

Chapter 15

Building Smarter Cities through Social Entrepreneurship

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ABSTRACT

The objective of the present study is to examine the extent to which social ventures are able to increase the “smartness” of cities. To achieve this goal, we adopt a qualitative approach using a case study method to obtain valuable insights about different characteristics and strategies of Cais (a non-profit association dedicated to helping disadvantaged people in urban areas). Through our analysis of Cais’s activities, we assess whether its social interventions match the dimensions proposed by Giffinger et al. (2007) to rank smart cities’ performance; specifically, it has smart: economy, people, governance, mobility, environment, and living. The research shows that the action pursued comprises elements from all the above-mentioned dimensions. Further, the analysis reveals that Cais reinforces the smartness of the city in which it acts (in terms of attributes such as living, economy, people, and environment).

INTRODUCTION

A more sustainable, inclusive, and economical approach to urban growth is needed (Steinert et al., 2011). In this context, smart cities and social entrepreneurship play a crucial role. The economic crisis has created new economic and urban imbalances and has made it clear that today’s challenges have taken on an increasingly social dimension (Hoogendoorn & Hartog, 2011; Sachs, 2015).

Nowadays, European cities face the challenge of combining competitiveness and sustainable urban development simultaneously (Giffinger et al., 2007). As stated by Belanche, Casaló and Orús (2016), cities currently face the challenge of attracting resources and increasing their citizens’ quality of life. In fact, the 21st century faced a global trend of increasing concentration of the population in relatively few large cities (Harrison & Donnelly, 2011). Even though this urbanization can bring some benefits, such as high productivity or innovation, the rapid transition to a highly urbanized population also offers

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overwhelming challenges (Caragliu, Del Bo & Nijkamp, 2009; Cocchia, 2014; Harrison & Donnelly, 2011). Cities' density raises social problems such as:

- Informal development,
- Traffic congestion,
- Waste management, and
- Crime (Harrison & Donnelly, 2011).

Other problems include:

- Overcrowding,
- Disease,
- Social disorder,
- Conflicts over land and its uses, and
- Lack of infrastructure (Landry & Bianchini, 1998).

Further, high-density city populations have higher demand regarding energy, transportation, water, buildings and public spaces. In the face of these problems, cities have to be 'smarter', which means, according to the European Parliament's (2014) vision, being highly efficient and sustainable to achieve social wellbeing.

The term "smart city" refers to clever, innovative and sustainable solutions that promote socio-economic development (Caragliu et al., 2009; Letaifa, 2015). The main purpose behind this concept is to improve the quality of public services for citizens and the use of resources, as well as to reduce the impact on the environment (European Communities, 2011). As stated by Lee, Hancock and Hu (2014, p. 82) smart cities seek to "revitalize some of the city's structural (environmental and social) imbalances through the efficient redirection of information". The concept also involves an interactive and responsive city administration and a better way of meeting the population's needs. The lasting aim is to create public value, since all the projects and initiatives should be addressed to the citizens (Dameri & Rosenthal-Sabroux, 2014). Smart cities are actively engaged in improving citizens' quality of life at the same time that they aim to attain sustainable growth (Fontana, 2014). This requires the production of economic and social value for different stakeholders that hold different expectations. Thus, the concept of a smart city addresses the issue of urban development under a triple sustainability approach, where a social, economic and environmental emphasis is pursued (Vesco & Ferrero, 2015).

Smart cities are seen as a new city model and a new way of conceiving cities, which aims to optimize new and available resources to the behaviour of the inhabitants (Harrison et al., 2010; Lazaroiu & Roscia, 2012). These 'clever solutions' allow modern cities to achieve important improvements in productivity (Caragliu et al., 2009, p. 2-3). As mentioned by Letaifa (2015, p. 1414), smart cities represent "new socioeconomic environments in which citizens, enterprises, and governments can more efficiently access services and resources". Likewise, Lee et al. (2014, p. 12) argue that smart cities are "envisioned as creating a better, more sustainable city, in which people's quality of life is higher, their environment more liveable and their economic prospects stronger". They aim to improve the quality of the city and, in the meantime, the quality of life in the city (Dameri &

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