Putting Places First in Competitive Urban Transformation—European Urban Creativity Perspectives and the City of Sarajevo

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Abstract: The inter-urban competition seems to be of paramount importance for city-development today. The extensive reliance of competitiveness-oriented urban governance agendas on the knowledge-based, “new” economy, introduced the notion of “creativity” into discussion on the future of urban development. Though still on the margins of serious urban theory, the discourse on “creative cities” that emerged in the early 2000s, has already had massive influence on the ways in which cities are managed and transformed in Europe. After examination of how the competitiveness-oriented strategies based on creativity and related to the qualities of place increase cultural and social sustainability of urban transformation and development, this paper briefly rethinks the current urban development policy of the city of Sarajevo in relation to the notion of “place”, by leaning on the contemporary European urban development paradigm. The conclusion points out that the sustainable increase of urban competitiveness in Sarajevo should be pursued by the development projects of urban transformation promoting creative knowledge sector, based on the inclusive cultural urban narratives related to places, thus assuring simultaneous growth of creative knowledge industries and preservation of diverse social geography.

Key words: Place, urban competitiveness, creative city, social sustainability.

1. Introduction

The subject of this investigation is the notion of explicit and implicit economic value of places, and the ways in which this notion forms a part of larger discussion on the future of economic performance of cities in Europe, in relation to social and ethical agenda of urban transformation.

The inspirational capacity of the “cultural myth of the metropolis” [1], successfully entered the discussion of urban studies and urbanism in the 1960s through the introduction of the concept of “place” [2]. Recently, however, it has been increasingly observed as an economic asset, and thereby prone to being marketed and sold as merchandise.

The post-national economies [3], opened

possibilities for cities to engage rather independently in the global capital networks which, in turn, caused the rise of urban competitiveness imperative. The increasing mobility of contemporary society [4], and that of the capital, brought along the notion of flows [5], which fluctuate freely between the nodes of attraction. The unconditional orientation of European urban policies towards the nurturing of cognitive-cultural economy [6] has been confirmed as a principle feature of common European development strategy by the Lisbon agenda [7], and recently reconfirmed by the Europe 2020 strategy [8]. Thereby the factors that facilitate this development have become the integral part of the urban transformation agenda, along with more conventional principles of sustainability.

The recognized economic importance of the capacity of cities to attract creative-knowledge workers, companies and tourists forced the urban governments,

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(and also, although less zealously, academic thought in urban theory) to reconsider urban space and culture as a tool of entrepreneurial urban strategies.

The discourse on Creative City is one of the most explicit, most popular and most contested discourses that emerged on the subject. Having originated in the independent investigation and work of two much disputed urban theorists—Richard Florida and Charles Landry—in the early 2000s, this line of thought did not stop, since then, to inspire multiplicity of urban development and transformation strategies across Europe and beyond. The notion of creativity as determinant of urban competitiveness took various roots of different kinds that later grew into different concepts of approach to contemporary urban policies. One shared feature of all these approaches is focus on the attractiveness of urban space as an important factor of development in the circumstances dictated by the creative and knowledge economy.

Departing from the belief that fundamentalist academic opposition to the subject has to be superseded for the sake of greater chances for theory to have practical impact, a very general purpose of this paper is to call for more focused and dedicated intention to understand the potential gains, predicaments and general stakes of urban transformation in the undeniably practice-defining circumstances of the global market of cities. This paper also tries to emphasize, in this light, the role of the power of places and their cultural loads as both tool and potential casualty of the contemporary urban transformation process.

Following this proposed general dedication, the more focused purpose is to define European trends and perspectives of both urban policies and urban studies in relation to the creativity discourse, and use these as a backdrop for conceptual reconsideration of the possible pro-European refinement of urban development policy in Sarajevo.

The city of Sarajevo has been undergoing the simultaneous processes of post-socialist, post-war and post-Fordist transition since the late 1990s. The urban

development of the city throughout the last 20 years is characterized by most of the discontents common to the post-socialist urban transformation: “a chaotic pattern of development, generated by the retreat of central authorities, the appearance of the multitude of new players” [9] that resulted in the extensive privatization, commercialization and gentrification of urban space. This paper critically addresses the planning and policy-related causes of these processes, arguing for a greater inclusion of the cultural and social values of place in the urban economic strategies.

The first section of this paper will briefly outline the key concepts related to the situation of inter-urban competition, thereby emphasizing the trends and circumstances of the creative and knowledge economy that are essential to the success of cities in the global market. It also points out the power of this imperative to impact and change virtually every factor that transforms and determines the urban in the present-day.

Departing from the conclusions of the first section, the second section will look at the range of casual relationships, conceptual and factual, that are being established between urban competitiveness and creativity, as it is captured by the medium of a place. With a particular interest in European context, the EU development policies and their dedication to knowledge, creativity and innovation will be briefly analyzed. Then present trends in urban governance and strategies that sprung from these policies will be defined by using the results of intensely undertaken, creativity-labeled collaborative projects in urban studies, largely initiated under the auspice of the EU.

While using the findings of the previously outlined investigation as criteria, the final section of this paper offers a brief critical insight in the recent urban restructuring in the city of Sarajevo and conceptual directives for transformation that would better internalize understanding of the importance of culture and place to economic growth. By means of brief analysis of selected planning documents, the key issues regarding the post-socialist and post-war morphological

and semiological urban restructuring in Sarajevo will be criticized, proposing that culturally and socially sustainable economic competitiveness of the city could be better achieved by the creativity-related employment of the power of places in crafting the policies and strategies of urban development.

2. Urban Competitiveness as Economic Urban Project

2.1 Globalization, Communication, Flexible Accumulation and Cities

Progressive emergence of interdependencies between spatially proximate and distant entities alike crucially demarcates the contemporary condition. Its inducement is mandatory economic integration of anything and anyone aspiring to prevail inside the present global system and it is also both induced and facilitated by the massive advances in communication technologies and means of transport. This successfully characterizes a substantial portion of the amalgamated processes widely understood as “globalization”.

The regime of flexible accumulation of the capital [10, 11], accompanied by simultaneous weakening of the state’s supervising powers and jurisdictions, as well as aforementioned communicational and informational technology advances, introduced a very different political, social, economic and cultural reality, defined by a range of contemporary analytic endeavors as postmodernism, post-fordism, poststructuralism, global age and the like.

The geopolitical and structural-economic changes at play came to be mainly characterized by the progressive transnationalization of industries and progressive emergence of transnational business networks, which also intensified foreign direct investment rates across national borders.

2.2 Economic Protagonism of City-Regions and Inter-Urban Competition

In this kind of circumstances, cities, or rather—city-regions, emerge as quite independent

players, taking part in the web of entrepreneurial, managerial and promotional activities intrinsic to the market, or, to put it more conceptually, start getting involved in the global network. Depending on its general performance—its competitiveness—the city acquires a particular position in this network.

The notion of “network”, along with the notion of “hierarchy”, forms conceptual academic base for understanding the inherent logic of this kind of restructuring in economic, geographic and urban contemporary condition.

The World City Hypothesis [12], emphasizes importance of certain global activities which, if located in cities, assign them supremacy in the global urban hierarchy. Similarly, Sassen [13], discloses persistent place-dependency of global processes, by pinpointing importance of location of “command and control” functions which give rise to the new urban type—“a global city”. The introduction of the network concept has better captured the dynamic, flowing character of the global reality. Castells [5] inaugurated the concept of the “space of flows” in which “layer” of agent-operation consists of “nodes and hubs”, best concretized as cities. In the imagined structure, strategic points-nodes, dominate the exchange points-hubs, so that certain hierarchy exists in the network, but it is never stable and is always subjected to change—a result of the ongoing urban competition. Taylor [14] further extended the network-theory by assigning important role to the advanced service sector, where its companies are the main actors that produce networking. This, in turn, raises the city’s importance in the urban world. Both network and hierarchy-related theoretic streams acknowledge and strive to systematize the occurrence of urban competitiveness.

2.3 The Importance of Innovation and the Urban Nature of the “New Economy”

For at least two decades, the preferred urban economic bases in the developed world progressively relied on the group of services involved with

production of new cognitive capital: high-technology industry, neo-artisanal manufacturing, business and financial services, cultural and creative industries. Together these constitute the “new economy” [15] closely “associated with situated knowledge and its articulation with global cultural and information flows” [16].

Knowledge has become the emblematic etiquette of the urban and economic success. Ideas, concepts and information emerge as the most valuable commodity, circulating freely through the network between the poles of attraction—the desirable and competitive cities.

Though in some ways creative and knowledge economies adhere to specific patterns of “behavior” in relation to urban space, there are various classical economic concepts that still hold sway over the regularities of the theory of location.

2.4 The Notion of Clustering

Economic activities historically yielded to cities because they benefited from “proximity” and “density” that urban space provides. The consequential clustering of preferred advanced production and service economic genres in cities is one of the prime issues of importance for urban competitiveness [17].

The power of the cluster, according to Webster and Muller [17], lies in beneficial effects of agglomeration economies, in combination with horizontal and vertical linkages of firms within the cluster. This means that the success and general economic performance of the most advanced industries depends on interaction between parties—“information, expertise, contact” [18], which can only occur in a very concrete spatial context of proximity—a place. Spatial proximity is providing an opportunity for “capturing” the tacit knowledge [19]—the un-codified, informal, but highly professional kind of information that can be best transferred through repetitive, face-to-face interaction.

2.5 The Quality of Place

While the logic of “clustering” can be hastily

understood as primarily reliant on the quality of proximity, it also implies the importance of quality of place, its knowledge intensity and its informational tension in which ideas can be generated with great facility. As the focus of urban economies moved from manufacturing to knowledge and creative industries, so did the theory of location progressively shift its focus from “quality of economic environment” to the “quality of place” [16].

The determinants such as quality of urban environment, environmental endowment and urban attractiveness feature extensively as criteria of ranking cities according to their serviceability as business and investment locations (Mercer Human Resource Consulting, Economist Intelligence Unit, World Bank).

Cities compete for clustering and investment in the sector of knowledge intensive activities, for ever more talented work-force and tourists [20]. The sensitivity of these primary target groups to the, so called, “soft factors” yielded the creative city discourse that, in turn, introduced qualities of place directly into agenda of economic urban strategies.

2.6 Conclusion

In a very economic kind of reading, urban competitiveness can be defined as the capability of cities to accumulate wealth. While recognizing the importance of this definition, this paper inherits, with more curiosity, the understanding of urban competitiveness as an answer of cities to global economic pressure. Furthermore, this answer is always articulated through substantial spatial transformation—the one that regenerates places, creates new places and sometimes eradicates the existing ones.

3. Culture and Place as Assets of Economic Urban Project

3.1 Creativity of Urban Space as “Spark of City Economic Life”

While it is overwhelmingly common to associate

urbanity with the processes of cultural cohesion and informational exchange, attributive to a specific locus, that constitutes the urban has also always been essentially, conceptually and factually entwined with an economic transaction [21, 22].

There is certain form of “togetherness” that can occur only in cities and to which creativity and productivity are attributable in every imaginable sphere. According to Soja [23], “stimulating interdependencies and cultural conventions” were initially created by this socio-spatial agglomeration and continued to be “forces driving virtually everything that followed”. By applying a term of Greek origin—“synekism”, Soja tries to denominate this range of “economic and ecological interdependencies” and “creative synergisms” that emerge in cities. Jacobs, more directly, alludes to city-space and its inherent mesh with society as “the spark of city economic life” [21].

The interaction of this fluid, culturally flavored cohesion with space gives impetus to creation of places, those very special amalgams of aesthetics and politics, as organized by the complex structures of polis and civitas. Places are thus historically bonded to economics, by the virtue of urbanity.

3.2 *Creative City Discourse and Its Relative Opposition*

The reconfiguration of the large cities as service-centers gave culture, creativity and innovation a prominent role in the unfolding urban competition. This, in turn, opened a possibility for a whole new “reading” of place and its distinct character as an urban economic asset.

Already in the early 1990s, a renowned “entrepreneurial” mayor of Barcelona—the European paradigm of the urban success story, Pasqual Margall, noted that “in urban competition, factors like environment and cultural and educational infrastructure count more and more. In a strategic sense, we can say that cities are like businesses which compete to attract investments and residents, selling

places” [24].

The creativity discourse has taken off from the examples of this kind of pioneering reasoning to flourish into a variety of approaches to the question. Pratt [25] refers to the common ground of these concepts that lies in usage of culture or creativity to “achieve specific non-cultural end”.

A common and simplified image of “Creative City” is identified with a place inhabited by the creative workers or creative class, where new economy sector flourishes, and/or a city able to “adjust itself permanently to changing conditions in the global economy, involved in recurrent cycles of innovation and regeneration” [26]. The “Creative City” notion itself is understood to be based on the idea that “creativity”, inherent to art and culture, is main generator of future “new industries and employment opportunities” [27].

In the variety of policy-making endeavours related to the elusive “Creative City” notion, which essentially has many “overlapping roots and implications”, Pratt extracts four common approaches. They can be listed as follows:

- (1) Promotion of heritage, aiming at tourist attraction and “cultural tourism which targets upper income groups”.
- (2) Rather opportunistic approach with place marketing and place-based competition, grounded in Florida’s notion of creative class.
- (3) Aimed at social inclusion “through participation via involvement in cultural activities”.
- (4) The one that relates to “policies that seek to promote the cultural economy” which in cities are usually concretized as “cultural clusters” [25].

In addition, Scott [28] points out to the existence of idiosyncratic equilibrium between the “production system and the urban cultural environment” as inherent to the creative city concept. The environment of creative cities he sees as highly flavored with various correlation of “producers caught up in constantly evolving social division of labor”, “extended local

labor market”, high-wage skilled workers that pursue “careers that span multiple firms and work experience” and “hordes of low-wage workers, almost always in strong demand in these agglomerations”.

Though not always explicitly, in most of the above interpretations, the importance of place figures as a precondition or a consequence of economic growth. The ways in which discourse on creative city encompasses the concept of place and its importance for the city notably transcends the classical approach of cultural preservationism.

Landry’s [29] point of view on the subject relies largely on a variety of creative innovations in urban governance schemes, but also evolves continuously around the imperative of “understanding of how a sense of place can be created, maintained or recreated”. On the other hand, Florida [30] offers a substantially more concrete and prescriptive, but unequivocally elitist, account on creativity of urban environment as a lure of sorts for the so-called “creative class”—people employed in creative knowledge-intensive industries that can help boost city’s economic success. He especially associates the quality of urban places and the informal street-level culture, as captured and displayed by places, with the wealth-making capacities of the city.

Despite the loud academic criticism that arose against the elitism, popular appeal or undisciplined methodology of the creativity discourse (as it is presented in the works briefly commented above), it quickly caught root in practical approaches to urban governance and planning across the developed world. Though generated by recycling and systematization of wisdom found in already existing initiatives of forward-looking cities, the creativity discourse started being used by many urban governments as an epitome of smart, “culturophile”, market-oriented and place-sensitive approach to urban development, already in the first half of 2000s. The intensity of circulation of these ideas led some concerned authors to believe that the creative-city discourse initiated a

paradigm shift in urban planning policy [31].

3.3 Competitive Urban Development and Creativity in EU Policies

The creativity discourse stroke the chord with the emphasized European development agenda. The prime moral of the Lisbon strategy, signed by the European Heads of state in 2000, can be summarized as the simple mission statement: to make Europe the most competitive knowledge-driven economy and increase social cohesion [7]. The renewed agenda, entitled Europe 2020, reconfirms the main chosen pillars of European future, by focusing on smart, sustainable and cohesive growth [8]. The bifurcated attention of the European Union’s development agenda, shared between the focus on stimulation of economic growth and the focus on suppression of growth-generated negative externalities, namely social inequalities and environmental degradation, remains constant and also very present in its regional and cohesion policy.

The proliferation of projects of interurban cooperation, with the common denominator of creativity, marked prominently the recent European growth-oriented programs. This line of regional development policy was additionally certified by the recent communication published by the European Commission [32], in which major issues rely on creativity and innovation. EU Commission’s “Accommodating Creative Knowledge”, URBACT “Creative Clusters”, Interreg “Creative City Challenge”, Pan-European research group “Creative Regions in Europe”, European Year of Creativity and Innovation, Euricur “Developing Locations in the Knowledge Economy”, Eurocities “Successful Cities: Vision and Identity”, European Creative Industries Alliance and many other similar projects, are all proofs that proactive approach to urban question in Europe today largely revolves around the concept of creativity and innovation.

While the discussion developing throughout the

projects listed above, tackles a broad range of aspects that are jointly relevant to creativity and economy in the urban context, here we summarize those issues that relate to importance of place as an asset for development of creative and knowledge-based industries. We also especially emphasize those ideas that point towards the possible negative externalities of these processes.

Successful cities attract talented highly-skilled workers, are centers of innovation and entrepreneurship and are competitive locations for global and regional headquarters [33]. While this statement primarily places spotlight of the urban strategic thought on the “visitors” to the city and firms, EU’s policies and its investigative projects have persistently also pointed out and examined the liveability of places for residents as stake in competitive urban development. Atkinson et al. [16] have categorized “audiences” of urban transformation process as residents and visitors, and pointed out that attractiveness of urban space for both depends on the “quality of place”. Whatever this specific quality is called: “the environmental endowment”, “the genius loci”, or the “urban buzz”—it irreversibly implies a mandatory binaural character of the “demand”, and one that has to be regarded, and resolved by compromising between the two.

Moreover, it is precisely this kind of compromising that should be regarded as a pathway to creativity of urban space: in order to give free reign to the creative powers of the citizenry at large, full involvement of all social strata into the socio-economic processes of cities and regions should be facilitated [16].

The merging of the focus on particular place and its identity, with the creativity discourse and its promotion of knowledge capital has a potential to yield cultural urban narratives [34] that can prove to be immensely powerful tool of cultural urban branding. Strategies of promotion of creative knowledge sector (when wisely merged with local cultural capital) brought along not only employment capacities, but also global urban

brands that turned to have various positive outcomes in many European cities.

To introduce layer of innovation to specific places, creative urban governance schemes focused on founding of new public bodies that would promote connections between research and industry [35]. Networking evolves into productive clustering when places for communication between actors are provided. This principle implies the “triple” and, more recently, “quadruple helix” of actors: governance, business, university and community.

Development projects that manage to become true productivity hubs should integrate into, source from and enrich the existing places of their inception. The “creative” or “innovation” districts were often founded in the places of nearly extinct industrial productivity. Apart from filling-in city’s un-functional pockets, the new productive polygons frequently sourced from historic cultural “vibe” of their spatial framework. Such intents were realized in Dublin (Digital Hub project), Helsinki (Arabiaranta project) and Barcelona (22@ project) with outcomes of some diversity.

The multidimensional focus on community and its entwinement with built and semiotic “tissue” of places, through existing and introduced patterns of productivity is marked as a distinguished practice feature. In Barcelona’s 22@ project, the understanding of culture as an important factor of civic inclusion has been interpreted as “a way to promote citizen’s ability to innovate and adapt to knowledge economy” [36].

The example of Arabianranta new waterfront neighbourhood in Helsinki shows how identity of a new place is built through the employment of the historic features in the narrative of innovation. The mobilization of the place endowments and this narrative unfolded through suitable urban policies and strategies, particularly related to the inclusive housing policy, the planning process (in which diverse social strata took part) and wise localization of the University in the neighbourhood. The protagonism of the university proved to be of strong influence in the

perception of the city.

The development projects concretize the cultural narratives by opening possibilities for the authorities to steer and mobilize existing qualities, innovation agenda and interested actors.

The recent European discussion on economic and social aspect of urban transformation seems to imply that the subtle balance between idiosyncratic economic bases (that forms the integral part of place's identity) and new creative productivity can influence the preservation of social cohesion in the emerging places.

Rivas introduces the “Creative urban ecosystem” concept [37] alluding to places of new productivity that, rather than being isolated avant-garde hot-spots, become “functional tools” and “coherent pieces of the city meta-project.” Similarly, Atkinson et al. [16] consider the notion of “local milieu” and “innovative milieu” which they explain as a “created space”, “an active resource rather than a passive surface”, thus asserting the essential role that place has in building urban attractiveness.

3.4 Conclusion

The new economy revolutionized the ways in which competitiveness and growth are pursued by urban governance schemes. As Musterd et al. [38] have

acknowledged, “the increasing coming together and co-mingling of technological innovation, cultural creativity and governance” seem to be the driving force of urban development in the 21st century.

The regional development and cohesion policy of the EU have, in the last decade, largely focused on promotion of competitiveness through innovation and creative knowledge, while simultaneously safeguarding the values of social cohesion and ecological sustainability.

The discourse on creative urban strategies has opened possibilities for employment of the quality of place in the competitive and inclusive growth. The emerging notions of inclusive cultural urban narratives, creative urban ecosystems and innovative local milieu all allude to a new dimension of the importance of place (Fig. 1).

4. Moral of EU Development Policy, the City of Sarajevo and the Place

4.1 The Spatial Plan for the Canton of Sarajevo—“The Space of Pleasant Living and Profitable Business”

The Spatial plan for the Canton of Sarajevo, the most general planning document for a part of the urban region of the Bosnian capital, uses the following title

Fig. 1 Urban competitiveness, creativity and the place: interdependencies scheme.

as its inspiration: “Canton Sarajevo—the space of pleasant living and profitable business” [39]. By enlisting the “human development” as its “principle orientation” the document commits to the “holistic approach” that “includes all of the aspects (spatial, economic, environmental, social) and all of the actors of development (public sector, private sector, civil society, local community, individual).” As the third priority “the promotion of the specificity of the quality of environment and preservation of the recognizable ambience” are pointed out. This is, further on, elaborated as “the promotion of the specificity of landscape, tradition, customs, cultural identity as important factors of development”. The sixth goal states the necessity of “the participation of citizens in the planning process,” and the eighth “the profilation of the space of Sarajevo Canton as the ambience of profitable business”. This point identifies science as the main element of the new economic development. The ninth point demands the “creation of the ambience of pleasant living” meaning “living humanely, healthy and creatively.” Finally, in the 14th point, the plan quite directly commits to sustainable development that is defined as “the compatibility of environment from economic, cultural-social and spatial points of view”.

While all of the mentioned goals of development defined by the spatial plan for the Sarajevo Canton are mostly in tune with the most general EU policy directives, already in the Section 2.3 related to economy [38] it becomes obvious that the offered categories are going to take an adequate medium to be spatially grounded.

The process of the consolidation and “structuration”

of assets can only be achieved through the lower level “executive” plans by bonding them to real places characterized by a concrete social milieu, architecture and atmosphere.

4.2 The Master Plan for the Centre of Novo Sarajevo—the VMC Derelict Factory Complex

This is the task that the planning process finds harder to achieve and this failure is rendered obvious in the range of master plans prepared by the Institute for Spatial Planning and Development of the Canton of Sarajevo throughout the last 15 years of post-socialist transition. As an illustration, the Master Plan for the Centre of the Municipality of New Sarajevo provides a case of all of the typical features of planning myopic to place-related endowment factors (Table 1).

The focus of this analysis is put on a particular part of the planned area that covers approximately a quarter of the total planned area of the Centre Novo Sarajevo Master Plan [40] and that is presently occupied by the VMC (Vaso Miskin Crni) derelict train-car factory. The basis of the complex was built already in 1892, as one of the most important early industrial plants [41]. Being one of the projects of the modernization campaign initiated along with the Austro-Hungarian rule in the aftermath of the Berlin Congress, some of its buildings feature a unique architectural expression of the Central-European industrial architecture of the time. The factory preserved its important role during the socialist era. Being expanded and developed, it was considered one of the “kernels of the development of Yugoslavian railways” [42]. It was the place of the first workers’ strike in 1971 and very much symbolic of

Table 1 Place-endowment factors and the creative potentials of the VMC factory complex.

Place endowment factors	Comment
Creative ecosystems, innovative milieus	The existing market place KOREA in the north-west corner of the complex, the “FLESH-production” media design company
Popular culture	The tradition of FUTURA rave parties held in the abandoned factory halls
Architecture	The ambience of the Industrial architecture from the 1890s
Public space	The proximity of the Wilson ally
Actors	The proximity of the future university campus
Branding	The unique character of the place is not used to create a new urban brand

socialist industrialization. It was often the site of cultural and leisure activities and as such related to the blue-collar popular culture. Surrounded by the lower-middle class collective residential neighbourhoods built between the 1950s and 1970s, the VMC complex was truly marked as “people’s space” in popular imaginary, and on many different levels.

After the end of the aggression to Bosnia-Herzegovina and the infamous siege of Sarajevo, the introduction of neoliberal democracy and economic crisis brought hasty and haphazard privatization of most of the socialist industrial firms. The VMC complex was privatized in the mid 2000s, which resulted in the production activities being put to a halt.

The new plan for the Centre of Novo Sarajevo covered the area of the complex showing a vivid disregard of its sense of place.

The position of the VMC in the wider urban context proved to be alluring for various investors. The close proximity of the future University Campus (planned in the area presently occupied by old Army Barracks), the main city traffic axis and the famous Wilson ally (one

of the most popular leisure destinations in the city) all represented a great potential for envisioning the VMC as one of the new economy production units as well as the new vivid public space in the city (Fig. 2).

The municipal plan issued in 2007, however, fell short of spatial plan directives, showing inability to ground its development goals into the existing potentials of the spatial micro-milieu (Figs. 3 and 4). Putting the analytical observations on the backdrop of the European creative urban development paradigm and the Spatial Plan for the Canton of Sarajevo directives, we summarize the main points of critique related to the neglected place-endowment factors:

(1) The main feature of the plan is a range of Business buildings installed inside the present street-matrix of the complex. The inability of the municipality to orchestrate and direct the process of privatization, as well as its lack of vision, resulted in most of the space of the complex being presently occupied by retail (ceramics and bathroom equipment—MUREX, supermarket—INTEREX, Scandinavian furniture chain—JYSK). The existing economic elements that hold potential for development

Fig. 2 The position of the VMC Complex in the urban context of Sarajevo.

Fig. 3 The Center Novo Sarajevo Master Plan.

Source: Institute for Spatial Planning and Development of the Canton of Sarajevo.

Fig. 4 The plan for the VMC Complex—The Center Novo Sarajevo Master plan Fragment

Source: Institute for Spatial Planning and Development of the Canton of Sarajevo.

of the new economy branches (FLASH production) and those that provide for a low-end market opportunities that would insure the involvement of vulnerable population in the economic life of the

Complex, such as the KOREA flee market, are discarded;

(2) The potential of the site to host events related to popular culture is not recognized. One such case is the

tradition of the FUTURA rave parties that took place in the abandoned Complex in the 2000s and that annually attracted visitors from around the region;

(3) The industrial architecture of the complex and its ambient-related value are not recognized by the plan, as most of the buildings are planned for demolition;

(4) Public space is reduced to the sidewalks of the existing streets. There is no public space network that would insure the involvement of the complex with the everyday public life. Especially the integration of the complex in the public space of the city is not achieved—for example: no connections are established with the Wilson ally as one of the most important leisure spaces of the city;

(5) The opportunity for the involvement of the University, that is planned to move to the neighbouring derelict Army-barracks, is missed. The possible interaction of the existing creative economic activities and science could have been achieved by blurring the strict functional division between the two complexes;

(6) Finally, the character of the place—its industrial past and its present spontaneous economic and cultural life were not used to create a unique urban brand that could have insured more imaginative investment schemes and brought about the creative ambience.

Based on the EU creativity perspectives, it is possible to recognize the VMC factory complex in Sarajevo as an opportunity for involvement of a creative transformation agenda—a project for “hub of creativity” that would assemble design and mediasector. The cluster of congenial activities would affiliate industry and university—all of the installed units and activities would be extensively open to the community. The century-long history of the complex and the austere layout of the functionalist residential surroundings generate a rich, multi-layered aesthetics, at present invaded by all kinds of retailers. Exquisite connectedness of the site to the main urban boulevard adds to the argumentation in favour of the project. Diverse social geography, inherited from the previous system, should be regarded as one of the most

important values of this place, and decidedly preserved through development. The economic interpretation of socially inclusive urban landscape history should be amongst the primary goals of the project. The informal occupations of the street, e.g. flea-market, should be understood as demarcations of those activities that the public space should be able to accommodate. Finally, the long history of productive labour in this place should be honoured by giving it continuity through the new creative economy—the place of history, density, diversity, creativity, work and encounter.

5. Conclusion—Mobilizing the Endowment Factors and Narratives in Places—Creativity-Based Projects for Economic Competitiveness and Social Cohesion

In a very general definition, the experience of creative urban development strategies focusing on attractiveness of urban space emphasizes the necessity of diverse social sample when defining target groups, as a pre-condition for achieving a truly creative/productive environment.

The effective policy of “not having a policy” of urban development, attributive to transitional post-socialist cities resulted in disoriented, market-driven institution of urbanism [43]. Technical scientific approach to urban planning has to be complemented with consideration of creativity-based approaches that point towards greater place-sensitivity through involvement of idiosyncratic factors inherent to places far beyond neoclassical reading of cultural heritage (informal iconographies, symbolic economies) when forming the urban transformation agenda. The reactionary, technocratic approach to urban planning, generally assignable to the transitional urban policy [43], has resulted in slow, but progressive, emergence of generic urban global landscape, which threatens to amalgamate the totality of city’s outer suburbs into the homogeneous space of consumption.

The new kind of policy should be able to

accommodate a vision based on productivity (and creativity) that sources from the recognized place-endowment factors. Various European projects have shown that the history and identity of the places are the right starting point for sustainable economic development. The stimulation of the creative economic clusters is likely to stem from urban projects based on inherent social and cultural endowments of places.

Their character can be strong resource of competitiveness, the one that, if introduced correctly into urban transformation strategy, can simultaneously ensure social correctness of the transformation process.

The new focus on place in planning can also be understood as the reconsideration of the economic power of soft location factors. The European experience has shown that the impeccability of “hard” qualities (institutions, infrastructure, wages) can miss the point when developing strategies for boosting creative industries—“a city that functions as a clock-work might be boring” for creative knowledge workers. Accordingly, the companies in highly creative fields have proved to regard the “soft factors” as extremely important [44].

The new economic environment requires a new kind of creativity in the planning of urban transformation, the one that can upgrade the technical expertise by merging it with development of original urban narratives of cultural branding, which are, in turn, based on the specificities of urban places. The functional and ethical backbone of these narratives should be put together by the simultaneous pursue of economic competitiveness (development of creative knowledge economy), social cohesion (diversity of social urban geography) and environmental correctness.

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