



International
Growth Centre



Since February 2013, IGC Liberia has been providing and applying frontier economic research to the central questions in Liberian policymaking. Current projects include developing a natural resource revenue management framework and evaluating government policies related to small business growth and formalisation.

Professor Eric Werker

Country Director, IGC Liberia



Jonas Hjort

Lead Academic, IGC Liberia



The goal of IGC Liberia is to help bridge the gap between policy and economic research in Liberia. We do so by (1) providing demand-driven economics research of immediate use to the Government and other policy actors in Liberia, and (2) encouraging cutting-edge research to be undertaken in Liberia and maximising its policy impact. We seek to maximise the two-way learning spillovers between IGC researchers and their Liberian counterparts and institutions in the process and to help develop a culture of rigorous research and data-driven policy in Liberia.

We are not a granting agency but instead offer knowledge and partnership on policy questions that can fruitfully be analysed through quantitative research and within an empirical economics framework. Ultimately we hope to help increase economic growth in Liberia through knowledge generation in collaboration with local policymakers, researchers, and institutions.

HISTORY OF THE PROGRAMME

The work of IGC Liberia focuses on four themes: strengthening state capabilities, natural resource management, macroeconomic management, and urbanisation. Following initial engagement in 2011 and consultations with Liberian stakeholders in 2012, IGC officially established its Liberia office in February 2013, based in the Ministry of State Without Portfolio. We have engaged stakeholders including the President's Office, the Central Bank of Liberia, the Ministries of Finance, Education, and Commerce and Industry, the University of Liberia, and several others.

Through this dialogue, the IGC team responds to research demands by engaging and commissioning international researchers from some of the world's top universities to address core concerns of policymakers.

Our researchers produce two broad types of output. One is a relatively short, demand-driven product that brings cutting-edge economics applied by a world expert to issues inside Liberia. The other is a more in-depth project that generates original research to inform policy in Liberia as well as in other countries around the world. With either type of output, we seek to work with Liberian counterparts to ensure that we are asking the right questions and maximising the policy usefulness of the research.

Our goal is to positively impact policy, not just produce reports. This does not change our mission of producing demand-driven economic advice and new research that can inform policy.



IGC Liberia is currently engaged in a number of projects with leading academics from around the world.



Studies on Real Estate Taxation

Oyebola Olabisi

(Harvard Kennedy School)

Olabisi is working with the Revenue Department of the Ministry of Finance to improve the functioning of property markets in urban Liberia. Weak tax administration and poor compliance mean that a lot of urban property gets underused, which creates challenges for new investment and efficient urbanisation.

Olabisi has worked to understand why property tax collection is so low. In the suburbs of Monrovia, where many property owners have not paid tax in decades, Olabisi is investigating the effectiveness of different approaches to increase the number of taxpayers. Besides generating practical implications for Liberia, the study will contribute to the small but growing academic literature on tax compliance in developing countries.

the Ministry of Commerce and Industry to understand what makes small businesses grow successfully. With its business sector dominated by large foreign natural resource firms and importers, Liberia must look to smaller domestic firms to generate meaningful development.

In a project entitled “Determinants and Consequences of Firm Success”, Hjort undertook a pilot study that looked at whether training and match-making activities (between small domestic firms and large foreign firms) led to new contracts and firm growth. In a follow-up study, “Search Frictions and Firm and Market Growth”, Hjort will work to quantify the effect of search frictions in Liberia – the cost associated with finding an appropriate firm to contract to or buy from – on foregone business for small and medium sized firms. The study will also measure the effect of specific policy measures attempting to reduce these costs.



Evaluating Small Business and Growth

Lead Academic Jonas Hjort *(Columbia Graduate School of Business)*

Hjort is working with the non-profit organisation Building Markets and

PROJECTS ON THE GO

For Researchers:

IGC Liberia is seeking to commission high quality research projects related to four research themes: natural resource management, macroeconomic management, urbanisation, and strengthening state capabilities. We have two rounds of funding per year and encourage you to get in touch for more information.

For Liberian Policy Actors:

IGC Liberia provides free policy advice based on independent, frontier research and is always looking for new research ideas within our areas of research focus and collaboration opportunities that match well with individuals in our research network.



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The International Growth Centre (IGC) aims to promote sustainable growth in developing countries by providing demand-led policy advice based on frontier research. The IGC directs a global network of world-leading researchers and in-country teams in Africa and South Asia and works closely with partner governments to generate high quality research and policy advice on key growth challenges. Based at LSE and in partnership with the University of Oxford, the IGC is funded by the UK Department for International Development (DFID).

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