

## Globalization and world cities...

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## 'Pre'-logue – 'times are a changing'

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- 'City of Sails'
  - Liveable city
  - Sustainable city
  - Cosmopolitan city
- Oil shock, stagflation, recession...
  - De-industrialisation in the city?
- Climate change, sustainability
  - Greening of the city?

## Introduction

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- Definitions
- Theory
- Salient Processes
- World city formation
- World city networks
- Where next??



Downtown Honolulu

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## Definitions

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“... great cities in which quite a disproportionate part of the world’s most important business is conducted” (Hall, 1966).

“... world cities ... [are] ... [t]ightly interconnected with each other through decision-making and finance, they constitute a worldwide system of control over production and market expansion” (Friedmann and Wolff, 1982).

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## Definitions

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"... a combination of spatial dispersal and global integration has created a new strategic role for major cities ... these cities now function ... as highly concentrated command points in the organization of the world economy ... as key locations for finance and for specialist service firms ... as sites of ... production of innovations ... and ... as markets for the products and innovations produced" (Sassen, 1991).

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## Definitions

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" ... we ... propose a truly *relational* approach, where the city is manifold in a global 'space of flows'... Instead of the traditional and static notion of an urban hierarchy, we described the complexity of a processive and unfolding world city network ... we argued that a city becomes a world city not because of its attributes (... skilled professionals, service sector firms etc.) nor ... its function, but because of the attendancy enacted by the actor networks" (Beaverstock *et. al.*, 2002).

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## The world city hypothesis (Friedmann, 1986)

“was a starting point for political inquiry”

### Key pointers

- Key cities throughout the world are used by global capital as ‘basing points’ in the spatial organization and articulation of production and markets.
- World cities are the major sites for the concentration and accumulation of international capital.
- World cities are the points of destination for large numbers of both domestic and/or international migrants.
- World city formation brings into focus the major contradictions of industrial capitalism - among them spatial and class polarization.

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## The world city hierarchy (Friedmann, 1986)

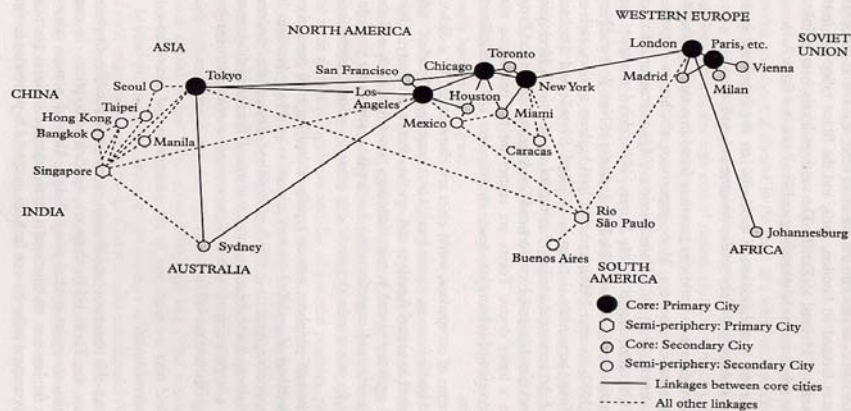


Figure A.1 The hierarchy of world cities

## Sassen 'The global city thesis' (1991)

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The concept of the *global city* has emerged because of two interrelating factors:

1. the globalization of economic activity
  - Deindustrialization
  - Internationalization of the producer service sector
  - 'Management, control and coordination' in certain cities
  - NIDL (concentration of decision-making)
2. the organizational structure of the producer service and finance industry
  - Specialization, concentration, intensity (agglomeration)

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## Friedmann's (1995) 'spatial articulations'

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1. World cities articulate regional, national, and international economies into a global economy.
2. A space of global capital accumulation exists, but it is smaller than the world as a whole.
3. World cities are large urbanized spaces of intense economic and social interaction.
4. World cities can be arranged hierarchically, roughly in accord with the economic power they command.

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## Friedmann's (1995) European 'spatial articulations'

### 1 Global financial articulations

^ London \* A (also national articulation)

### 2 ^ Multinational articulations

^ Frankfurt C (western Europe)

^ Amsterdam C or Randstad B

### 3 Important national articulations (1989 GDP > \$200 billion)

^ Paris\* B

^ Zurich C

Madrid\* C

### 4 Subnational/regional articulations

^ Milano C

Lyon C

Barcelona C

^ Munich C

^ Düsseldorf-Cologne-Essen-Dortmund (Rhine-Ruhr region) B

Population (1980s): A 10-20 million; B 5-10 million; C 1-5 million; \* national capital;

^ major immigration target

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## Salient Processes - Corporate Control & Reach

### Singapore



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## Main locations of 198 non-US corporate HQs

Metropolitan area	Number of TNC HQs
Tokyo	30
London	28
Osaka	13
Paris	12
Rhine-Ruhr	10.5*
Randstad Holland	3.5*
	*HQ in two places

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**Cohen (1981)**

## Salient Processes - Producer Services



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Accounting firm

## Salient Processes – International Financial Centres

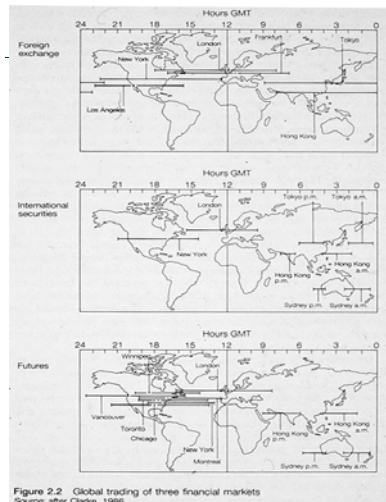


Figure 2.2 Global trading of three financial markets  
Source: after Clarke, 1986

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**City of London**

**Table 1 Howard Reed's top ten IFCs, 1980**

Rank	City	Overall score	Division
1	London	100	Supranational
2	New York	85	1st order supranational
3	Paris	83	2nd order supranational
4	Tokyo	78	1st order supranational
5	Frankfurt	78	2nd order supranational
6	Zurich	76	2nd order supranational
7	Amsterdam	75	2nd order supranational
8	San Francisco	74	2nd order supranational
9	Chicago	72	2nd order supranational
10	Hamburg	71	2nd order supranational

Source: Reed (1981)

**Cited in Falconbridge, 2004**

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## Globalization and world city formation

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### **1. Internationalization of capital**

- Corporate HQs (Hymer, 1972; Cohen, 1981)
- International trade (maritime ports) (e.g. King, various)
- Banking, finance and business (e.g. Soja, 1983)

### **2. Internationalization of services**

- International financial centres (e.g. Thrift, 1987)

### **3. ICT, transportation and communication**

- Communication, ICT, internet (e.g. Malecki)
- Airline travel (airports) (e.g. Derudder et al, 2006)

### **4. International labour e/immigration & circulation**

- Highly-skilled (e.g. Beaverstock, 1994)
- Low and no-skilled, illegal (e.g. Sassen, 1988)

### **5. Cultural globalization** (e.g. Short and Kim, 1998)

### **6. Transnationalism, Cosmopolitanism** (e.g. Ley, various)

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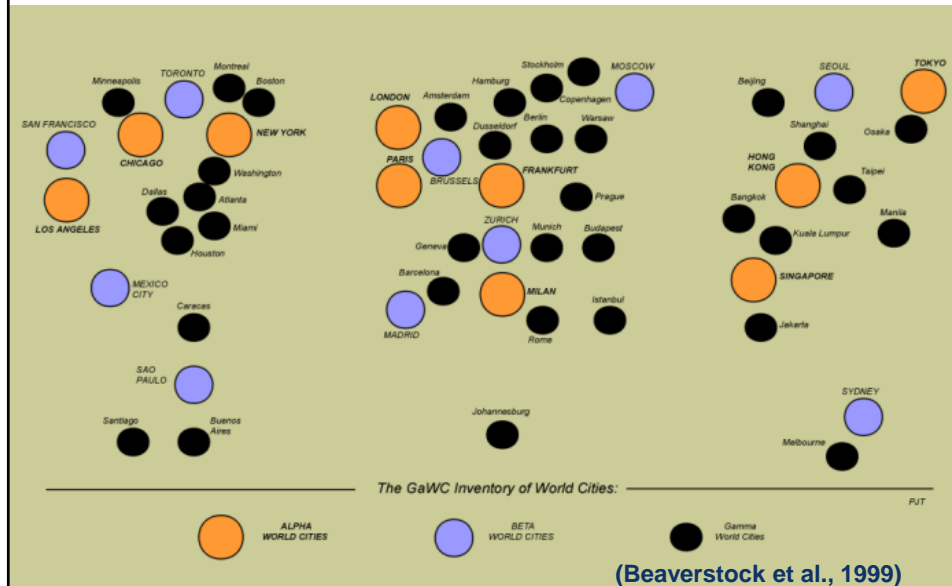
## World city networks (Cities in Globalization!)

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- World Cities as process (Beaverstock et al, 2000)
- Relationality, connectivity and flows in globalization (following Castells, 1996)
- **Establishment of GaWC in 1998**
  - Study of inter-city relations (relational data!)
  - Cooperation and competition
  - Anti-'attribute' data (Cohen, Friedmann, Sassen)
  - Network over hierarchy...
  - Key Moment - 'Roster of World Cities' Cities (1999)
  - Quantitative (Taylor) vs. Qualitative (Beaverstock)

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## The world according to GaWC



## Methodological challenges

- Studying flows, relations and connections?
  - Bias, unrepresentative, value?
- Quantitative (Taylor)
  - Pattern & 'skeleton' of relations
  - Critique
- Qualitative (Beaverstock)
  - Process-driven
  - Critique
- Multi-methods (Hall's (2006/7) Polycentricity
- Globalization from 'below'.....



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Where next?

- All cities are world cities!!
- Wither the (world) city pre-fix...?
- Times are a changing, take the lead...
  - Making Greater VYR the Sustainable City-Region
  - Making Greater VYR the Liveable City-Region



[www.lboro.ac.uk/gawc](http://www.lboro.ac.uk/gawc)