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Paving the way towards the growth-drivers and development mechanisms of slowly-growing cities

Cities grow faster than ever in history of human-kind. Their prosperity is said to almost perfectly correlate to urbanisation processes (**Glaeser** 2011). However, there are rising stars among the cities and those that basically grow slowly. There are many alternative pathways to the growth that have been given the focus. Indeed, it is for city 'offers' that become more spatially and economically dense (**Rosenthal & Strange** 2004) and allow to save on costs to business. It is for the variety of labour and capital that boosts the new opportunities and market potentials (**Jacobs** 1969) by enhanced interactions. It is for the availability, and excellence of amenities in cities that allows to compensate the net costs of doing business or living (**Storper & Scott** 2009). Alternatively, it is for the networks of cities that provide benefits reported as borrowing the city functions or markets (**Meijers, Burger & Hoogerbrugge** 2016). Growth is created by the need of experiences and validation of identity that attracts so called creative class (**Landry** 1994, **Florida** 2003). It is also the institutions (**Lundvall**, 1992) or the 'milieu' that turns knowledge to economic value (**Crevoisier** 2016) and gives growth to cities. The processes are not hijacked by metro-regions. Second-rank cities may have already outperformed some of the agglomerations (**Camagni & Capello** 2014 and **Camagni, Capello & Caragliu** 2014).

In fact, there are hundreds of models building upon either quantitative or qualitative explanations that target the drivers of growth. The models are set within theories of economic geography, regional science and other related disciplines. However, the more we investigate, the more we understand that the driving forces that stimulate growth; be it more the local capitals or the external factors and trends; are challenged by complex and wicked problems (**Huggins & Hilvert** 2013) appearing in territorial systems that cities form or belong to. So is the development of cities that becomes challenging for those governing. The research on cities then becomes eager to grasp the catchy concepts such as *smart city* that look for evaluating effectiveness of performance against political or strategic setting instead of growth patterns.

It might be interesting then to ask whether what we usually call a *smart city* and tends to be rather a political idea and a direction to overcome the disadvantages of lagging behind (to paraphrase the learning region typology as described by **Simmie** 2012) works for slowly-growing cities. The other rationale for smart city is what **Caragliu** et al (2009) sees as fuelling sustainable economic growth and high quality of life by means of specific policy interventions. On the other hand, a smart-growing city will reveal to a patient researcher a more positive (instead of normative) picture of city smart growth patterns.

To diverge the concepts, we use another term: intelligent (growth of) cities, a similar one but still not exactly the same as the term already coined by **Komninos** 2002. We understand intelligent cities as territories that are formed on the 'in-city grown' capacities to generate new economically valuable knowledge that leverages the sustainability of economic and social growth of the city. What makes the

concept interesting is the attempt to unveil at least parts of the economic model of intelligent hence slowly-growing city. Is it the oxymoron then slowly-growing and still intelligent. Be it the notions of knowledge that is embedded in local social services or infrastructure, the networks, platforms, places and events, all of them can give the keys to update, upgrade or innovate with the city service and justly, efficiently and effectively deliver it. Here or with the ICT-based smart systems and the dashboards that cities are acquainted with, their intelligence start with the moment we can valorise the knowledge useful for city and economise on the value it brings. That sounds like new type of externalities to business that is produced by the above-mentioned 'knowledge pools' and ICT systems or simply the open data.

Van Oort and **Lambooy** (2014) explain the link between city and knowledge economy by assigning agglomeration economies to knowledge spillovers of firms in cities and innovative growth opportunities in cities to knowledge workers. There is however, another fast-growing stream of literature that recognises the true growth of new opportunities as well as public (and business) sector innovations that bring more public value (**Heartley** 2005) and are made substantially viable due to the territorially embedded knowledge (**Crevoisier** 2016) and the sharing of (city) resources (**McLaren & Agyeman** 2015). That links to the logic of using and opening the knowledge to other actors and learning the valorisation methods.

For that reason, I would argue, city administration and politicians need to learn on capabilities to valorise the knowledge that is both available thanks to the critical mass of IoT and smart ICT solutions as well as the 'knowledge pools'. The question then is how to valorise the economised knowledge in new utilities, new benefits, dynamic externalities among the economic actors in cities. As we've moved to the reputation economy, where the balance sheet is as valuable as the connections (**Phillips & Jung** 2016), the data and knowledge pushes for the explicitly different governance mechanism.

Smart systems and the speed-up in the 'how' and the 'when' we are being informed is a fact. The information asymmetry on 'what' is happening in cities (and their business markets and proficiencies, education and R&D offers, land and houses, utilities and events, etc.) requires more city intelligence. Local governance as a concept that served as democratisation of political decisions (**Hajer** 2003) and market or growth-enhancing good governance practices (**Khan** 2007) held in territories may need to step up. A new mechanisms that triggers the very well valorised knowledge or externalities needs to be capable to turn them into success drivers of the city economy. Knowledge flowing in either ad-hoc groups or sustainable networks can be a threat if made a technocratic tool with the ICT-led smart solutions, but wisely governed results of valorised knowledge should enable the upgrade or innovation of city services as well as local economy. The new and still unnamed local governance mechanisms that governs the results of transferred, shared and integrated knowledge among the local service and infrastructure producers and users, between and within firms is needed. *Wise governance* bolsters results of city knowledgeability and allows the economisation of knowledge embedded and flowing into cities. For intelligent city, the new governance mode is basically the mechanisms that enables the city learning and invention processes that rises its sustainability in both public and business spheres rather than the old-school of hollowing-out of state (**Rhodes** 1994, **Klijn** 2002) or the philanthropy – i.e. private contributions towards social problems (**Jung & Harrow** 2015) offered to support the actors legally capable of ruling and managing.

This conceptualisation needs examples and further discussion that I would be happy to offer for the session.