Chapter 71
Strategic Directions in European Sustainable City Management

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ABSTRACT
Initiatives for development of sustainable cities require complex and long term managerial approach in order to succeed. Strategic approach to this challenge is of special interest in European environment where certain cultural and economic features create specific framework for long term development of sustainable cities. This chapter presents and analyzes several strategic directions important for management of sustainable cities in Europe. Based on in-depth literary review and Internet research, culture diversity, innovativeness and flexibility of sustainable city economy and civic initiatives integrated in urban growth are pinpointed as major strategic influencers on sustainable city growth in Europe.

INTRODUCTION
Cities have been the drivers of progress and hallmarks for advancement of human condition since the beginning of history. By defining a city as a dwelling area in which significant number of people do not produce food, but acquire it from someone else (Kagan, 2007) and relating societies generating cities to the existence of civilization as opposed to pre-civilized societies where only agricultural villages existed, one can best comprehend the importance of cities in history of humanity and its development spanning the range of tools from stone to the digital ones and community relations from slavery to welfare state, but always connected to the concept of a city. The physical enlargement of cities and growing complexity of human activities related to them, both always generated by a prosperous city community, determine the need for constant change of a city concept, upgrading of its infrastructures and changing relations among citizens.

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Multi-layered global transformation of urban development has economic and institutional impact on city growth. Influence interaction has an extensive significance for inner-city processes, modifying them to a degree by which uncontrolled global market forces have a considerable role in policy formulation. Contemporary transnational urban context and its features readjust economic activities by creating a new spatial order of profound challenges. They are observed via dual sustainability paradox of both global city competition and environmental sustainability pressures (Hu, 2015). Urbanization often produces a wide range of social disparities, that need a direct mechanism to absorb and redress such underlying threats. In order to overcome these issues, centralized economy concept should be successively replaced by multiple growth dimensions. This implicates that adaptation of the economic bases cannot be the only factor to effectively develop progressive institutional and strategic urban changes. Consequently, in order to accelerate rapid growth and economic viability of modern cities, decentralized planning, reduction of government intervention in internal markets and the expansion of cross-border transactions must be implemented (Lee, 2000). According to UN post-2015 development Agenda, inclusive growth consists out of three pillars: good governance and institutions, social safety nets and high, sufficient, sustained growth (UN, 2015). Numerous summative indicators in post 2015 development Agenda reflect whole sectors outcomes, disaggregated in several dimensions so they could avoid the maze of complexity. For example, social integration and relational planning pattern redevelop global city competitiveness in a long term, incorporating well-being with new performance measures. Post-national government micro regulation movements tend to foster local sustainability, as one of the core elements for new strategic framework.

Second machine age as defined in (Brynjolfsson & McAfee, 2014) highlights the importance of information and communication technologies (ICT) in general economy and defines the nature of its influence on the changing markets and across almost all industries, where influence of machine workforce in intellectual jobs is growing, creating new possibilities for human employees, but also making some of the skills and professions obsolete. This trend in conjunction with other dynamic changes in society and economy create a broad framework for city growth and development in 21st century. Dynamics of changes, imperative of economic growth and social prosperity place cities, more than ever, in focus of idea exchanges among scholars, but also politicians, entrepreneurs and general public.

On-going urbanisation and intensified knowledge economy in times of uncertainty need upgraded solutions within city wide-reaching progress. Classification of the city being a focal point of country’s social and economic advances evolve towards new concept of so called “smart” city. According to “European Innovation Partnership on Smart Cities and Communities” of European Commission, 

smart cities should be regarded as systems of people interacting with and using flows of energy, materials, services and financing to catalyse sustainable economic development, resilience, and high quality of life; these flows and interactions become smart through making strategic use of information and communication infrastructure and services in a process of transparent urban planning and management that is responsive to the social and economic needs of society (European Commission, 2013, p. 5). Smart city concept has been primary conceptual cornerstone in all recent analysis regarding contemporary city development with ICT city infrastructure and the functions related to it at the core of the concept. Novel developments in cities across the world that may be labeled as smart ones create the need to expand this concept and incorporate sustainability aspects in it and even further make them central within the framework of sustainable city concept formulation. The growth in numbers of citizens, leading to tens of millions of people living in smart city areas, almost everyday surge in citizens needs both in quantity and quality