The Impact of Cultural Events on City Development:  
the (Great?) Expectations of a Small City

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Abstract
In the globalized world, large and small cities compete with each other in attracting new investments, capital and inhabitants. In the search for successful paths by cities, the cultural sector has been seen as a chance by western countries since the 1970s. In the post-socialist countries, a growing interest in the cultural sector in the context of the socio-economic development of cities and regions has been also observed in recent years. The studies on the impact of culture on economic development focus mainly on largest cities, while smaller cities more and more often attempt to implement patterns based on the cultural sector to their own strategies. They take such actions because the cultural sector is generally considered to have a positive impact on socio-economic development through, among others, the creation of new jobs, the improvement of city image, the attraction of new investments, the increase in the residents’ quality of life, etc. The main aim of this study is the analysis of the expectations and the potential impact a cultural event may have on the development of a small city from the perspective of local business. For the purposes of the study we have chosen a small city located in Central Poland, named Gniewkowo, with population number amounting to 7.5 thousand inhabitants.

In the small city the festival of progressive rock has been organized cyclically since 2007. It should be emphasized that progressive rock, which was created in the 1960s and originated from psychedelic rock, is addressed to a relatively small group of people. Despite the above-mentioned fact, the Tomasz Beksiński Festival of Progressive Rock in Gniewkowo annually attracts many fans not only from Poland but also from abroad. This cultural event is a classic example of a local grass-root initiative because the inhabitants of Gniewkowo are the initiators and the organizers of the festival. They have also created a non-governmental organization based only on their fascination with this kind of music and their own intellectual capital.

In order to realize the aim of the study we have conducted interviews with representatives of local governments supporting the event. In the interviews we asked questions about the expected economic benefits for the city. We have also carried out a questionnaire survey among the owners of selected firms active in the field of hotel, catering and trade services in Gniewkowo in 2014. The survey refers to the assessment of the impact of the analyzed festival on the financial condition of these firms. The collected data will enable us to confront the expectations of local governments with the real impact of the festival on the development of local firms.

The study reflects a research trend describing the cultural sector in the economic development of cities and regions (culture-led development). The results of the study will contribute to recognizing the role of culture and the significance of non-governmental organizations for the sustainable development of the smallest cities.

Key words: culture-led development, small city, Poland, non-governmental organization, economic development.

JEL Classification: A12, P25, Z1
1 Introduction

Modern cities compete with each other in attracting new domestic and foreign investment, social capital and new inhabitants. In this globalized competition, western cities already in the 1970s perceived culture as a chance for winning (Bianchini, 1993). It is widely accepted presently that the cultural and creative sectors contribute to the socio-economic revival of cities, change their images, form specific creative milieus, generate new jobs, and organize urban space, which is confirmed by studies conducted by, for example, Kloosterman, 2004; Markusen, Schrock, 2006; Stern, Steifert, 2010; and Krätke; 2011. Such phenomena were observed especially in the 1980s and 1990s. At that time, many European cities, including Grenoble, Hamburg, Cologne, Glasgow, Birmingham, Barcelona, and Bologna, used the cultural sector as a tool for revitalizing post-industrial areas, for creating a new urban image, and for attracting capital and highly-qualified workers.

In post-socialist countries, a growth of interest in the significance of the cultural sector for the socio-economic development of cities has been noticed only in recent years. Similarly to western countries, the researchers focus predominantly on larger cities (e.g. Florida, 2002; Currid, 2006; Stryjakiewicz, 2008; Klasik, 2009, 2010; Zheng, 2011). According to Waitt (2006), the dominance of larger cities in cultural services results from the fact that they are the biggest centers of production, distribution, and very frequently also of consumption of such activities. However, increasingly more often the researchers note that also small cities can and should be an important part of an economy based on the cultural sector, although in a sense different from big cities, and point to the need to strengthen the role of cultural and creative activities in small cities (e.g. Bell i Jayne (2009); van Heur (2010)). The influence of the cultural sector and creative industries on the socio-economic development of small cities has been discussed by a number of scholars, including Jayne, Gibson, Waitt, Bell, 2010; Karwińska; 2010; Nelson, Ström, Bjälesjö, 2011; Brennan-Horley, 2013; Lorentzen, 2013; Mapes, 2013; Smidt-Jensen, 2013.

This paper exemplifies studies on the role of the cultural sector in the economic development of cities, specifically studies focusing on the influence of various events, including festivals, on the economic development of cities and regions, and includes economic analysis (event studies). Within event studies, there have been distinguished two research directions: one including sociological analyses of the participants of the events and another focusing on the management of such events (Cudny, Rouba, 2012). Presently, however, the role of various events in economic development is the object of study in urban geography, cultural geography, and tourism. Of the many definitions of festivals, the one that seems to fully capture the phenomenon is that offered by Falassi (1987:2), who describes it as a “...periodically recurrent, social occasion in which, through multiplicity of forms and a series of coordinated events, participate directly or indirectly and to various degrees, all members of a whole community, united by ethnic, linguistic, religious, historical bonds, and sharing a worldview”. The definition emphasizes the uniqueness of the event and the sense of community shared by organizers, participants, and viewers.

This paper relates also to studies on the significance of the activities of the non-profit sector for the development of culture in Poland. It should be stressed at this point that we can talk about non-governmental organizations in Poland only after 1989 since after the Second World War the state had been the main subject shaping the social policy of the country. The right to form associations was sanctioned by the Act of 7 April 1989 (Journal of Laws 1989). Thus, although the history of charitable institutions in Poland spans many centuries, in practice the
freedom to form associations did not exist in the years 1954-1989. It is only in recent years, particularly after Poland joined the EU structures, that a dynamic development in the activities of non-governmental organizations has occurred as indicated by studies by, for example, Środa-Murawska, Biegańska, Senetra, Szczepańska 2014 or Biegańska, Środa-Murawska, Grzelak-Kostulska, 2014.

The main aim of this study is to analyze the expectations and the potential impact of cultural events on the development of a small city from the perspective of local business.

The following assumptions have been made in the study:

- cultural events organized in a small city are positively perceived by representatives of service companies;
- cultural events in a small city may be a potential source of increased income for local business;
- cultural events in small cities in Poland may be initiated and successfully organized not only by the state and private sectors, but also by the non-profit sector.

It is highly important to conduct deep and complex research of this type in order to accurately estimate the chances for the development of small cities based on culture, to elaborate new development strategies, or to implement those factors that can produce the desired effect.

2 Progressive Rock Festival in Gniewkowo

The first Progressive Rock Festival in Gniewkowo was organized in the summer of 2007 by the brothers Janusz and Sławomir Bożko – fans of the music genre. It was a small and local event which attracted the inhabitants of Gniewkowo and its surroundings, and it featured only two bands. The next editions were more popular: since 2011, the festival lasts two days and in 2014 it was visited by 250 people (Figure 1).

![Fig. 1 Audience and stage of the Tomasz Beksiński Progressive Rock Festival in Gniewkowo in 2014. Source: S. Środa-Murawska](image)

The latest edition of the festival (2014) featured six bands and was accompanied by a number of events: the musical performance Prog Keyboards Stories and the screening of a biographical film dedicated to Tomasz Beksiński, the festival’s patron.

The initiative to organize the festival is an example of involvement “from below” of the inhabitants of the town who, after several years of organizing the festival independently, in 2011 formed the Association of Independent Initiatives Progres (Stowarzyszenie Inicjatyw Niezależnych Progres - SIN Progres), whose main aims include: propagating progressive
rock, developing and shaping culture, supporting and promoting artists, but also propagating self-government and direct participatory democracy in local communities.

It should be emphasized that progressive rock, which was created in the 1960s and which originated from psychedelic rock, is addressed to a relatively small group of people. The birth of progressive rock should be attributed to several factors, namely the rise of counterculture in the 1960s, a youth-based subculture that first appeared in isolated urban areas of San Francisco and London, and the development of underground radio stations and underground press that emerged around psychedelic rock in 1966-67. The fragmentation of psychedelia around 1970 contributed to the appearance of many new music genres (e.g. heavy metal, jazz rock, glam rock) and progressive rock (Macan, 1997). This music genre is distinguished by, for example, the use of symphony music, Renaissance and Baroque sacred music, Medieval and Renaissance vocal music; long songs instead of the traditional three-minute song; the use of typical rock instruments alongside electronic and acoustic ones; and a marked influence of classical music. The above make progressive rock hardly a pop music genre, but one addressed to a specific group of listeners.

Progressive rock festivals take place all around the world. What distinguishes them is the fact that a few of them are organized by fans for fans and that they are advertised mostly through the Internet, specifically through social networking sites (Lambe, 2011). The best known and biggest festivals are: the Night of the Prog Festival in Loreley, Germany (since 2006); the Summers End Festival in Chepstow, Great Britain (since 2005); Baja Prog (Prog Festival) in Mexico (since 1997), and RosFest (The Rites of Spring Festival) in Gettysburg, USA (since 2004). The festivals in Poland include: the Pra-Prog-Rock Festival in Prabuty (since 2012); the INO-Rock Festival in Inowrocław (since 2008); the Oskar Art Rock Festival in Poznań (since 2006); Warsaw Prog Days Festival (since 2013), and T. Beksiński Progressive Rock Festival in Gniewkowo (since 2007).

3 Materials and Methods

An interview with one of the main organizers of the festival and fifty-six interviews with representatives of the companies active in the city have been conducted in order to indicate the possible impact of the analyzed festival on the economic development of Gniewkowo.

The aim of the interview with the festival organizer has been to determine the nature of the event, the model of financing the event, its management and the level of involvement of local and province governments. It has been assumed in the study that events organized by non-governmental organizations differ from those organized by local governments or private companies mostly with regard to their aim and management. Firstly, the former do not aim at making profit, but are to support widely understood public interest; secondly, the organization of an event is based on the unpaid work of volunteers.

The perception of an event of such kind by local business has been estimated on the basis of fifty-six interviews conducted in June 2014 with owners and workers of service companies in Gniewkowo. Each questionnaire consisted of six questions, with four closed and two open ones (Table 1).
Tab. 1 Questions asked representatives of commercial companies in Gniewkowo concerning the influence of a cultural event on the development of local business.

<table>
<thead>
<tr>
<th>Questions</th>
<th>Closed</th>
<th>Open</th>
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<tr>
<td>1. Does a local (attracting first of all the inhabitants of Gniewkowo and its vicinity) event (e.g. the days of the Grand Duchy of Gniewkowo, a concert, etc.) positively influence the development of your company? Scale: 1-5 (1 – an event of this kind has no influence on the company’s development, 5 – during an event of this kind the number of clients and the turnover increase significantly)</td>
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<td>2. Have you ever heard about the Progressive Rock Festival?</td>
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<tr>
<td>3. Does a national, international event, e.g. Progressive Rock Festival, positively influence the development of your company? Scale: 1-5 (1 – an event of this kind has no influence on the company’s development, 5 – during an event of this kind the number of clients and the turnover increase significantly)</td>
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<td>4. Have you ever sponsored a cultural event in Gniewkowo? If so, please broadly indicate the type and time of the event, and the way in which you have sponsored it.</td>
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<td>5. Would the development of the cultural sector (more cultural events, festivals, meetings with artists, writers, etc.) influence the economic development of Gniewkowo? If so, in what way?</td>
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Source: Authors’ own elaboration.

The analysis of the answers has supplied the basis for determining the perception of organized cultural events by representatives of companies functioning in the city and their expectations with regard to such events.

4 Results

T. Beksiński Progressive Rock Festival is organized exclusively by the non-profit organization Sin Progres, but from the very beginning it has been supported by the Marshal Office of the Kujawsko-Pomorskie province; the Municipal-Communal Centre of Culture, Sport and Recreation (MGOKSiR) in Gniewkowo; companies from Gniewkowo and people involved in organizing the festival. Figure 2 shows the share of specific sponsors in financing the festival in 2014.

Fig. 2 The structure of financing the T. Beksiński Progressive Rock Festival in Gniewkowo in 2014 according to groups of sponsors (%).

Explanation: A- Marshal Office of the Kujawsko-Pomorskie province; B- Commune Office in Gniewkowo; C-local companies, D- private persons.

The organization of the festival, its preparation and help during the event are provided by members of the non-profit organization SIN Progres and by volunteers. These are mostly fans of the music and people engaged in promoting progressive rock. The media coverage of the festival is provided by regional television, national and regional newspapers, and a number of local and national radio stations, including an Internet radio which supplies an on-line transmission.

The interviews were conducted in 56 local companies, 45 of which were sales outlets (groceries, convenience stores, bakeries, the butchers’); 9 were services (hairdresser, photographer, florist’s); and 2 were restaurants located in the city. 96.5% of the surveyed companies were located within a maximum 15-minute walk from the festival site and a maximum 10-minute walk from the camp and restaurant where the participants were accommodated (Figure 3).
Fig. 3 The area of research in the city of Gniewkowo.
Explanation: 1 – festival sites; 2 – the area where the interviews were conducted in companies in Gniewkowo; A - Liberty Park (amphitheatre); B - accommodation of the festival participants.
Source: Authors’ own elaboration.

More than half of the interviewed representatives of companies (58%) have heard about the Progressive Rock Festival in Gniewkowo.

In order to verify whether the representatives of companies functioning in the city perceive cultural events as something positive they were asked a question in which a distinction was made between local and supralocal events.

The answers to question number three concerning the impact of local cultural events indicate that almost half of the interviewees sees such events as something positive, with four companies perceiving them as significantly influencing the number of clients and the turnover (Figure 4); the average value for question number three is 2,1.

![Fig. 4 Distribution of answers to questions number three and five.](image)
Explanation: Q1 - Does a local (attracting first of all the inhabitants of Gniewkowo and its vicinity) event (e.g. the days of the Grand Duchy of Gniewkowo, a concert, etc.) positively influence the development of your company? Q3 - Does a national, international event, e.g. Progressive Rock Festival, positively influence the development of your company? Scale: 1-5 (1 – an event of this kind has no influence on the company’s development, 5 – during an event of this kind the number of clients and the turnover increase significantly)
Source: Authors’ own elaboration.

The respondents evaluated the potential of supralocal cultural events for increasing the number of clients and turnover slightly differently (Figure 4). In this case, only one person declared a positive influence and as much as 75% (42 companies) of all respondents claimed that such an event had no influence on the development of a company. The average value for this question is 1,5.

Question number five is the next question which indirectly allows us to verify the assumption concerning the perception of cultural events in a small city as a potential source of increased
income for local business. The representatives of local business were asked whether they perceived the development of the cultural sector (more cultural events, festivals, meetings with artists, writers, etc.) as a chance for the economic development of Gniewkowo, including their own companies. 34% of the respondents (19 firms) gave a negative answer to the question, offering the following justifications: “culture has no influence on trade and economy,” “this city is too small and nothing interesting enough to attract tourists happens here,” or “I would say yes if the event took place near my shop.” The remaining 66% saw the development of the cultural sector as a possibility for the economic development of the city and their own companies and declared that a greater number and better quality of cultural events would contribute to the growth of popularity of Gniewkowo. This could, in turn, lead to more people, increased turnover, and capital inflow.

Interesting answers were supplied to the question about the participation of a company in sponsoring local cultural events in the context of potential profit gained from organizing such events. Only 7.8% of the companies (14 out of 56) participates in financing at least one cultural event in Gniewkowo, which is explained as a wish to support cultural development and to advertise the company. The other firms do not engage in such activities, listing the following as reasons for not doing so: “there are bigger companies, so they can be sponsors,” “nobody has asked for support so far,” “lack of funds for sponsoring.” It should be noted at this point that as much as 15% of the budget of the festival in 2014 (Figure 2) was supplied by local companies, which can testify to a relatively significant involvement of local business in creating the analyzed cultural event.

5 Conclusions

The results of the study confirm that non-profit organizations in Poland can actively and successfully organize cultural events which so far have been managed by the state, self-government, and the private sector.

The marked financial participation in the organization of an event of this type by the Marshal Office of the Kujawsko-Pomorskie province is related to the guidelines in the new strategy for the development of the province. Thus, supporting the development of regional, national and international cultural events is one of the directions set forth in the strategic aim “Identity and heritage” (Strategia rozwoju…).

The relatively minor financial support by the commune of Gniewkowo can be explained by the fact that the commune supports events with much more participants that are directed at the local market, as indicated by the analysis of the report on the activities of MGOKSiR (Sprawozdanie z działalności…).

The representatives of small companies in Gniewkowo rather positively evaluate the organization of cultural events from the perspective of their own economic activity. This positive evaluation, however, concerns in particular local events. This is undoubtedly connected with the number of participants of the events, which significantly exceeds the number of participants of regional events, such as the analyzed festival.

The local business sees the cultural sector as a chance for economic development of both the city and their own companies. The data collected during the interviews shows that the main reason for the lack of significant support of the cultural sector by the business sector is the lack of adequate information flow.
To sum up, the organization of cultural events in a small city is positively perceived by local businessmen, but the potential economic profit is seen as connected mostly with organizing local events. The observed processes may be an example of an initial stage of cooperation between culture and business in small post-socialist cities, where grass-root initiatives taken by the inhabitants, including non-profit organizations, have appeared relatively recently in comparison to, for example, Western European cities.

Considering the new EU programs and the amount of funds proposed for the national and regional levels it seems that these types of events become more and more common. It should be also expected that, on the one hand, the promotion of the idea of grass-root events, and on the other hand, their financial support may indirectly contribute to the formation and enhancement of civil and involved society in post-socialist countries. In the context of countries from Central and Eastern Europe it can be the new added value of culture.

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