

The Relationship between the Local Social Environment and Urban Innovation: A Rationale for an Empirical Research Approach

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What does the successful development of a city depend on?

M. Storper vs Ed. Glaeser

- The success of specialization shifts depends on the dominant worldview of the elites and its alignment with the "spirit of the times" (zeitgeist).
- It also depends on the network organization of society—broad, open coalitions or narrow, monopolistic leaders who preserve and reproduce outdated managerial practices.
- Successful development also depends on the prevalence of a regional perspective over a local one in the elites' views.
- Official documents—strategies and policies for territorial development—are similar, have no significant impact on specialization shifts and urban development, and do not always reflect actual policy implementation, including the objectives and interests of businesses in creating new specializations.

Genius Loci

- Differences in factor endowments.
- Local environment and networks.
- Choice under incomplete information, limited criteria based on comparison and imitation: those close by are more important for imitation and competition.
- Tweaking: Tweakers fine-tune and adapt inventions. Genius loci manifests itself through fine-tuning, as the results of implementing the same innovation vary depending on the local environment and its characteristics.
- Fine-tuning cannot be transferred over long distances. It cannot be codified and standardized.
- Local intermediary networks and actors (venture intermediaries) enable tweakers to implement new ideas.

Local vs. Geographically Distributed Environment

- Actors are embedded in both local and global networks. Who and what do they imitate, how do they choose, and what do they learn?
- The combination of global value chains and local concentrations and clusters varies across industries.
- The boundaries between formal and informal coordination processes are shifting. More knowledge and skills are being codified and transferred over distances as globalization progresses. Geographically distributed environments are changing the genius of cities, although telecommunications will not completely replace personal contacts as a means of economic coordination.
- Will the global economy benefit from the displacement of "local geniuses" by "global" ones?
- We must understand when the local environment should be supported, and when the economy would benefit from its disappearance or significant transformation.

Spirit of the times (Zeitgeist) and innovation

In a broad sense, innovations can include institutional reforms, technological innovations, technological paradigms, fashions, and global trends. They also shape or reflect the “Zeitgeist”.

But, above all, the Zeitgeist is new ideas that change values, worldviews, and lifestyles.

- To understand the processes of diffusion and adaptation of innovations and the formation of an innovative environment, it is necessary to consider the broader context.
- Globalization processes: new trends, values, tastes, and fashions that influence demand are spreading everywhere, but are also born in the same places where innovations respond to changing demand and lifestyles? Does this reflect the dominance of Western civilization, its dynamism, technological advancement, and the expansion of its "soft power"?
- A change of eras – a change in technological paradigms? Or a change in dominant worldviews and values? Is there progress, and how is it manifested? What is considered modern and "advanced"?
- In each place, different paradigms, worldviews, and values, corresponding to different eras, are combined in a unique and intricate way. Does resistance to global trends and an unwillingness/inability to fit into global chains indicate incompatibility with modernity/the spirit of the times/the era, or do different eras coexist for different civilizations, and each has its own concept of the spirit of the times?
- How do global, national, and local/regional values and attitudes that define an era combine – sensitivity to global/national trends, resistance to them, protest, conflict?

Zeitgeist VS Ortgeist

- How does the spirit of the times interact with the "genius loci"?
- "Chief inventors" are found in a small number of places, while tweekers are everywhere, but their ability to implement inventions is limited by the local environment.
- There is no single place where worldviews are constantly shifting—these changes are born in different places.
- Capturing the "spirit of the era" and developing the corresponding competencies before others means ensuring a given "place" prosperity and successful development in the new era.
- Sometimes the factors and resources that ensured a city's prosperity in one era cease to be relevant in another. Then such globally leading centers decline. Examples: Venice, the industrial cities of Northern England, Detroit...

Genius Loci and the Zeitgeist – options for interdisciplinary synthesis

The overall objective of the interdisciplinary agenda is to understand for the community in question how the “Spirit of the Times,” represented by global trends, changes in worldviews and values, and global innovations, interacts with the “Genius Loci,” which manifests itself in specific local conditions of perception of new ideas and trends through the prism of local identity, social structure, networks, and local coalitions.

About the project "Genius Loci and Spirit of Time": problem statement and preliminary results

- The preliminary results of the empirical study, conducted in 2024-2025, largely confirmed the initial hypothesis regarding the decisive role of local social environment factors in the adoption and diffusion of innovations.
- The next stage of the study involved a shift from a general consideration of the city and its environment to a specific analysis of individual innovations being implemented in cities, as well as an in-depth socio-cultural characterization of local communities.
- Based on the hypothesis that the widespread dissemination and adoption of innovative practices can be enhanced or, conversely, hindered by the conditions of the urban environment and identity, a kind of absorptive capacity of the city (the ability to adopt and effectively use borrowed technologies or knowledge), the second stage of the study focused on the specifics of the implementation of similar innovations in various fields in cities with different socio-cultural characteristics of local communities.
- To implement this approach, a group of cities with similar socio-economic characteristics and development potential, but demonstrating different dynamics, were selected as the objects of empirical research. The study focuses on innovations implemented in all selected cities across various sectors, as well as the socio-cultural characteristics of local communities. The proposed approach allows for an analysis of the implementation of a specific innovation in various social and socio-cultural environments, a more robust assessment of the impact of the social environment, and the identification of favorable and unfavorable environmental influences on the innovative development of cities.

Rationale for the research approach (1)

- ❑ The specific adaptation and use of the same innovations in different locations allows us to assess the "Genius" (sociocultural characteristics) of a given place (See M. Storper, "Keys to the City").
- ❑ An analysis of sources on the topic of innovation diffusion revealed that the spatial spread of innovations is studied only in cases of specific technological, managerial, and other innovations. It is impossible to speak about the general receptivity to innovation or the innovativeness of a city or urban community.
- ❑ Based on this, in the second stage of the research, several widely implemented innovations were selected and the characteristics of this process were studied in a group of cities in the Northwest of the Russian Federation.
- ❑ Cities with varying levels of development "success" were selected based on the construction of a ranking of cities in the Northwest of Russia with populations from 50,000 to 500,000 in 2023-2024.

Research hypotheses

Hypothesis 1.

The sociocultural characteristics of a local community significantly influence its ability to perceive and adapt innovations that reflect global trends and challenges of the modern world. The speed of innovation adoption and its adaptation determines whether a given city (or community) is a beneficiary of globalization or a "loser."

Hypothesis 2.

Receptivity to innovation is a significant factor in the successful socioeconomic development of a city. Since this receptivity depends, in particular, on the sociocultural characteristics of the urban community (Hypothesis 1), these sociocultural characteristics should be considered as one of the factors (along with economic, political, and other factors) in territorial development.

Rationale for the research approach (2)

- In 2025, the second stage of the research project will conduct a comparative analysis of a number of organizational and managerial innovations: **participatory planning, initiative budgeting, innovations in urban planning, innovations in the creation of creative spaces, and infrastructure for supporting technological innovation.** A study of **environmental innovations** in the Project cities is included in the third stage of the research project.
- Comparison of the five sample cities for each of the selected innovations allows for an assessment of each city (urban community)'s receptivity to each innovation. Specifically, it will identify the reasons for the earlier or later adoption of the innovation, its scope and prevalence, the causes and challenges of implementation, whether the implementation was an imitation or a response to a real need, a responsibility to regional authorities, or an internal need, the effectiveness of the innovation, and the attitude of the population/relevant population group toward it.
- The nature of the perception of each innovation under consideration allows for the construction of an "innovation portrait" of each city. These "portraits" can then be correlated with the socio-cultural characteristics of urban communities and the results of socio-economic development.

Contents of the study

Purpose of the study:	To study urban innovation practices and determine the influence of the local socio-cultural environment on the success of urban development
Object of study:	Cities of the Northwestern Federal District - Vologda, Cherepovets, Pskov, Petrozavodsk, Arkhangelsk, selected by ranking based on a comprehensive assessment of the "success" of the development of cities in the Northwestern Federal District ("unsuccessful", "average", "successful")
Subject of research:	<p>A. Urban Innovations:</p> <ul style="list-style-type: none"> • Participatory Planning; • Initiative Budgeting; • Innovations in Urban Planning; • Innovations in Creative Spaces; • Infrastructure for Supporting Technological Innovations and the Characteristics of the Technological Sector of the Economy • Environmental Innovations (studied during the 3rd stage of the research) <p>B. Sociocultural Portrait of the City (the bulk of the surveys and research is conducted during the 3rd stage of the research):</p> <p>Regional Identity and the Cultural and Historical Portrait of the City; Values, Norms, Trust, and Networking of Local Communities</p>

Expected results

Research Areas	Results
1. Characteristics of the studied cities and local environment	An objective assessment of the level of socio-economic development of 5 cities and local civil society
2. Analysis of urban innovation practices	Assessing the receptivity of local communities to organizational and managerial innovations in 5 cities-objects of the study
3. Analysis of socio-cultural characteristics of cities	Characteristics of local identity/mentality. Characteristics of social capital and attitudes towards innovation.
4. Summary of results	<ul style="list-style-type: none">- Testing Hypothesis 1 based on a comparison of the results from Research Areas 2 and 3.- Preliminary testing of Hypothesis 2 based on a comparison of the results from Research Areas 1, 2, and 3.

THANK YOU!