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Integrating Culture into (Sustainable) Development – Values, Implications and Dilemmas

INTRODUCTION

Economics is a science of deficiency. We are surrounded by deficiency. Its extreme examples of poverty, underdevelopment and exclusion – to mention just a few instances – in various areas of human activity are more than plentiful. The recent global economic downturns have only intensified these. As a science intrinsically linked to deficiency, for a long time economics itself was deficient in and overlooked the importance of the ‘soft’ and largely undefined set of learnt knowledge, shared ideas, values, beliefs, customs, aesthetic, moral, intellectual and legal standards and practices [Tylor, 1924]. These features naturally stood in stark contrast with the well-defined nature of economics. However, in search for explanations and solutions to remedy the above adverse situations as well in the face of evident inefficiency of the mathematicised economic paradigm, economics quite recently – not for the first time in its history, though – has turned to a long neglected factor of culture. It has more and more frequently, yet still quite reluctantly, been recognized as an important element of economic analysis.

COUPLING CULTURE AND ECONOMICS

Omission of culture in the economic paradigm was not intended by the founding fathers of economics at its birth. Rather than that, Adam Smith emphasized the role of culture in the marketplace in his “Theory of Moral Sentiments” (1759). Moreover, he intended the work to provide the ethical, philosophical and

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methodological foundations for his later works, including seminal "The Wealth of Nations" (1776). Smith emphasized the fact that people behave differently in social/community v. market situations. In the former case, people's priority is to maintain good relations with fellow humans and their benevolent acts play a critical role in strengthening these, and hence provide basis for general social order. This other-regarding sympathy is contrasted with noncooperative self-interest that prevails in the market. It forms the basis for division of labor and its aggregate outcome (whose mechanism is referred to as an *invisible hand*) provides benefits to whole society. People are driven by either other-regarding sympathy and noncooperative self-interest which are by no means exclusive of each other. Rather, this 'duplicity' of men motives derives from their will to maximize outcomes of relations in two diverse spheres of human life.

In the 19th century the idea that social science, including economics, cannot successfully analyze cause-chain relations without constant reference to cultural circumstances was strongly supported by another founding father of classical economics, John Stuart Mill. He emphasized the fact that it is the cultural element that makes it frequently impossible to compare economic structures and outcomes between various societies and countries. In "A System of Logic, Ratiocinative and Inductive" he states that *...it has been a very common error of political economists [i.e. economists] consistently to draw conclusions from the elements of one state of society, and apply them to other states in which many of the elements are not the same* [1843, p. 40]. This was also the reason for his criticism of Smith's application of analysis of commercial society of Great Britain and the USA to India.

The most evident proof of interdependence of culture and economics came from the groundbreaking analysis by sociologist Max Weber at the turn of the 20th century. In "The Protestant Ethic and the Spirit of Capitalism" (1905) he advanced a thesis that the Protestant ethic provided the critical positive impulse that prompted spontaneous mass action leading to the development of capitalism. It was conditioned on the one hand by cultural factors like religion (Protestant/Puritan work ethos) and on the other by predictable law, nondualistic economic ethic, bureaucratic state and civil law. All of them coincided with each other and effectively triggered a cause-and-effect chain of events leading to the rise of capitalism. The chain was particularly successful in the face of the fact (referred to as *the Weber's paradox*) that Protestants stimulated by religious beliefs to follow a secular vocation were actually prone to accumulate money that in turn was used for investment rather than spent on luxuries or donations (this was forbidden by the Protestantism). Eventually, the link between religious ethics and religion-motivated economic actions contributed to the growth of capitalism and gave moral meaning to entrepreneurial activity.

One of the most remarkable attempts to redraw attention to the role of culture in the economic system was made by Karl Polanyi in the mid-20th century. In his view, economy was an element of society – it was *embedded* in society

– and thus subordinated to religion, politics and social relations. A human being was primarily a social construct pursuing cooperation, prestige and enhancement of social capital: culture was thus an indispensable element of economy and ensured its stability. *The human economy is embedded and enmeshed in institutions, economic and non-economic. The inclusion of the noneconomic is vital. For religion or government may be as important to the structure and functioning of the economy as monetary institutions or the availability of tools and machines themselves that lighten the toil of labor* [Polanyi, 2001, p. 250] However, Polanyi noted that the excessive reliance on free market and price mechanism, particularly in the 20th century undermined social ties, endangered civilizational development, atomized societies and left people virtually defenseless in the face of lack of guidance of cultural institutions. An economic system devoid of culture and social embeddedness ... *would have physically destroyed man and transformed his surroundings into a wilderness* (*ibid.*, p. xxv). The fact that the classical system of self-regulating markets subordinated society to the logic of the market and made it merely an *adjunct* to the market produced a series of cataclysms like the two World Wars, the Great Depression, and the rise of fascism. All these marked a profound break in the development of humanity after nearly a hundred years of relative peace and prosperity.

MAKING DEVELOPMENT SUSTAINABLE...

As the world continued to develop economically having recovered from the world wars and crises, new – environmental – concerns surfaced in the second half of the 20th century. *In response to a growing realization of the need to balance economic and social progress with concern for the environment and the stewardship of natural resources* [UNESCO, 2005a, p. 1], the concept of sustainable development emerged. It cast a new light onto the role of a human being in shaping the face of the Earth and its own fortune. Not only for the first time did it group together apparently unlike concepts of economic prosperity, social well-being (with culture being its intrinsic element) and environmental protection but it also drew attention to the interdependence between all the three elements. The central element of the concept is a holistic approach that emphasizes the mutual dependence between various facts that either influence human well-being or are caused by human activities. Physical and economic well-being and material success of people were linked directly to the state of the environment and ability to manage the natural resources and coexist with other species. Recognition of such interdependence between various aspects of human activities was truly ground-breaking.

The notion has come to embrace a wide spectrum of issues including – apart from environmental issues – resource use, and social and economic well-being.

The inclusion of poverty, health, sanitation, education and trade into the global sustainable development agenda reflected a growing understanding of the fact that, on one hand global environmental problems are deeply rooted in the economic and social development of all nations and successful global development cannot be deprived of any of these elements without a detrimental effect; on the other, global problems can only be solved if we deal with them successfully at a local level.

The idea of sustainable development has had a profound influence on the perception of the world by human kind. At least two facts bear testimony to this statement: not only did it affect the way environmental, economic and social policies were formulated, but it also influenced the system of moral values in which people believe. More and more governments, institutions, businesses and organizations have openly declared the adoption of sustainable policies and – even if they sustainability may be questionable and raise controversies – they have become a socially accepted norm. In this way sustainable development has become something more than merely an approach to policy formulation: ethics has become an essential element of the paradigm. Its pivotal role is based on ensuring that the equity principle is applied to all areas of human development, i.e. environmental, economic, social, as well as political and to all participants of the process. As observed by Maldonado [2003, p. 673] *Ethical behavior in the context of development is behavior that promotes equity, providing benefits to all affected by development, not just to those conducting the development.* On the other hand environmental ethics places stress on another fundamental principle of sustainable development, namely interdependence. Massanari points out that the ... *assumption or fact of interdependence, whether based on ecology or self-realization or both, makes a real difference not only in world views but also in ethical standpoints ... Recognizing oneself as an interdependent self leads naturally and immediately to an ecoholistic lifestyle characterized by a reflective and active interconnection with all that is. Because humans are nature conscious of itself, humans are responsible for doing their part in maintaining and respecting the natural balance among the processes of the whole nature* [1998, pp. 58–59].

To support the above view, one of the earliest major charters of sustainable development, the report *Our Common Future* [Brundtland, 1987] seems to promote a much wider normative framework that the one typically emphasized in the literature [cf. Langhelle 1999]. The report provides a useful normative structure which promotes other, i.e. non-economic, values like social justice, humanistic solidarity, a concern for the world's poor, and respect for the ecological limits to development. The placement of ethics in the very centre of human development stimulated search for new answers to human problems in areas like economics, business (it invariably made companies establish ethical codes of practice), or international politics. Hence, the emergence of sustainable devel-

opment, or *emerging ecological worldview* [Audirac, 1997], marked a definite breach of the modern industrial paradigm and all the values it promoted as it was no longer able to provide an efficient framework for dealing with development problems. The inefficient sectoral, or atomistic view of the reality – and the resultant solutions – provided by the industrial paradigm had to be replaced by a contrasting holistic paradigm which emphasized the interdependency of diverse factors determining human status (see Table 1).

Table 1. Shift of values between the modern industrial and sustainable paradigms

	The Modern Industrial Paradigm	The Sustainable Paradigm
Analysis type	<ul style="list-style-type: none"> • Atomism – problem solving based predominantly on sectoral analysis with scarce references made to other system elements; 	<ul style="list-style-type: none"> • Holism – problem solving based on comprehensive analysis of interdependencies between system elements/sectors;
Human-nature relations	<ul style="list-style-type: none"> • Dominant attitude: anthropocentrism; • Domination over nature conquest of nature; • Humans are separate from and superior to nature; • Nature consists primarily of resources to be used; • Life cycle incomplete; decay neglected; • Human-made systems imposed on nature; • Exploitation of natural resources; • Utility value of nature; 	<ul style="list-style-type: none"> • Dominant attitude: biocentrism; • Human harmony with nature and mutual dependence; • Humans are part of and subject to nature; • Nature is valued primarily for its own sake; • Life cycle complete; growth and decay balanced; • Natural ecosystems are imitated; • Stewardship of natural resources; • Intrinsic value of nature;
Social system	<ul style="list-style-type: none"> • Cultural homogeneity; • High consumption life-style; • Development focus on metropolitan areas; • Dominant decision-making style: top-down 	<ul style="list-style-type: none"> • Cultural diversity; • Need-specific consumption; • Development focus on community and environment; • Dominant decision-making style: bottom-up
Economic system	<ul style="list-style-type: none"> • Competition; • Limitless growth; • Dominant economic policy profile: export and trade 	<ul style="list-style-type: none"> • Cooperation; • Growth within limits of the biosphere; • Dominant economic policy profile: self-reliance

Source: own compilation based on Audirac [1997] and Lyson [2002].

Comprehensiveness and the interdisciplinary character of the sustainable paradigm exemplified by the above juxtaposition against the modern industrial paradigm lets us reveal the most novel element of the sustainable paradigm – the very multidimensional perception of the world which becomes more of a network of mutual interdependencies. Although still underpinned by a *commitment to ecology* [Audirac, 1997, p. 6], the perception goes well beyond the original three-pronged ecological-economic-social framework. In this network, modifications to a seemingly insignificantly small number of elements can threaten the fragile balance of the whole network. On the other hand, the multidimensional perception gives rise to whole series of new factors affecting humans in a variety of ways and imposing certain modes of behavior. Thus terms like *sustainable lifestyle*, *sustainable community*, *sustainable cities*, *sustainable economy*, *sustainable agriculture*, *sustainable business*, *sustainable industry*, or eventually *sustainable culture or cultural sustainability* have come to reflect a set of standards and values that are followed by political, economic and business decision-makers, whose decisions affect a major proportion of populations. All these terms refer to the impact of the sustainable paradigm on each of the respective disciplines. Consequently, in linguistic terms, all have been granted the status of a recognized technical term in their respective areas and reflect a fundamental transformation of the domain's paradigm. In this respect, the observation that sustainable development is *an alternative belief system* [Batie, 1989] seems entirely justified. However, its impact has had much wider implications which, apart from economics, has challenged numerous concepts, tools, and assumptions regarding ecology, social sciences, politics, international affairs, technology, and business management.

... AND CULTURE-INCLUSIVE

The interdisciplinary approach of sustainable development to solving the world dilemmas quite naturally has invited and paid attention to culture as an important determinant of development. This natural evolution of the concept of sustainable development allowed gradual inclusion of culture into the notion. Amartya Sen acknowledged the role of culture in development: *Cultural matters are integral parts of the lives we lead. If development can be seen as enhancement of our living standards, then efforts geared to development can hardly ignore the world of culture [...] cultural conditions can exert a strong influence on human behaviour, and through that can affect economic choices and business decisions, as well as social and political behaviour* [2000, p. 1–2]. It seems that the key aspect that has allowed to naturally integrate culture into sustainable development was the fact that it refers to how people understand and appreciate

natural resources and each other [Inman, 2013]. Culture determines people's behavior, it affects relationships between people in society as well as those between people and the world around them, including the natural environment. Culture is thus strictly related to values like creativity, heritage, knowledge and diversity, all of which are intrinsically linked to human development and freedom [UCLG, 2013, p. 1].

Progress and development are always guided by values. Janikowski [2009, pp. 26–27] points out that in the case of sustainable development, the values driving it derive directly from the fundamental elements of culture (thus reflecting the shift of values from industrial to sustainable paradigm, as mentioned earlier):

- ethics, values and morality
- laws of natural science
- efficiency and performance of management

In this light, the ethical pillar of sustainable development includes the following principles:

- anthropocentrism: human beings are and should remain in the very centre of development; human health and life are the utmost values; people have inalienable right to healthy and creative living in harmony with the natural world;
- intergenerational equality and stability: *meet[ing] the needs of the present without compromising the ability of future generations to meet their own needs*; each generation is able to make at least as much choice as its antecedents;
- worldcentrism: development must be assessed with regard to the whole human kind and human community: constant effort must be made to overcome all forms of egocentrism and ethnocentrism;
- human rights; every human being has the right to be the object and subject of development.

The natural pillar includes the following principles:

- systematization: all elements are linked to each other; the results of our actions may be direct or indirect, immediate or remote both in time and distance;
- depletion and scarcity of resources: the Earth has limited capacity, fossil fuels, mineral resources are depletable, some are non-replenishable; the ability of the biosphere to absorb pollution and regenerate is limited;
- diversity: genetic, species, biospheric, cultural, social and technological diversity increases invulnerability and stability of the development process.

Eventually, the management pillar includes:

- efficiency and performance: with regard to distance, time, matter and energy one should use its resources efficiently and economically;
- recirculation/recycling: matter and resources extracted from the Earth should be reused within integrated closed-circuit systems;
- capital growth and replenishment: all kinds of capital should be accumulated; replenishable forms of capital are preferred.

As it stems from the above systemization of cultural values present in the idea of sustainable development, *culture drives sustainable development* [UNESCO, 2012, p. 3]. The exact placement of culture within the sustainable development framework has not been defined yet: some authors treat it as a component of social sustainability (*inter alia* WACOSS 2008), some as a fourth pillar [*cf.* Hawkes, 2001; UCLG, 2010; Runnalls, 2007], others as a key dimension of sustainable development [Duxbury, Gillette, 2007]. Regardless of the definition, they all agree to include culture as a critical aspect of sustainable development in view of its role in meeting economic, social and ecological sustainability.

In the rapidly changing world and a multitude of competing forces and ideas determining human progress, development means primarily freedom as it widens people's choices simultaneously placing human beings as the centre of the future [UCLG, 2013, p. 2]. Therefore, inclusion of culture into sustainable development is manifested in three key dimensions [Janikowski, 2009]:

– *culture as the development objective*: governments effectively promote culture as it generates income and employment, boosts economic growth, increases social cohesion, regional and local development [*ibid.*]. A study commissioned by the European Commission [KEA, 2006] shows that in 2003 the cultural and creative sector contributed 2.6% to the GDP of the EU-25, compared to the EU-25 general economic growth rate of 2.1%.² The study shows the sector is grown in economic importance (as a share of European GDP) in years 1999–2003: the overall growth of the cultural and creative sector's value added was 19.7% while the nominal growth of the European economy in this period was 17.5%. This demonstrates that the sector grew faster than the general economy and, as the European Commission concludes [KEA, 2006, p. 69], it was therefore a vital driver for development in Europe (*cf.* Table 2). The contribution of the cultural and creative sector to the general wealth of Europe becomes more and more significant and is of particular importance in developing countries. Both the rate of average turnover growth and the growth rate in value added to GDP in the period are the highest in new member states, which suggests that their rapidly growing cultural and creative sectors are significantly contributing to their economic growth to achieve a parallel level to that of their European neighbors in terms of wealth creation (*cf.* table 2).

² According to the study findings in most European countries, the creative & cultural sector is a leading contributor to the growth of national wealth. The economic contribution of the cultural and creative sector outruns that of the sector of food, beverages and tobacco manufacturing (1.9%), the textile industry (0.5%) and the chemicals, rubber and plastic products industry (2.3%) [*ibid.*, pp. 65–68].

Table 2. Contribution of the European cultural and creative sector to the European growth and national economies

EUROPE	Value added to national GDP in all sectors, 2003 (%)	Average turnover growth, 1999–2003 (%)	Growth in value added to European GDP, 1999–2003 (%)
Austria	1.8	5.4	2.8
Belgium	2.6	5.2	7.7
Cyprus	0.8	N/A	N/A
Czech Republic	2.3	15.5	56.0
Denmark	3.1	2.7	-1.9
Estonia	2.4	11.5	9.1
Finland	3.1	7.1	11.1
France	3.4	6.7	7.1
Germany	2.5	4.9	6.6
Greece	1.0	5.4	4.4
Hungary	1.2	17.1	7.6
Ireland	1.7	7.7	8.8
Italy	2.3	5.3	7.3
Latvia	1.8	7.7	17.0
Lithuania	1.7	5.1	67.8
Luxembourg	0.6	2.9	N/A
Malta	0.2	0.1	N/A
Netherlands	2.7	5.0	N/A
Poland	1.2	6.1	13.0
Portugal	1.4	10.6	6.3
Slovakia	2.0	3.9	15.5
Slovenia	2.2	17.9	5.4
Spain	2.3	10.5	9.0
Sweden	2.4	7.8	2.6
United Kingdom	3.0	6.6	1.7
Bulgaria	1.2	13.8	N/A
Romania	1.4	20.2	29.0
Norway	3.2	4.8	3.8
Iceland	0.7	8.3	4.1
EU-25	N/A	5.4	6.6
EU-30	2.6	8.1	12.3

Source: [KEA, 2006, pp. 66, 69].

On the global scale, cultural and creative industries also make one of the most rapidly developing economic sectors with a growth rate of 17.6% in the Middle East, 13.9% in Africa, 11.9% in South America, 9.7% in Asia, 6.9% in Oceania, and 4.3% in North and Central America [Pricewaterhouse Coopers, 2008 cited in UNESCO, 2012, p. 4]. Moreover, the cultural sector stimulates the socio-economic environment by means of innovation and creativity in other sectors. In this way, it plays an important role in progress of information and

communication technologies and regional and local development. Since cultural industries includes all kinds and sizes of entrepreneurs working in arts, music, book, audio-visual [Szomburg, 2002], their role cannot be overestimated. On the one hand, they provide employment to a relatively large (particularly in local terms) number of population. On the other, their role is fundamental in creating the culture itself. Cultural production contributes to strengthening the social capital of a community, explains local, regional and national (or other) identities and fosters trust in public institutions. They also influence lifestyles, individual behavior and consumption patterns [UCLG, 2013]. In terms of the environment, the ecological footprint of the industries is relatively small [Janikowski, 2009]. However, culture raises awareness on ecological responsibility, affects values related to environmental stewardship and interaction with the natural environment. Local and indigenous knowledge systems and environmental management practices provide valuable insight and tools for tackling ecological challenges, preventing biodiversity loss, reducing land degradation, and mitigating the effects of climate change [UCLG, 2013].

– *culture as a means of development*: it gives means to alleviate poverty and improve the standard of living. Cultural heritage, cultural and creative industries, sustainable cultural tourism, and cultural infrastructure can serve as strategic tools for revenue generation, particularly in developing countries given their often-rich cultural heritage and substantial labor force [UCLG, 2013, p. 2; cf. Figure 1]. According to the European Commission report [KEA, 2006, pp. 79–82], the cultural and cultural tourism sector constituted 3.1% of the EU-25 total employment in 2004 (3% in 2002) and in 2002–2004 increased by 1,85% which is of particular significance in face of the decrease in the total EU employment in the period. In the EU-25 (cf. Figure 1), figures vary significantly, from 1.9% in Slovakia to 6.5% in Hungary; yet, the highest figures for cultural and cultural tourism employment are for Germany, the UK, France, Italy and Spain. As the report observes [*ibid.*, p. 79] nearly three quarters of the jobs in the cultural sector are attributed to these five most populated European countries.

The role of culture as a means of development becomes particularly important in the world where tourism defines and changes our values and lifestyles more and more. Today, the tourism sector is one of the world's fastest growing economic sectors and only in Europe it generates 5.5% of the EU GDP [KEA, 2006, p. 8]. In the 1998–2008 period, gross global tourism revenue grew at 7% on average, and 12% in the Least Developed Countries [WTO, 2011]. *Cultural tourism* – that relies on tangible and intangible cultural assets – accounts for 40% of world tourism revenues (*ibid.*). Investment in culture and creativity has proven an excellent means for revitalize the economy of cities. Today, many cities use cultural heritage and cultural events and institutions to improve their image, stimulate urban development, and attract visitors as well as investments [UCLG, 2013]. Generally, we can distinguish five elements of cultural tourism [Janikowski, 2009, pp. 34–35]: *cultural*

heritage (visiting city centers, museums, archeological sites, special tourist routes with historical sites, castles and palaces); *events* which are related to special happenings like exhibitions, concerts, film festivals and other cultural events; *catering and rural tourism* which are focused on culinary and folk values and traditions of given regions; *film tourism* which is motivated by interest in specific film and film series shooting locations; *cultural thematic parks* which supplement visits to museums, city centers and archeological sites. All cultural heritage and contemporary processes are subject to tourism growth which becomes one of the major driving forces of regional and local development and well-being.

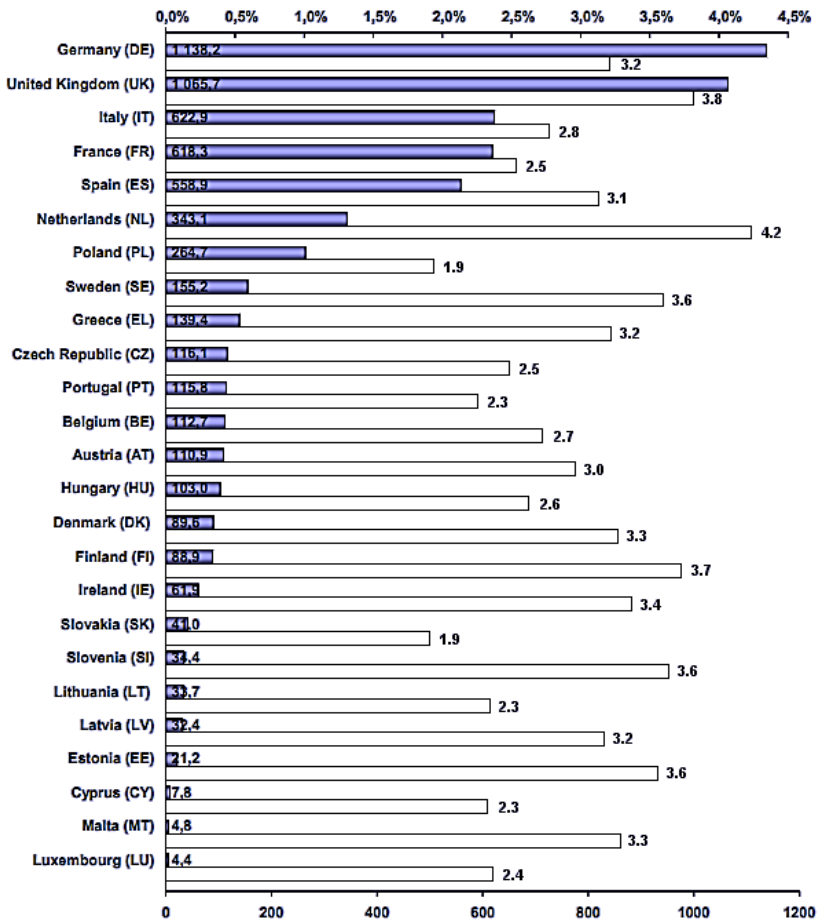


Figure 1. Cultural and cultural tourism employment in the EU-25 in thousands (the bottom axis, dark columns) and as share of total employment (the top axis, light columns), 2004

Source: [KEA, 2006, pp. 81–82].

– *culture as a determinant of development* can be labeled as *software of the mind* [Hofstede, 1997]. In this sense culture can either stimulate or inhibit development (the highlights of the idea have been referred to in the part *Coupling culture and economics*). Culture and its various elements determine the direction and rate of development. On this basis, Harrison [2006; cf. 2013] developed a typology of 25 factors (elements of culture) to include: religion, destiny, time orientation, wealth, knowledge, ethical code, the lesser virtues, education, work/achievement, frugality and prosperity, entrepreneurship, risk propensity, competition, innovation, advancement, rule of law/corruption, radius of identification and trust, family, association (social capital), the individual/the group, authority, role of elites, church-state relations, gender, relationships and fertility. As for culture as an element of sustainable development, the key idea is whether various cultures of the world can absorb the values promoted by sustainable development so that it constitutes their integral part. Only then local and regional cultures will become universal and become replaced by a new global culture to affect human actions [Janikowski, 2009, p. 36].

BARRIERS AND DILEMMAS

The inclusion of culture into economic analysis, development and more specifically the idea of sustainable development has not been easy as it has been verified by the number of economists dealing with cultural aspects or willing at least to include elements of culture in their analysis. Jackson [2009] identifies three major barriers in the process:

- neoclassical theory is the most serious barrier to cultural thought for the theory is ahistorical, claims universal relevance, plays down institutions, understates human creativity, has no sense of culture as a process, evades social evolution and models economic development in terms of equilibrium or adjustment towards equilibrium;
- demarcation of academic disciplines and the corresponding professional structures; for that economics regards cultural methods as non-economic and irrelevant; extreme specialization of science and economics in particular, cultural arguments are beyond the scope of interest of economics;
- mathematisation of economics make it virtually impossible for cultural thinkers to accept the fact that human behavior is forced into a mechanical frame of economic theory or social and industrial organization; cultural thought is not against mathematics as such but regards it as culturally specific (like any other language) and hence limited – for that much economic behavior cannot be defined in terms of mathematics.

A similar view on economists' reluctance to adopt cultural methods was expressed by David Landes, the author of *The Wealth and Poverty of Nations*. He presented the following reasons for exclusion of culture from economic analysis:

- culture frightens scholars, economists in particular, as they do not have tools to analyze culture-related facts; thus it is easier for them to change interest rates, enter trade treaties or change political institutions or manage;
- criticisms of culture cut close to the ego, injure identity and self-esteem which can substantially hinder scientific investigation;
- culture does not work consistently although its impacts are so pervasive; the same analysis may not sufficiently explain facts which have been justified in another situation;
- finally, culture does not stand alone and is interrelated to other invariably plural, complex and interrelated processes [1998, pp. 516–517].

All in all, it seems that the main problem lies in alienation of economics which cut its sociological root and weakened its intrinsic and mutual links with sociology, politics, history and anthropology. Consequently, economics went on the path of *mathematical sophistication* and *economic imperialism* [Guiso *et al.*, 2006, p. 27] to discover universal and timeless principles independent of human will and society [Wilkin, 1997, p. 24]. This desocialization of economics moved it far away from culture-based analysis.

CONCLUSIONS

In the face of environmental pollution, economic development discrepancies and social inequality and a vivid breach of traditional values there came a theory of sustainable development: a new *ethical code* promoting inter- and intragenerational equality in natural resource use and lifestyles that did not compromise other people's ability to satisfy their needs. This fact coincided with the discovery of the role of culture as both a determinant and a tool of economic well-being. Cultural industries and cultural tourism make a significant and rising share of GDP in various countries. Culture-driven development is an important element of sustainable development since it is environmentally-friendly, provides numerous employment opportunities, increases social capital and above all, it enhances and enriches culture of a given locality, region or country. However, it also has potential impact the fortune/fate of countries. Together with the notion of sustainability, culture imposes a set of ethical rules on the way to a better life as it was aptly worded by Hawken: *Leave the world better than you found it, take no more than you need, try not to harm life or the environment, make amends if you do* [1993, p. 139]. People can make their lives better – development is freedom: culture and sustainable development are instruments to attain

this goal. In the words of Daniel Moynihan (cited in Harrison, 2006), *The central conservative truth is that it is culture, not politics, that determines the success of a society. The central liberal truth is that politics can change a culture and save it from itself.* Integration of culture into sustainable development promotes a truly human-focused approach to development as well as it constitutes a substantial socio-economic resource. However, only responsible policies and ethical behavior at the individual, community and national, as well as local and regional levels can enrich a country's culture and foster its development. In today's globalized world of converging economic, social and cultural patterns, the role of culture is hard to be overestimated. As, in economic terms, the logic of the market is built on gaining comparative advantage, it inevitably necessitates use of all available resources: economic but also cultural, social or political. Hence, the culture-induced economic development of nations is the very feature that potentially creates a development niche for all nations and their cultures which in turn can enrich our lives and contribute to diversity of development patterns worldwide. This idea seems to gain support among international community and was reflected in the *Convention on the Protection and Promotion of the Diversity of Cultural Expressions 2005* adopted by UNESCO: *Cultural diversity creates a rich and varied world, which increases the range of choices and nurtures human capacities and values, and therefore is a mainspring for sustainable development for communities, peoples and nations* [UNESCO, 2005b]. In this light, the role of culture as capital is critical and it can thus enhance understanding of the complexity of development process.

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Summary

The paper deals with the issue of the role of culture as an element of the sustainable development paradigm. However culture as an element of economic analysis of development had been underestimated for a long time, the rise of the paradigm of sustainable development made a window of opportunity for culture in this context. As the shift from the industrial to sustainable model necessitated change of the values pursued, culture has made its way to the development policy due to its integrative approach to economic, social and natural systems. In this context the paper aims to firstly present a brief outline of the landmarks in economic writings and the authors that drew attention to the value of cultural aspects in economic analysis. Then it goes on to identify characteristics of sustainable development that made it possible to naturally fit cultural considerations into the paradigm framework. Finally, the paper identifies a set of traits for culturally sustainable development and supports them with examples verifying the role of culture in economic development with a special focus to the European Union countries. The paper

concludes with a critical account of features that make it difficult to include culture into the development analysis that have its roots either in the history of economic thought, cultural or psychological considerations.

Keywords: culture, sustainable development, values, economy, society, ethics

Integracja kultury i (zrównoważonego) rozwoju – wartości, implikacje i dylematy

Streszczenie

Artykuł zajmuje się kwestią roli kultury jako elementu paradygmatu zrównoważonego rozwoju. Pomimo faktu, iż kultura jako element analizy ekonomicznej była przez długi czas niedoceniana, powstanie teorii rozwoju zrównoważonego pozwoliło włączyć kulturę jako ważny element rozwoju ekonomicznego. Zmiana wartości, jaka została wymuszona w wyniku porzucenia paradygmatu przemysłowego i implementacji modelu zrównoważonego rozwoju, umożliwiła również włączenie kultury do polityki rozwoju głównie ze względu na zintegrowaną interpretację systemów gospodarczego, społecznego i środowiska naturalnego, jaką czynnik kulturowy podkreślał. W tym kontekście artykuł przedstawia zarys najważniejszych dzieł myśli ekonomicznej, poczynając od ekonomii klasycznej, które podkreślały rolę czynnika kulturowego w analizie ekonomicznej. Następnie artykuł identyfikuje cechy teorii rozwoju zrównoważonego, które umożliwiły włączenie uwarunkowań kulturowych do tej teorii. Ponadto celem artykułu jest również przedstawienie zbioru cech, którymi charakteryzuje się kulturowo zorientowany rozwój zrównoważony oraz przedstawia przykłady dowodzące roli kultury w rozwoju ekonomicznym ze szczególnym uwzględnieniem tej roli w krajach Unii Europejskiej. W tym kontekście zostały przedstawione trzy główne obszary kulturowo zorientowanego rozwoju zrównoważonego, takie jak: kultura jako cel rozwoju, kultura jako sposób rozwoju oraz kultura jako czynnik rozwoju. Artykuł kończy identyfikacją czynników, które spowodowały i wciąż są źródłem niepełnego wykorzystania kultury w analizie rozwoju społeczno-gospodarczego mających swoje korzenie zarówno w historii myśli ekonomicznej, jak i uwarunkowaniach kulturowych i psychologicznych.

Słowa kluczowe: kultura, rozwój zrównoważony, wartości, gospodarka, społeczeństwo, etyka

JEL: Z1, Z13, B12, O10