafts in artistic context, representing the culture of each Liberian tribe, and its skilled carvers, weavers and other craftsmen who may be seen working in the traditional styles developed centuries ago by their forebears.
- *Old Castles*, a tiny island at the mouth of the Mesurado River. It was the first landing site of the Founding Fathers of Liberia in 1822. Now beautiful castles have been constructed over here.
- *Sapo National Cultural Park* (area 15 square kilometers) is Liberia's first national park, home of wide variety of Liberian art and natural species together.
- *Gertylue Floral Park* is a horticultural garden in suburb of Congo town, in Monrovia.
- *Liberian National Museum* located in the center of Monrovia. Many works of Liberian art and craft can be seen in the National Museum in Monrovia, a treasure house of the nation's cultural heritage. It was established at Monrovia since 1966 and since then it has contributed to the cultural wellbeing of Liberia, but its recent economic contributions are magnanimous (Wikipedia 1999).
- *Monrovia Theater* is the largest theater of Liberia. It is the hub of cultural activities.
- *Liberian Temples* are located in the west of Monrovia reflecting the rich history of Liberia.

These are just the major cultural center related to Monrovia. There are other numerous small cultural spots all around Liberia. However, this paper is related to contribution of above mentioned eight spots to the overall economy of Liberia. All these cultural spots are frequently visited by sizeable number of local and foreign visitors of all age and ethnic groups and this number is increasing day by day showing the interest of the masses in

Liberian culture. This is surely creating sizeable revenue and contributing to the overall economy of Liberia.



Figure 1: Satellite image of Monrovia showing locations of cultural spots

5. Data Collection

Data about cultural activities in terms of events and number of visitors was collected from the selected eight cultural spots. The data was collected by personal visits, discussions with the visitors, interview of the people managing these spots and from the record available at these spots. Data was collected for the six years from 2004 to 2009, because these are the booming years of Liberian economic development. Summary of the data collected is shown in Table 1.

Table 1: Data about the number of events and visitors at selected eight cultural spots in Monrovia (2004 - 2009)

Cultural Spot	Events	Visitors
National Library	283	269,555
The Kendeja Cultural Center	366	255,358
Old Castles	239	175,671
Sapo National Cultural Park	321	319,488
Gertylue Floral Park	282	159,021
Liberian National Museum	280	217,400
Monrovia Theater	644	254,521
Liberian Temples	248	313,023

6. Data Analysis

Table 1 shows that maximum number of cultural events (644) occurred at Monrovia Theatre, but it could not attract the maximum number of visitors. Similarly, Sapo National Cultural Park could attract highest number of visitors (319, 488) with almost half of the events arranged at Monrovia Theatre. Sapo National Cultural Park has been developed into a modern picnic spot in 2005 and since then the number of visitors have increased. The least number of visitors in the six years were attracted by Gertylue Floral Park, this because flora is commonly available in Liberia. The least number of events were arranged at Liberian Temple but the corresponding number of visitors is not the least. Liberian Temples could attract the second highest number of visitors with minimum number of events. This shows the love of Liberians for their rich history. Year wise trend of visitors at different cultural places is shown in Figure 2. Some of the aspects evident from the Figure 2 are as under.

- The highest numbers of visitors in 2009 (approximately 57000) were registered at Sapo National Cultural Park followed by Liberian Temples, besides, the fact that these two cultural spots are located at the two extremities on the east and west respectively. This was because of the improvement of facilities at these two spots.
- A sharp decrease in visitors was observed in the year 2006 for Kendeja Cultural Center, this is due to increase in the price of ticket by the local authorities. However,

sooner they realized the negative effects and the price of ticket was reduced again, consequently, increase in the number of visitors was observed from year 2007 onwards.

- Similarly, a sharp decrease was seen in the year 2007 for National Library which was due to rehabilitation, renovation and up-gradation works of library. These works were completed in year 2008 that is why; we could observe increase in the visitors again.
- Although there has been a consistent increase in the number of visitors for Gertylue Floral Park, but, it could not attract as many number of visitors as was the case for other cultural spots. This because the flora is commonly available in Liberia. People as a trend have developed their own floral gardens at homes.
- The number of visitors for Old Castles, Liberian National Museum, Kendeja Cultural Center, Monrovia Theater and Sapo National Cultural Park has been almost constant from the year 2007 onwards.

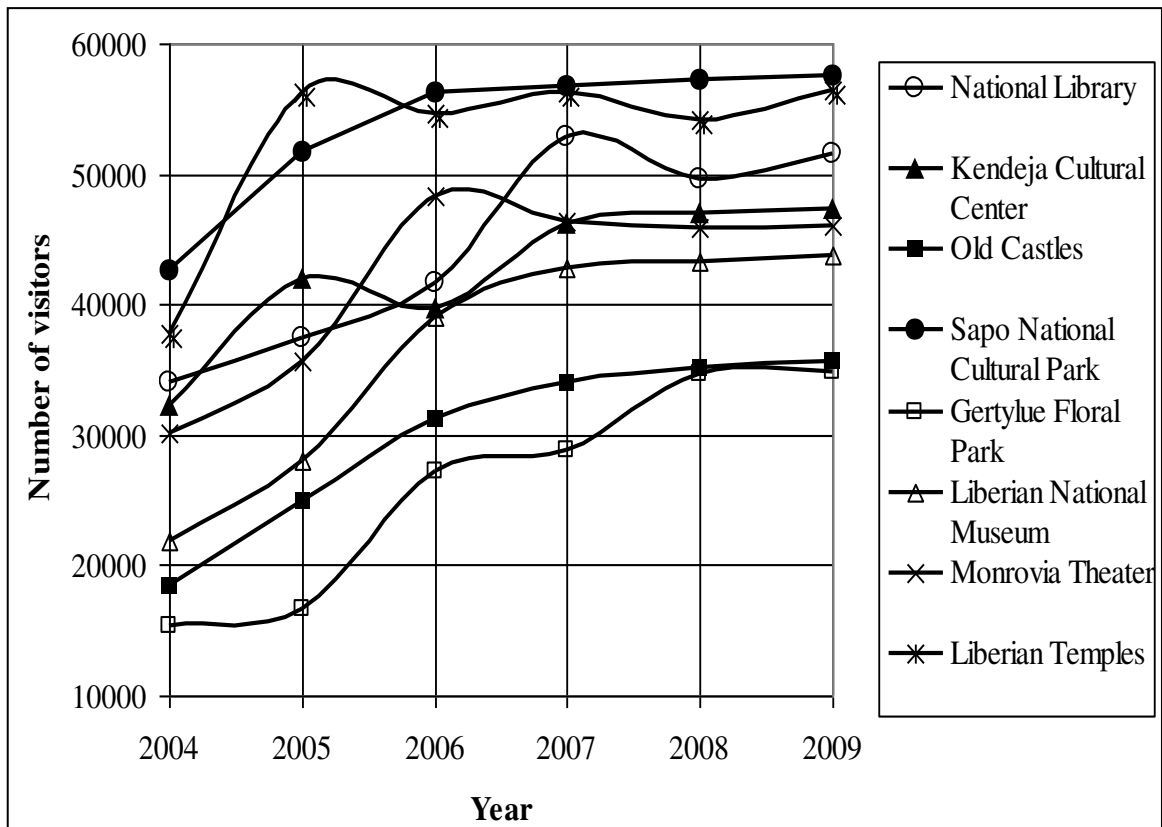


Figure 2: Number of visitors at different cultural spots for the last six years (2004 – 2009)

Correspondingly, the number of cultural events had also been increasing in the last six years. Figure 3 illustrates the growing number of cultural events and functions at the eight selected cultural spots. Some of the trends from Figure 3 are as under.

- The number of cultural events (644) for the Monrovia Theater was the highest in the six years duration. However, it could not attract the maximum number of visitors as evident in Figure 2. This was partly because of the lack of variety in the cultural programmes at the Theatre and partly due availability of the same entertainment on televisions at homes.
- Kendeja Cultural Centre had maximum number of events (167) in 2009. This was because of the rapid development of the Centre in 2009.
- Except for Monrovia Theater, events at rest of the cultural spots have been lesser than 400 per year.
- Number of events at Sapo National Cultural Park has been less than 100 from 2004 to 2008, but overall it could attract the maximum number of visitors.

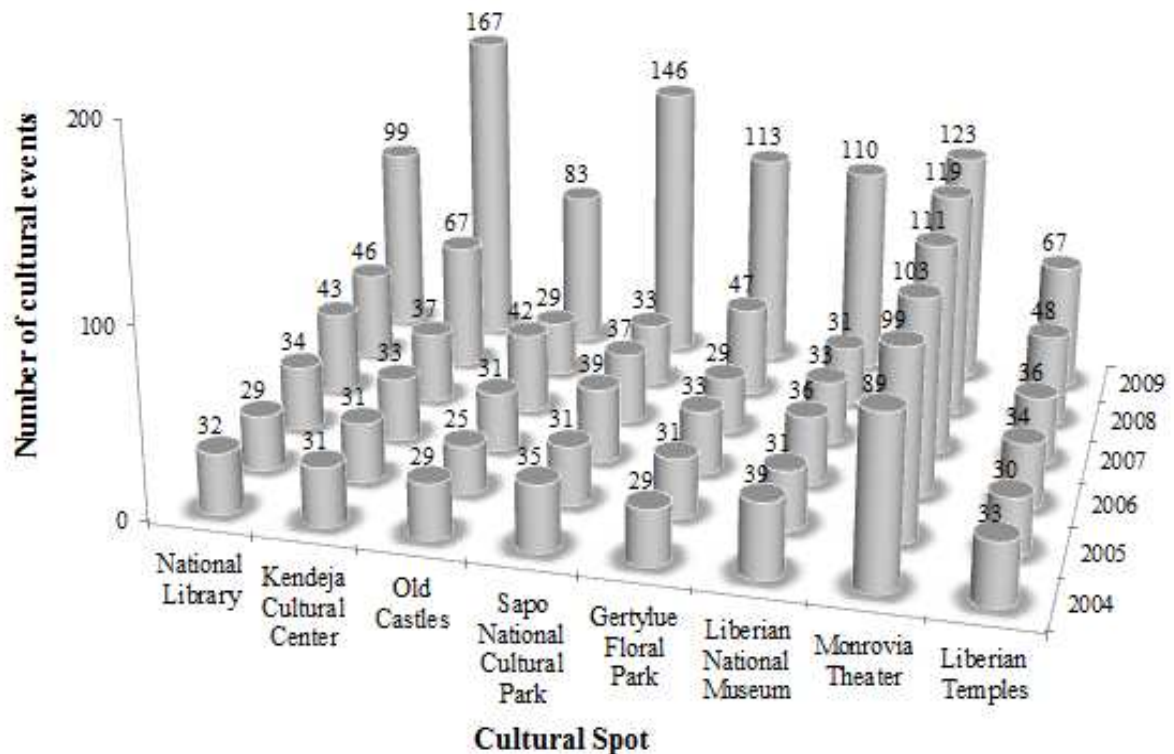


Figure 3: Number of cultural events at different cultural spots for the last six years

All these cultural events produced huge revenue for Liberia. The gross revenue totaled for the six years was more than 58 Million Liberian Dollars (MLD). This can be taken as the example for the contribution of culture in the economic growth of cities. The overall trend is shown in Figure 4 whereas individual share of cultural events at each cultural spot is shown in Figure 5.

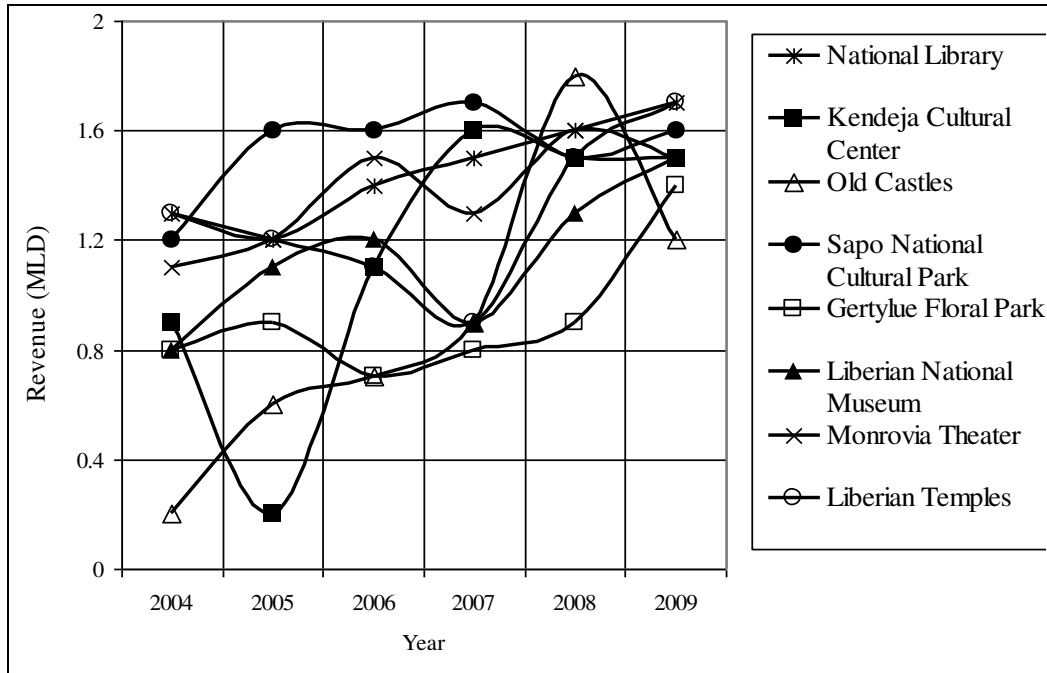


Figure 4: Economic share of cultural events at each cultural spot (2004 – 2009)

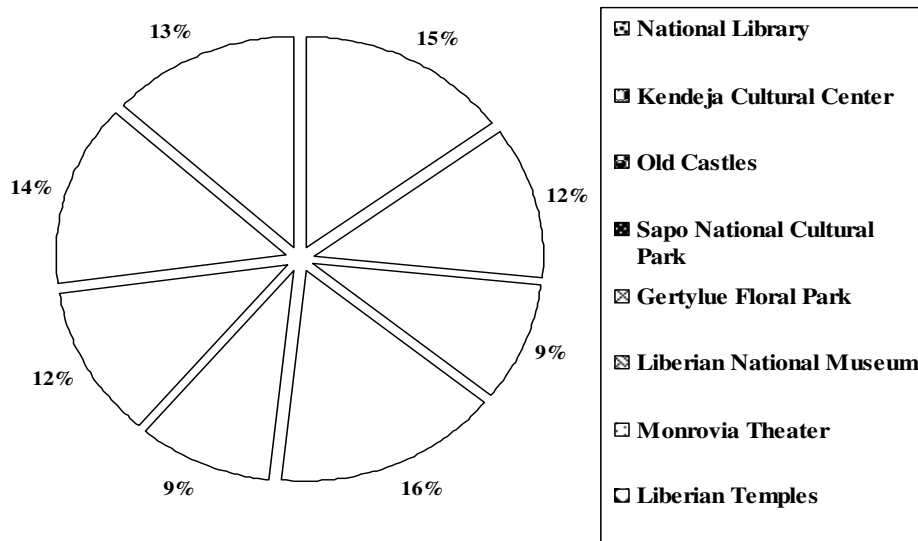


Figure 5: Individual share of revenue for each cultural spot

Some of the trends from Figure 4 and 5 are as under:-

- The maximum revenue was from Old Castles in year 2008; however, in year 2009 it had the minimum revenue, rather the lowest of all cultural spots. This happened due to increase in the ticket price and reduction in the allied facilities at Old Castles.
- A sharp increase was noticed for Kendeja Cultural Center from year 2005 to 2007. This was due to renovation of Kendeja Cultural Center and improvement of facilities around it, which had positive effect on the turn out.
- The maximum revenue in the year 2009 was realized from Liberian Temples and National Library.
- The overall maximum revenue (16% of the total) for the last six years was attained by Sapo National Cultural Park as shown in Figure 5.
- Monrovia Theater exhibited a sinusoidal curve of revenue generation. This was due to inconsistent taxation and monetary policies of the government.
- The overall minimum revenue (9% of the total) for the last six years has been generated by Gertylue Floral Park as shown in Figure 5 as it could not attract sufficient number of visitors as compared to the other cultural spots. Similar was the case with Old Temples.
- Though the numbers of cultural events are more for Monrovia Theater but it could generate 14% of the total revenue generated in the last six years. This was due to the increase and decrease in the price of tickets with the nature of events.

7. Conclusions

Culture is a big business and it is the big booster of economy. It is one of the leading sectors that have served as basis for economic developmental programs in many regions of the world. Eventually, lessons that can be learnt from Liberia's evidence can be summarized as under.

- It can be concluded that culture can be used as an effective tool for the economic growth of cities. However, to make this growth sustainable, we need to take certain steps in the urban context. Based on the analysis of this study a matrix was developed

to show the roles and function of culture in the economy of cities. This is formally known as Gul's matrix of cultural economy (as shown in Table 2).

Table 2: Gul's Matrix for socio – economic context of culture

Role Title	Function	Requirement
As representative of values	Culture satisfies the human's intellectual needs.	In order to meet this requirement institutions are needed that can represent culture. These institutions include theatres, art museums and exhibition and cultural halls in the cities.
As a manufacturer	Culture contributes to the economic growth of an area by introducing new products and events.	This function means that cultural economy rooted in the traditions of the given community will launch new products and events. Culture has been recognized as industry at the global level.
As a magnet	Culture attracts capital.	One of the manifestations of this function is that cultural spots attract workers making it possible to operate a dynamic knowledge based economy.

- By proper institutionalization of these three functions of culture, shown in Table 2, we will be able to achieve considerable economic success in the cities. Human is naturally attracted towards culture and this natural phenomenon needs to be utilized for an overall development of an urban area.
- Human has natural association and love for culture. Even in the hostile environment prevailing at Monrovia people have been participating in the cultural activities. Cultural activities are required to be provided to the people for the social and economic well being of the masses.

- Cultural events are easy to arrange as fewer resources are required to generate it, in some cases, local resources can be used. More often than not, we just have to manage the existing resources available to us.
- Historical places and cultural spots are present every where, in some form or the other, they just needs to be managed in an institutionalized manner. This is particularly valid for Lahore, which gifted with rich cultural spots. Institutionalization of these cultural assets is very essential for sustainable urban development of Lahore.
- If cultural spots and resources are not present, then cultural spots like small theaters and cultural parks can be created which will attract the masses and revenue will be generated which can be used for further improvement and development of these spots.
- Culture attracts natural talent, which needs to be directed and properly utilized. New talent should be encouraged so that masses have confidence in culture as an economic tool. Proper plan should be made to encourage the masses towards this side.
- Revival of cultural activities reinforces the social life and economy of an area simultaneously. Culture is a binding force which binds the people with values, customs and traditions.

8. Acknowledgement

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