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LONG-TERM CONCEPT FOR A CITY IN CHANGING CONDITIONS OF THE MODERN ECONOMY

DŁUGOOKRESOWA KONCEPCJA MIASTA W ZMIENNYCH WARUNKACH WSPÓŁCZESNEJ GOSPODARKI

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Summary: Cities implement the path of adjustments to the changing global economy which does not destabilize their economy, but expands opportunities for development. Changes in the concept of a city concern all zones of its functioning: internal structure, sources of income, development model, competitiveness and contact with the environment. Selecting the concept for development is not easy and it depends on numerous conditions. However, some priorities and development assumptions are common to all approaches. Cities in a long-term perspective are supposed to aim at: efficient and multi-level management, smart city, compactness, openness, responsiveness to the needs and ensuring high quality of life to all groups of users. Under conditions of significant changeability of the modern economy the determination of a long-term concept for a city should be related to the maintenance of flexibility and process operations, and not only a point response to a given situation.

Keywords: city, strategy, Riga Declaration, Pact of Amsterdam.

Streszczenie: Miasta realizują ścieżkę dostosowań do zmiennej gospodarki światowej, co nie destabilizuje ich gospodarki, lecz rozszerza możliwości rozwoju. Zmiany w koncepcji miasta dotyczą wszystkich sfer jego funkcjonowania: wewnętrznej struktury, źródeł utrzymania, modelu rozwoju, konkurencyjności oraz kontaktów z otoczeniem. Wybór koncepcji rozwoju nie jest prosty i zależy od wielu uwarunkowań, jednak część priorytetów i założeń budowy jest wspólna wszystkim podejściom. Miasta w długim okresie mają dążyć do: sprawnego i wielopoziomowego zarządzania, realizacji koncepcji *smart city*, zwartości, otwartości, reagowania na potrzeby oraz zapewnienia wysokiej jakości życia wszystkim grupom użytkowników. W warunkach dużej zmienności współczesnej gospodarki określenie długookresowej koncepcji miasta powinno się wiązać z zachowaniem elastyczności oraz działaniem procesowym, a nie punktowym reagowaniem na zaistniałą sytuację.

Słowa kluczowe: miasto, strategia, Deklaracja Rysa, Pakt Amsterdamski.

1. Introduction

In the modern economy cities gain significance. Cities fulfil diverse functions which determine numerous benefits as well as problems and conflicts in the space of an urban centre and its surroundings. A modern city is not only the labour market and a place of residence, but it also becomes an entity fulfilling various needs as well as the subject of their implementation and shaping a competitive position. Challenges of the global economy change the image of the traditional urban centre within intense development which should work out a high competitive position in the changing economy recovering from the crisis and threatened with the crisis, with high quality requirements and an increasing number of city users. An urban centre does not have to adjust to the trends of the global economy, assuming the concept of a slow city. However, large urban units follow the trends of the global economy and implement the concept for a city extending development possibilities, in particular taking into account the inflow of people and their multiculturalism.

The objective of the elaboration is to indicate selected guidelines of long-term social and economic development of cities under changing conditions of the global economy and assuming new priorities determined by the EU. The shape of a city and its concept undergo evolutionary changes in this aspect, which translates into the quality of urban space management and well-being of residents. These changes are evolutionary in nature, and therefore they require time to register effects of implementing new basis of urban functioning. The elaboration also refers to the presence and it indicates the intended effects of the implemented changes. A descriptive and deductive method of research was applied here together with the analysis of source documents and tendencies in changes of the global economy.

2. A city in the process of strategic programming

An urban unit is defined in various ways. A definition of a city takes place considering functional and operational factors, purposes, history and size (F. Ratzel, W. Christaller, K. Dziewoński, M. Castells) [Korenik 2010, pp. 113-114]. Numerous authors include various definitions in their elaborations which referring to a specific urban unit describe its nature either in a broader or narrower manner. However, the fundamental guidelines to define a given spatial unit as a city seem unchanged: settlement unit and civic rights (K. Kuciński) [Kuciński 2004, pp. 106-108]. A common reference for cities is their fundamental purpose – social and economic development, responsible for changes in the economic structure and the structure of enterprises, the status of human and material resources as well as relations where these elements intersect [based on: Gawroński 2011, p. 30]. A significant aspect of development is the territory which is holistically understood as the environment of human life, consisting of various elements: spatial environment, which is animate and inanimate

matter; human beings – in a broad perspective – human capital with their skills and vices; organizational capital understood as relations between people and between people and the environment; and the territorial management system [Noworól 2007, p. 27]. Currently, the fundamental purpose is understood more broadly as sustainable social and economic development in which social, economic and environmental factors are in contact with spatial factors to obtain stable development, unifying diverse aspects. Achieving this purpose requires long-term aspirations implemented through organized actions. Strategic programming in cities requires various groups of public and private stakeholders to be interested in cooperation aimed at supporting implementation of the process of social and economic development. Social participation leads to socialization of the process to create strategies and activate residents of cities. Developing a strategy and its implementation are focused on preparing a complex plan to achieve set goals, missions and tasks (planning), implementation, financing and monitoring its implementation in the life of a given city. Elements of strategic programming overlap and relate to one another, and the process includes the entire strategic cycle. The goals indicated during the planning process are associated with estimating costs, financing from operational budgets and external sources and monitoring of expenses on implementation of the strategy. Due to changes in the economy, strategies of various cities do not close in one cycle, but they need to be monitored in order to update them and introduce adjustments which support the efficiency of implementation of the document assumption. Ongoing monitoring and evaluation constitute requirements of the European Commission in the period of programming between 2014 and 2020; they also involve the entire strategic process, including the input, output and result indicators as well as interaction [Guidance... 2014, pp. 4-9]. Monitoring and ongoing evaluation of efficiency support adjustment to changes in the modern global economy.

3. Priorities of a city under modern conditions of the global economy

Under changing conditions of the global economy cities face numerous challenges resulting from the velocity of changes, new needs, competition, innovative solutions in the economy, social preferences as well as demographic and cultural changes. Adjusting to the existing and future changes requires an innovative approach from entities which are responsible for cities management. Simple competition between urban units is not sufficient in the new economy. Authorities of cities replace the win-lose relation with a new approach based on competitive cooperation the final effect of which will be a win-win relation. In cooptation a need for competition is observed, but one can also indicate areas in which cooperation between urban units will allow multidimensional benefits to be achieved [Tundys 2011, p. 580]. Effects of synergy obtained thanks to the application of cooptation support external

competition of cities and priority of their networking. Network connections shape new challenges and needs (infrastructure, openness, innovation) on one hand, and on the other – they increase the competitive position of a given city. Networking of a city also impacts the city resources and possibilities to implement the needs of users of a given city.

In turbulent conditions of world economy it is important for city economy to keep flexible programming and ability of adopting to new conditions. That is why strategic programming should keep a level of flexibility and fast reacting for changes in world trends.

Currently, cities change the concept of social and economic development as well as of spatial development. Expansion of a city outside the administrative borderlines and secondary absorption of subsequent adjacent areas becomes inefficient in a longer perspective due to costs, gaps in the infrastructure, difficulty in management of diverse areas, duration of transport and insufficient adaptation of the communication network. In the concept for a compact city the consistency of the area is assumed as a goal. In a compact city territory is used in an effective manner. Areas which have not been used so far, managed without maintaining the spatial order, post-industrial, post-railway and post-demolition areas become the centre of attention of entities managing a given city. The main purpose of a compact city is sustainable development. Within these aspirations the following results are assumed: spatial diversification of services to achieve the consistency of saturation of the entire territory with functions fulfilled by a given city and services of a higher order; integrated system of public transport, energy-efficient spatial structures, effective systems for technical infrastructure and municipal services, the revitalization of degraded urban fabric; coherent investment system, especially in the field of road and municipal infrastructure, integrated and consistent management of natural resources and water; integration with the spatial planning at the junction of administrative units; cooperation with other cities as well as monitoring and evaluation of activities which are carried out. In the concept for a compact city priorities focus on efficient spatial management so that a coherent area can be built offering users maximum benefits to fulfil their needs in a given unit.

The concept for a city “adjusted” to the needs of its users requires a bottom-up approach and action, initiating processes and shaping directions of development and cooperation as well as the activation of residents and other “users” of a given city. Many prerequisites co-decide about the implementation of the “adjusted” city, inter alia demographic problems and pursuit of high quality of life. The concept for the “adjusted” city requires increased attention of the authorities in the field of cooperation with other entities, an analysis of the submitted postulates and civic budgets; the results of organizational social and non-governmental works; participation of society in creating the strategy; consultation with various groups of entities impacting the development of an urban unit and developing paths of contact with the environment.

Changes in the global economy influence the concept and priorities of modern cities, their flexibility and reaction rate to transformation and economic trends. Intense development of a city attracts new residents. New human resources vary regarding quality, quantity and culture which become a new challenge for the authorities and simultaneously expands its offer. From the social and spatial perspective, a significant aspect of social and economic development of a city is creating, maintaining and revitalizing the existing public spaces. Public space which is multicultural society friendly and suitable for different age groups – without separating them and corresponding to the new understanding of quality of life – becomes a priority. The European Union broadly deals with the problems of cities, their consistency and possibilities of competition in the long term. Numerous priorities of social and economic development of a city and urban policy have been indicated in the document of the Community.

4. European guidelines for the city of the future

Works on the concept for the development of European cities are related to their future. Cities are characterized by the concentration of population, services, housing resources, activation of economic activities and transport nodes [based on *Declaration... 2015*, p. 1]. Therefore the EU shapes the urban policy so that activities being carried out are deliberate and coordinated at all levels of management. The future of such complex centres requires numerous arrangements. The assumptions formulated in the Riga Declaration 2015 are focused on:

- 1) support for multi-level management,
- 2) involvement of local and regional authorities in shaping urban and other policies impacting urban areas,
- 3) supporting activities carried out by local and regional authorities, aimed at using European programmes of territorial cooperation; developing integrated strategies for development and cooperation between regions,
- 4) conducting integrated and territorially targeted moves aimed at strengthening the potential of urban territories and solving their problems,
- 5) aiming at achieving strategic goals for intelligent, sustainable development favouring social inclusion,
- 6) cooperation and creation of networks of contact between urban areas, urban and rural areas and partners in Europe to obtain benefits and the effect of synergy, and participation in the Urban Development Network,
- 7) joining the EU initiatives involved with urban problems, e.g. “Declaration of mayors against child poverty” [based on *Declaration... 2015*, pp. 3-5].

European cities, setting long-term goals, indicate sustainable development to be their overarching goal which is compliant with the document entitled “Reference Framework for European Sustainable Cities” developed by the EU Member States

[*The Reference...* 2015]. In the “Cities of the Future” report urban units define their position in the long term as “a place of advanced social progress; platform of a democratic process, cultural dialogue and cultural variety; a place of natural, ecological and environmental revitalization; a place of entertainment and engines of economic growth” [*Wymiar miejski...* 2016; *Miasta przyszłości* 2011].

In the course of activities focused on the future of cities on May 30, 2016 the Pact of Amsterdam was concluded where the principles of introduction of the EU Urban Agenda were determined. Twelve thematic partnerships were indicated for the implementation of the EU challenges, national urban policies and the programme of urban development at all levels:

1. Inclusion of migrants and refugees.
2. Air quality.
3. Urban poverty.
4. Housing.
5. Circular economy.
6. Jobs and skills in the local economy.
7. Climate adaptation (including green infrastructure solutions).
8. Energy transition.
9. Sustainable use of land and Nature-Based solutions.
10. Urban mobility.
11. Digital transition.
12. Innovative and responsible public procurement [*Urban Agenda...* 2016, p. 7].

The first four pilot partnerships have been initiated. The preferred solutions according to the provisions of the Pact of Amsterdam are: integrated management of cities; partnership with the EU institutions, states, business and social organizations to decrease problems in cities; implementation of intelligent solutions; adopting the function of the platform of the democratic process, cultural dialogue and cultural diversity; pursuit of sustainable development through partnership; effective response to the needs of residents and external users, ensuring the basis for economic development and high quality of life [*Urban Agenda...* 2016].

In the Pact of Amsterdam three goals of the EU urban policy were included:

- a) improvement of the legislative process and inclusion of urban communities in the development of legal solutions to maintain consistency of regulations;
- b) better financing of investments carried out in cities, simplifying the procedures when applying for European funds and the unification of financial instruments relating to cities;
- c) management based on knowledge as information constitutes the basis to make decisions; increasing knowledge concerning the status of development as well as tools and manners of managing cities [*Urban Agenda...* 2016, pp. 5-6].

The Pact of Amsterdam is a document indicating EU policies towards cities in the long term, it refers to the system of management and monitoring and it aims at highlighting the significance of cities as the main centres of development of the global economy.

5. Conclusions

The modern global economy is characterized by extensive variability, and entities functioning here have to adjust to this feature and anticipate further changes. Cities as the centres of intense development and places gathering resources become entities responsible not only for their own possibilities for development, but also for their surroundings thanks to functional and communication relations. In the long term the fundamental principles of programming and managing cities concern maintaining flexibility. Under new conditions the new concept for a city focuses on elaborating a compact urban structure characterized by sustainable social and economic development, actively responding to turmoil in the global economy and rapid development. A city according to the new concept is an intelligent centre, wisely managed, competitive, network-connected and functionally related with the surroundings. Within international arrangements managing a city takes place based on territorial and thematic partnerships, intersectorial and entities as well as on social participation. The essence of the cooperation undertaken is its voluntary nature, bottom-up and planned actions, subordinated to the needs of residents and other users.

Planning the development of a city in the long term changes the process from creating an independent plan of action into a strategic programme of development of an entity functioning in the surroundings and the system of relations with the global economy. Such a broad understanding of the new concept of a city creates opportunities to obtain the effect of synergy, dynamic development and efficient use of resources.

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