

Hong Kong, Singapore, Sydney: World Cities of Asia Pacific

1. Post-fordist restructuring and the rise of Pacific Asia

- Introduction: Post-fordism, globalization and geography
- The rise of Pacific Asia and new forms of urbanization
- Hong Kong and Singapore: from colonial status to global significance

2. Globalization and approaches to define world cities

3. Descriptive and multivariate empirical classifications of world cities

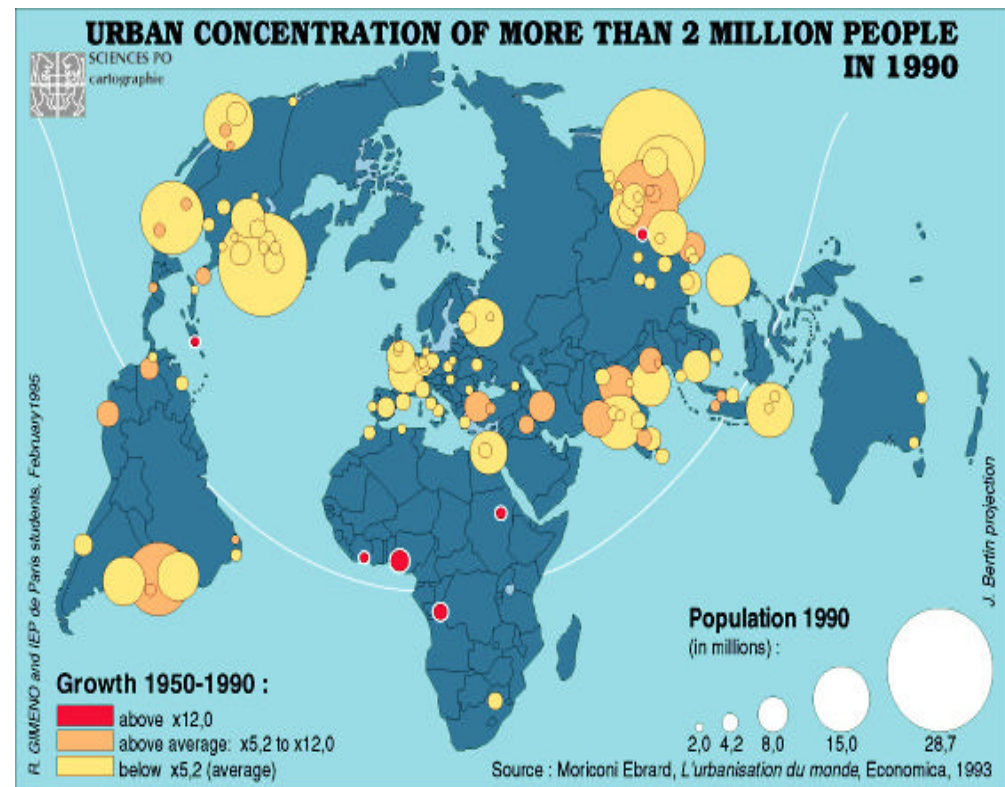
- The GaWC inventory of world cities
- World city network formation and connectivity
- Pacific Rim world cities – strengths and weaknesses
- Clusters of world cities: the five group solution
- The inventory global media cities
- Black holes and loose connections

4. Summing up

1. Post-fordist restructuring and the rise of Pacific Asia

Introduction: Post-fordism, globalization and geography

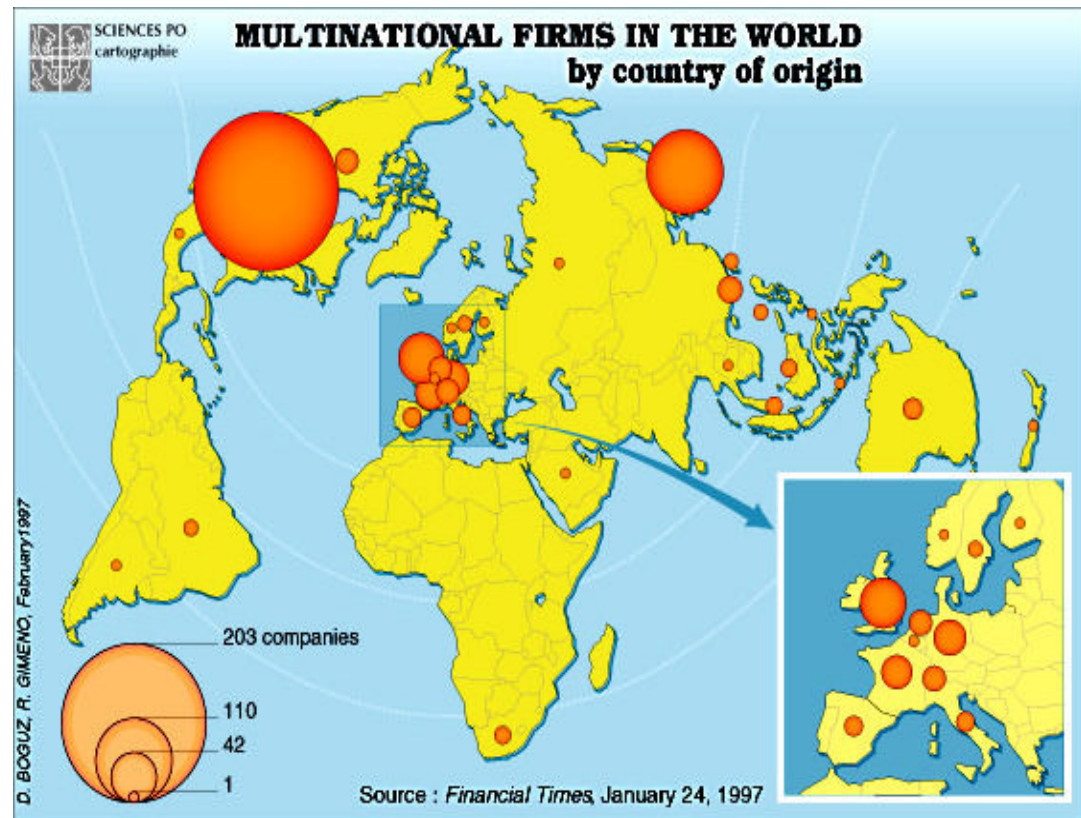
- Economic growth / (relative) decline
- regulation / accumulation
- technologies
- industries
- value and social systems
- labor
- geography:
localization and globalization,
and the rise of Pacific Asia



The rise of Pacific Asia and new forms of urbanization

Japan's rise to an economic superpower

- 1960s: 50% of US population, 8% of US GDP
1970s: 20%, 1980s: 60%
- the Japanese way: strong state, MITI, life time employment
 - Toyota: from 'imitator' to leader
 - Sony: a 'global-decentralized' media company
- post-fordist Japan: what trajectory ?



The 'flying geese' pattern: shifting centers of industrialization, growth and development

- 1960s: Japan
- 1970s: 'tiger states': Korea, Taiwan, Hong Kong, Singapore
- 1980s: ASEAN states: Indonesia, Malaysia, Philippines, Brunei, Vietnam, Myanmar (Burma), Laos, Thailand
- 1990s: China, India, ... ?
- Hong Kong and Singapore 'pass' Australia in early 1990s

Table 2-1: Shares in world exports of merchandise goods^a
(in % for selected countries/regions and years)

	1953	1963	1973	1983	1993	2000
North America	24.2	19.3	16.9	15.4	16.8	17.1
Western Europe	34.9	41.4	45.4	38.9	43.7	39.5
Japan	1.5	3.5	6.4	8.0	10.0	7.7
China	1.2	1.3	1.0	1.2	2.5	4.0
Australia/New Zealand	3.2	2.4	2.1	1.4	1.5	1.2
Six East Asian Traders ^b	2.7	2.4	3.4	5.8	9.7	10.5

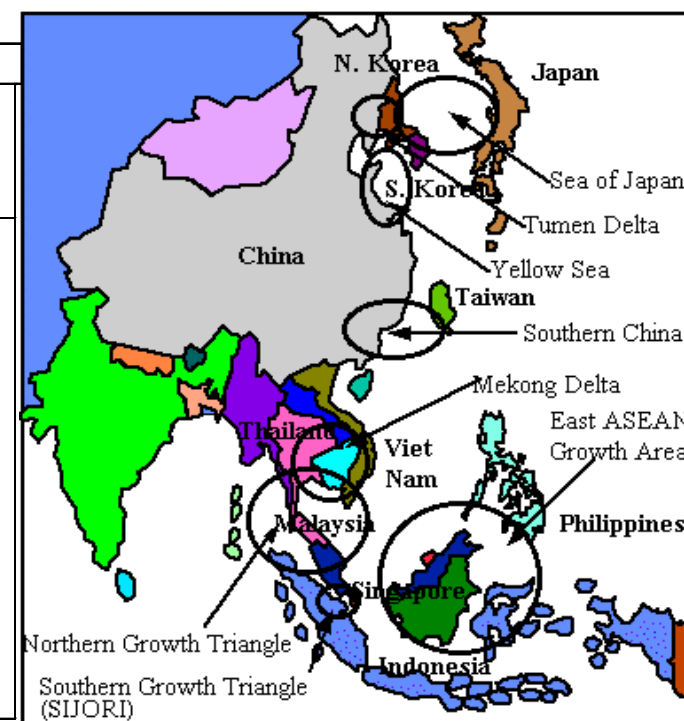
Table 2-2: GDP per capita (in US \$)

	1980	1990	1995	1999
Hong Kong	5628	13111	22618	23655
Singapore	4862	12142	24031	21837
Australia	9747	17156	19436	20254

Socio-economic data for Asia Pacific

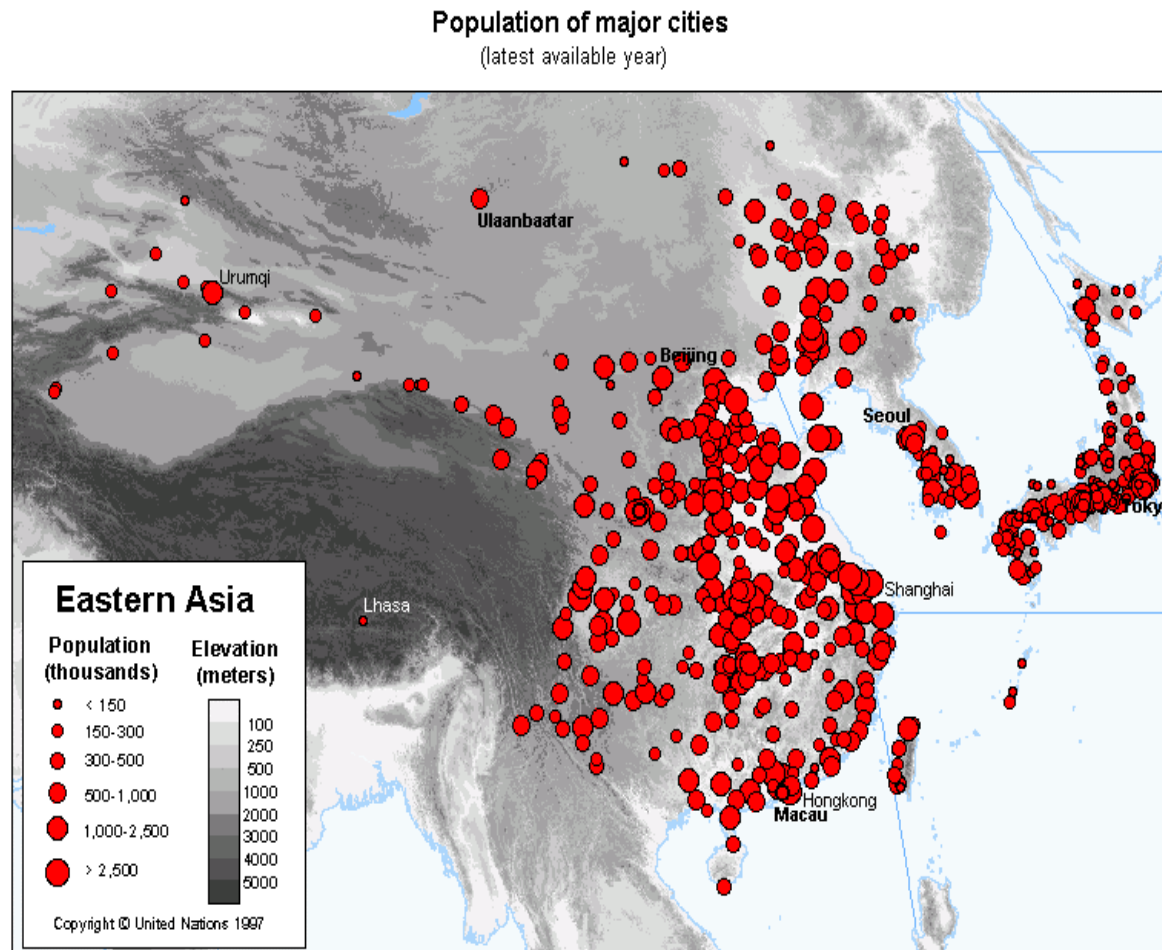
Table 2-3:
Population, gross domestic product and real economic growth in Asia Pacific
(selected countries)

Country	Population 1998 (in Mo.)	GDP per capita 1998 (in US \$)	Real GDP growth (in %)		
			1999	2000	2001 (estimate)
Indonesia	214.8	478	0.2	4.4	5.0
Lao Peop. Dem. Rep.	5.4	250	7.3	6.5	6.9
Malaysia	23.6	3317	5.4	8.2	7.0
Philippines	77.1	894	3.3	3.7	3.4
Thailand	63.0	1890	4.2	4.5	4.6
Viet Nam	79.2	336	4.8	6.7	7.0
China	1285.0	777	7.1	8.0	7.8
Republic of Korea	47.1	6956	10.7	9.2	5.1
Taiwan* Prov. of China	22.0	12330	5.7	6.4	5.8
Singapore	4.1	24577	5.4	10.1	6.3
Hong Kong SAR	6.9	24581	3.0	9.7	6.1
Australia	19.4	20125	4.7	4.3	3.4
Japan	127.3	29956	0.2	1.6	2.0



- Markets and competitors for Australia on all levels of development
- Growth triangles
- Malaysia: Multimedia Super Corridor (MSC)

Megaurban regions/corridors in Eastern Asia

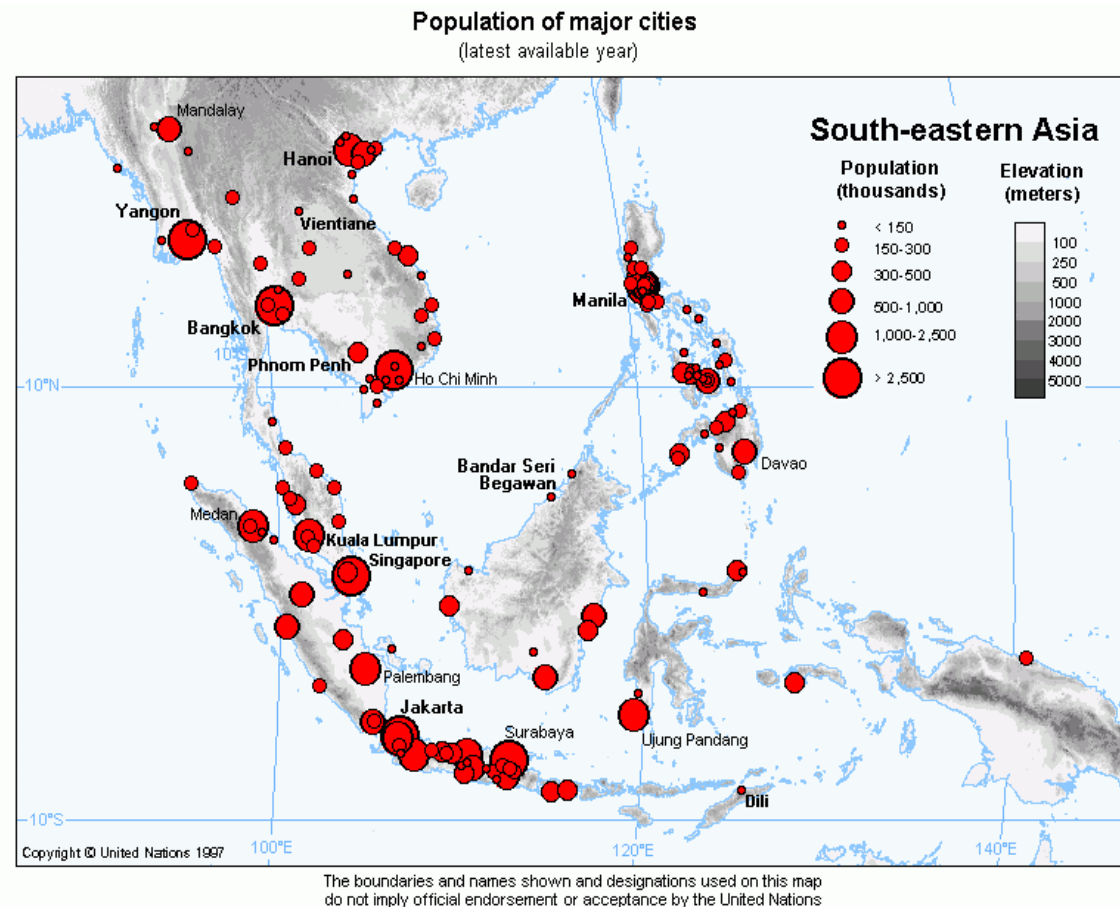


The boundaries and names shown and designations used on this map do not imply official endorsement or acceptance by the United Nations

- **Bohai Rim region:**
Tokyo (39.5), Osaka (16.8), Seoul (20.2), Pusan, Beijing (26.3), Tianjin, Shanghai (37.5)
- **Southern China and Taiwan:**
 - 1) *Hong-Kong/* Guangzhou (28.0), Zhujiang River delta region
 - 2) Taipei (7.9) and the large cities in mainland China such as Xiamen

(Mio. inhabitants mid 1990s)

Megaurban regions/corridor in South-Eastern Asia



- **South-East Asia:**
Bangkok (11.6), Kuala Lumpur (4.2), *Singapore* (3.0), Medan, Palembang, Jakarta (17.1), and Surabaya, Manila (16.0)
- **Megaurban region:** Growing vehicular transport and trunk highway systems were allowing the daily fields of interaction of metropolitan centers to extend well beyond administrative and traditional core-suburb agglomeration into rural areas along inter-metropolitan corridors extending upwards of 100 km from metropolitan centers.

Hong Kong and Singapore: from colonial status to global significance



- Former fisher villages, natural deep water ports / strategic location
-> with colonial expansion important as entrepôt and military posts
- **Singapore ('lion city'):** founded by Sir Stamford Raffles in 1819
 - protection of (British) trade with China, control over Malaya
 - trading center for local agricultural products, tin mining, rubber
 - labor ('coolies') 'imported' from Southern China
- **Hong Kong (Island):** to Britain 'for ever' in 1842 after first 'opium war'
 - military / trading functions
 - massive immigration from China from 1860 onwards
 - 'lease' of Kowloon and New Territories in 1898 for 99 years
 - already in 1920s one of major ports in the world, trade related services
 - complementary structure of ownership and control between British/
European business men and Chinese
 - large Chinese firms (import-export, mining, plantations, finance)
 - built up infrastructure and efficient administration

Common legacies, different outcomes

1950/1960s:

- SP: economy: mainly entrepôt trade and related services
internal self-governance: 1959, PAP striving for autonomy: 1965
- HK: 'liberalization' plans abandoned by Britain after Communist revolution in China, Governor elected by Britain
- refugees -> labor, talent, capital -> thousands of workshops / factories,

1970s: industrialization

- HK: strong, mostly locally owned manufacturing sector, exporting
- SP: large influx of foreign capital, large scale production plants

1980s: industrialization of ASEAN countries, shifts towards services:

- HK: stronger and earlier decline of GDP manufacturing share than SP

**Hong Kong, Singapore,
Australia compared,
data for 1999:**

	Hong Kong	Singapore	Australia
Population (Mio.)	6.72	3.89	18.94
Total land area ('000 hect.)	110	66	768230
Density (pop./sq. km)	6290	5900	2.50
Employment (Mio.)	3.13	1.89	8.74
Per capita GDP (US \$)	23655	21837	20254
Exports (Bill. US \$)	174	115	56*
Imports (Bill. US \$)	180	111	57*
Tourist arrivals (Mio.)	11.32	6.95	4.46*
Tourist receipts (Bill. US \$)	7.21	5.89	7.34*

Singapore: a developmental city state in global competition

- Main challenges in development process:
 - regional isolation
 - national identity
 - political division
- Political / social system:
 - control centralized
 - local press constrained
 - activities of workers controlled
 - public programs and campaigns
 - public housing
 - parapolitical institutions
- Economy:
 - first development plan 1961
 - continuous industrial restructuring
 - 'Living the next lap' 1991
 - ICT implementation and application: Singapore ONE, Southwestern and Northeastern Technology Corridor

Developmental state: legitimated by ,its ability to promote and sustain development, understanding by development the combination of steady high rates of economic growth and structural changes in its productive system' (CASTELLS)

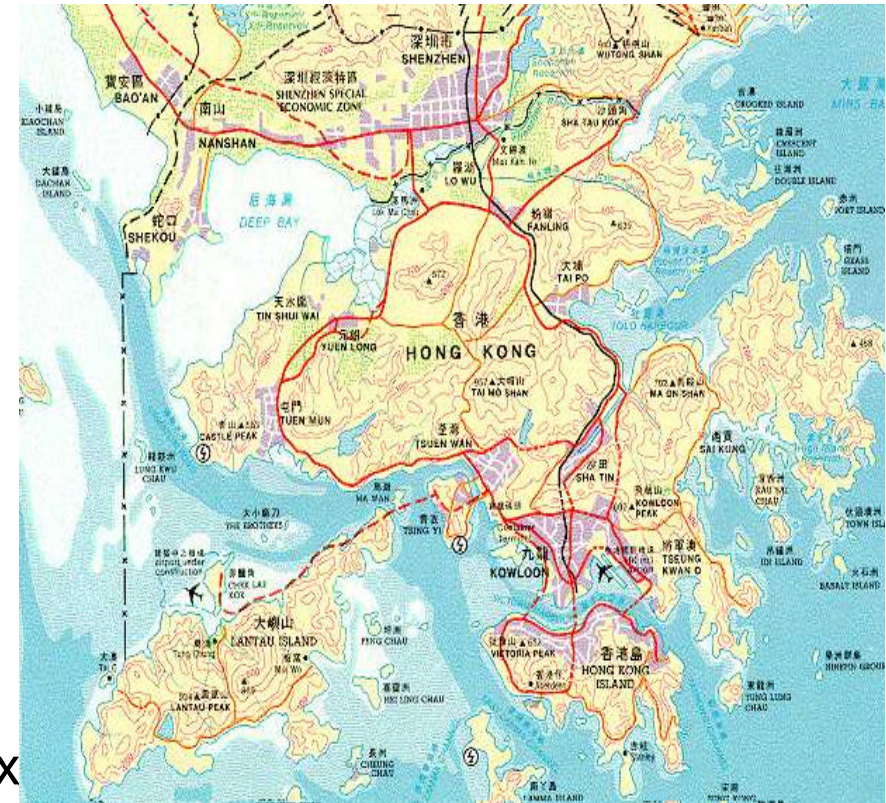


Singapore pictures



Hong Kong: from export platform to Asia's world city?

- Political system:
 - 1997: 'One country, two systems' for next 50 years
 - Chief executive: Tung Chee Hwa
 - 'positive non-intervention strategy' (JESSOP/SUM)
- Economy:
 - Greater China: socio-cultural / geographical proximity
 - 'hollowing out': 1990s 25,000 firms employ 3 mio. workers in Guangdong/Shenzhen
 - 'filling in': management, trade, subcontracting, finance, R&D
 - 1997/98 financial crisis: stock index property prices drop, unemployment rose
 - ICT: Cyberport, Cyberincubator, Silicon Harbor
- Strategy to become *the* world city of Asia



Hong Kong pictures



2. Globalization and approaches to define world cities

- **The multinational corporation and the urban hierarchy** (HALL, HYMER) 1950/60s: stable fordist growth, large integrated industrial corporations, centralized headquarters in metropolitan areas, manufacturing in fringe and national peripheries
- **The 'new' international division of labor and world cities** (COHEN, FRIEDMANN) 1970s: increasing foreign direct investment, standardized-high volume manufacturing into NICs, restructuring in old industrialized metro areas, social polarization, world cities as 'command centers': management, finance, producer services, 30 world cities (multinational, national, regional level)
- **Globalization of financial and producer service industries and global cities** (SASSEN, TAYLOR, KNOX, THRIFT) 1980/90s: liberalization and deregulation of financial markets, growth of new financial institutions, double concentration process (national: one center, Toronto, Sydney, Sao Paulo; international: London, New York, Tokyo), globalization of producer services, importance of spatial proximity

The ,dirty little secret‘ of world city research (Short et al. 1996)

City	Ranking / no. of events						
	Economic	command	functions	Accessibility	Size	Global cultural events	
	Banks ^b	Stocks ^c	HQs ^d	Air Traffic ^e	Population ^f	Olympic Games	Rolling Stones ^h
Tokyo	1	2	1	6	1	1	1
London	5	3	3	1			2
New York	4	1	2	5	5		
Paris	2	4	7	2		2	3
Frankfurt	3	5	13	3			
Amsterdam	12	9		7		2	
Seoul	12	5		13	4	1	
Brussels	7		17			2	3 ⁱ
Munich	9		9	20		1	
Zurich	14	7		9			
Toronto	11	6		16		2	
Osaka	6		6		6		
Los Angeles			15	11	13	1	
Mexico City					2	1	2
Singapore		14	8				
Beijing	8					1	
Hong Kong		8		4			
Madrid			12	18		2	
Milan	10	11					
Rome	13		10	12			
Montreal	15					1	
Buenos Aires					10		2
Moscow					11	1	
Sydney		10				1 ^j	

- Widespread agreement on top cities, but: ,much confusion below the highest rankings of world cities‘ (Beaverstock 1999)
- lack of internationally comparable data
- little correlation of world city rankings with population
- cultural industries underrated

3. Descriptive and multivariate empirical classifications of world cities (Beaverstock et al. 1999):

The GaWC inventory of world cities

- GAWC study group and network: globalization and Loughborough
- comprehensive, systematic inventory for 122 cities
- for 4 sectors: accountancy, advertising, law, banking
- ‚significant presences‘ -> scores for cities (prime=3, major=2, minor=1)
- 55 cities rated as world cities, unequal patterns for sectors
- 10 Alpha, 10 Beta, 35 Gamma world cities

Inventory of world cities

World city type	Score	Cities *
Alpha		
	12	London, Paris, New York, Tokyo
	10	Chicago, Frankfurt, Hong Kong , Los Angeles, Milan, Singapore
Beta		
	9	San Francisco, Sydney , Toronto, Zurich
	8	Brussels, Madrid, Mexico City, Sao Paulo
	7	Moscow, Seoul
Gamma		
	6	Amsterdam, Boston, Caracas, Dallas, Düsseldorf, Geneva, Jakarta , Johannesburg, Melbourne , Osaka , Prague, Santiago, Taipei , Washington
	5	Bangkok , Beijing , Montreal, Rome, Stockholm, Warsaw
	4	Atlanta, Barcelona, Berlin, Buenos Aires, Budapest, Copenhagen, Hamburg, Istanbul, Kuala Lumpur , Manila , Miami, Munich, Shanghai

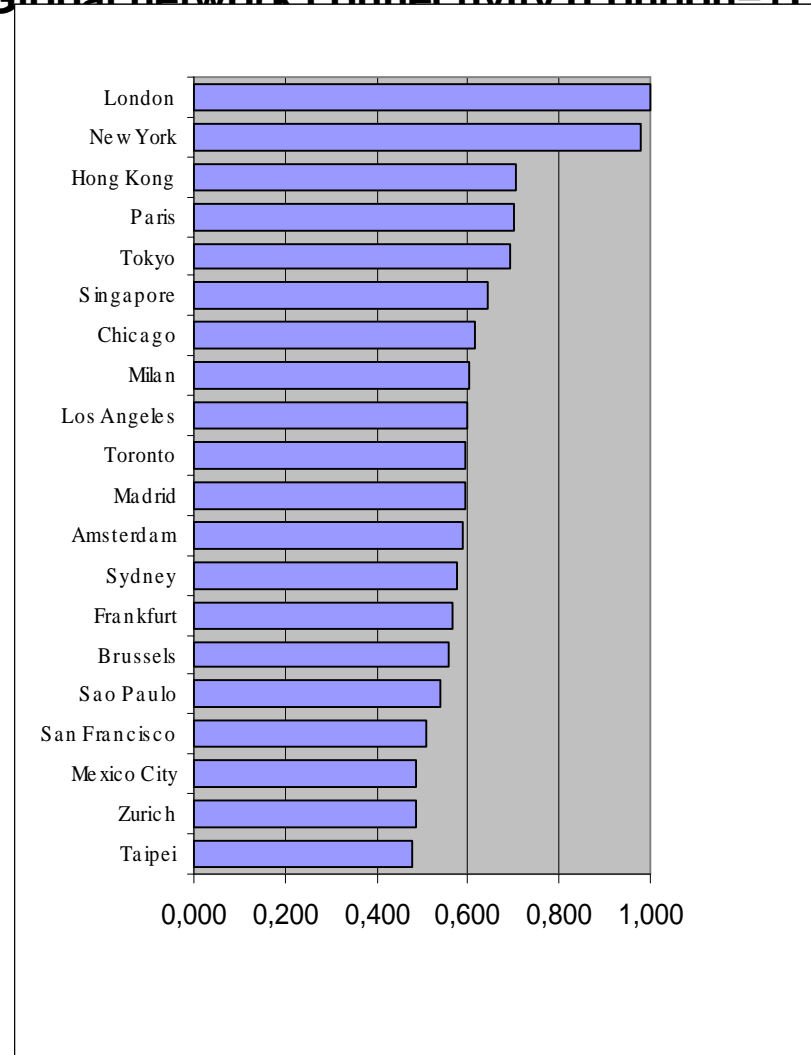
Source: Beaverstock et al. (1999) *) Cities of the Asian Pacific region marked in boldface in this table.

World city network formation and connectivity

(Taylor/Catalano 2001)

- Analysis of inter-city relations for 316 cities
- intrafirm connections of 100 ,global service firms': flows of personnel, information, knowledge, ideas between cities
- min.: offices in 15 cities
- importance of offices measured by ,service value' (from 0=no office to 5 = HQ)
- summary measure: global network connectivity
- 123 reach at least 1/5 of London's connectivity
- ,grouping' of top 20 cities
- Sydney (and Taipei) only ,secondary' cities in Asia Pacific

Global network connectivity (London=1)



Pacific Rim world cities – strengths and weaknesses

- Analyzing a GaWC data set: network connections of firms/cities
 - 46 global service firms in 28 cities
 - for ,total service value':
Hong Kong, Singapore, and Sydney in upper tier
 - *accounting*: rather even distribution
 - *advertising*: rather uneven, Sydney leads, Melbourne, Auckland strong
 - *banking/finance*: highly unequal, strong Asian Pacific cities
 - *law*: very unequal, strong US cities
- > globalization in producer services is highly uneven, no ,standard' service industries structure of world cities

Service values

City	Accounting	Advertising	Banking Finance	Legal Services	Total
Hong Kong	11	11	29	17	68
Tokyo	14	9	29	14	66
Los Angeles	11	14	16	24	65
Singapore	8	14	29	10	61
Sydney	13	16	21	6	56
S. Francisco	12	9	15	18	54
Taipei	8	9	19	5	41
Bangkok	7	10	14	8	39
Jakarta	9	9	16	4	38
Melbourne	10	12	12	3	37
Seoul	10	9	18	0	37
Santiago	9	9	12	3	33
Beijing	6	9	10	7	32
Kua. Lumpur	8	8	16	0	32
Manila	6	9	13	3	31
Shanghai	6	7	13	1	27
Auckland	8	13	1	0	22
Ho Chi Minh	5	7	5	5	22
Lima	5	6	9	0	20
Hanoi	4	3	4	5	16
Osaka	10	0	6	0	16
Vancouver	9	4	3	0	16
Brisbane	8	6	1	0	15
Seattle	5	2	3	4	14
Guangzhou	4	5	4	0	13
Wellington	7	5	0	0	12
Adelaide	7	3	1	0	11
Tijuana	6	0	0	2	8

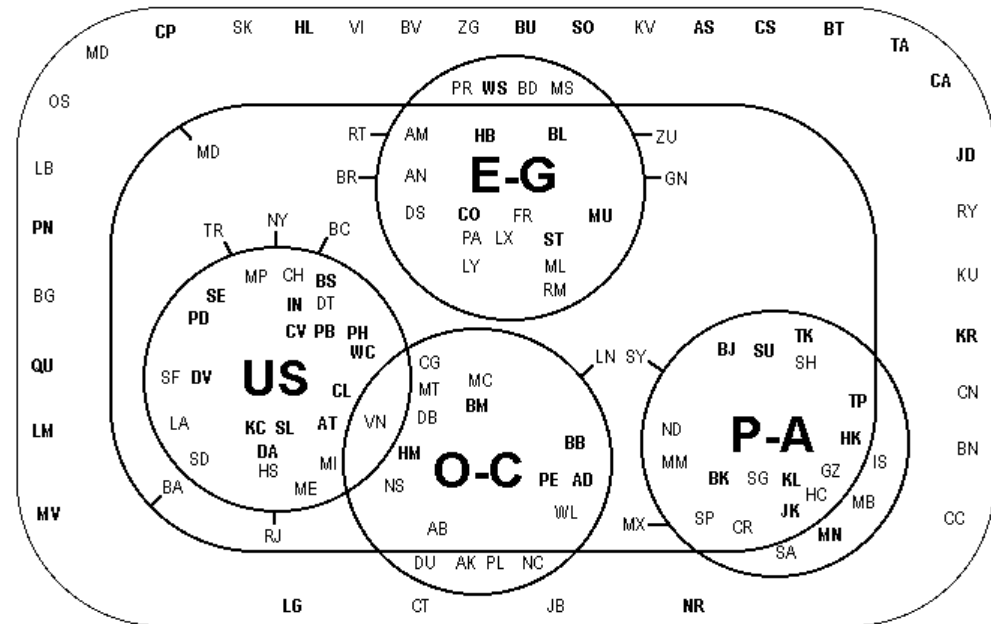
Clusters of world cities: the five groups solution

(Taylor/Catalano/Walker 2001)

- before: descriptive analysis, now: multivariate statistical analysis
- *Factor analysis*: ,exploring' independent *factors/components* in data set (matrix of correlations: service values of cities)
- 123 cities x 100 firms, matrix of correlations
- *loading*: correlation between city and component (0 -> 1)
- *extraction* of components:
2 / 5 / 10 factor solutions compared
- only when loading above for loadings 0.4 city fused into group
- -> 5 factors/groups represent
,best the primary structure of the data'
- result: groups of cities with *similar mixes* of global producer service firms

Five group pattern of world cities

- Leading (and other important) world cities *not* allocated into groups, except: Tokyo
- 5 groups of cities
 - Outer cities
 - United States cities (US)
 - Euro-German cities (E-G)
 - Old Commonwealth cities (O-C)
 - Pacific Asian Cities (P-A)
- without 'geographical variables'
-> geogr. pattern plus socio-economic, historical influence
- no simple hierarchy of world cities: overlapping groups
- leading cities are highly unique in their *structure*
- Sydney *not* an O-C city, taking over new global and macro-regional functions



AB Abu Dubai; AD Adelaide; AK Auckland; AM Amsterdam; AS Athens; AT Atlanta; AN Antwerp; BA Buenos Aires; BB Brisbane; BC Barcelona; BD Budapest; BG Bogota; BJ Beijing; BK Bangkok; BL Berlin; BM Birmingham; BN Bangalore; BR Brussels; BS Boston; BT Beirut; BU Bucharest; BV Bratislava; CA Cairo; CC Calcutta; CG Calgary; CH Chicago; CL Charlotte; CN Chennai; CO Cologne; CP Copenhagen; CR Caracas; CS Casablanca; CT Cape Town; CV Cleveland; DA Dallas; DB Dublin; DS Düsseldorf; DT Detroit; DU Dubai; DV Denver; FR Frankfurt; GN Geneva; GZ Guangzhou; HB Hamburg; HC Ho Chi Minh City; HK Hong Kong; HL Helsinki; HM Hamilton (Bermuda); HS Houston; IN Indianapolis; IS Istanbul; JB Jeddah; JC Johannesburg; JD Jeddah; KC Kansas City; KL Kuala Lumpur; KR Karachi; KU Kuwait; KV Kiev; LA Los Angeles; LB Lisbon; LG Lagos; LM Lima; LN London; LX Luxembourg; LY Lyons; MB Mumbai; MC Manchester; MD Madrid; ME Melbourne; MI Miami; ML Milan; MM Manama; MN Manila; MP Minneapolis; MS Moscow; MT Montreal; MU Munich; MV Montevideo; MX Mexico City; NC Nicosia; ND New Delhi; NR Nairobi; NS Nassau; NY New York; OS Oslo; PA Paris; PB Pittsburgh; PD Portland; PE Perth; PH Philadelphia; PN Panama City; PR Prague; QU Quito; RJ Rio de Janeiro; RM Rome; RT Rotterdam; RY Riyadh; SA Santiago; SD San Diego; SE Seattle; SF San Francisco; SG Singapore; SH Shanghai; SK Stockholm; SL St Louis; SO Sofia; SP Sao Paulo; ST Stuttgart; SU Seoul; SY Sydney; TA Tel Aviv; TP Taipei; TR Toronto; VI Vienna; VN Vancouver; WC Washington DC; WL Wellington; WS Warsaw; ZG Zagreb; ZU Zurich

The inventory global media cities (Krätke 2001)

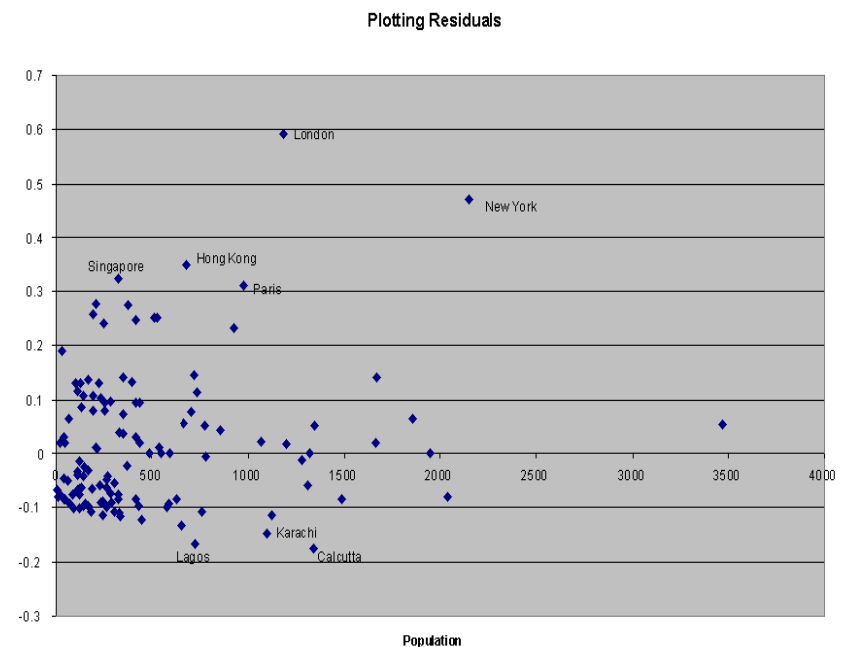
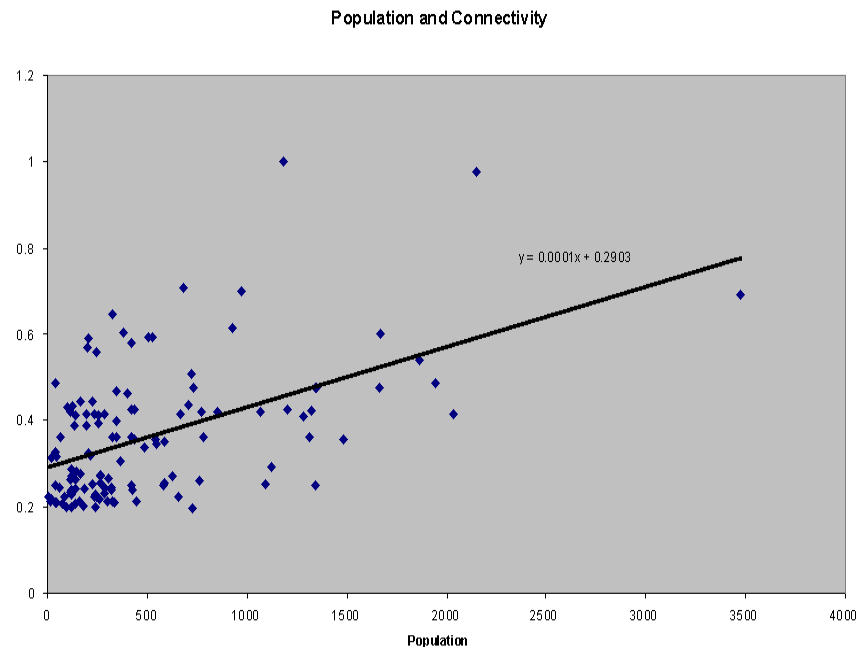
- Increasing significance of culture industries
- 33 global media firms with 2,766 business units, 284 cities, method similar to GaWC inventory
- threshold values for (1) no. of business units (2) no. of global players: Alpha cities (60/17), Beta (30/11), Gamma cities (20/8)
- high spatial concentration: 2.5% of cities house 30% of business units
- similar distribution on very top / strong dissimilarity on lower levels
- remaining Alpha and all Beta cities: European
- except: Toronto and Sydney, linking their territories into global networks

World media cities*

Type of World Media City	Cities* (Number of enterprise units – Number of global players)
Alpha	New York (185-22), London (180-29), Paris (129-26), Los Angeles (111-25), Munich (96-20), Berlin (70-19), Amsterdam (64-18)
Beta	Copenhagen (56-18), Madrid (54-19), Hamburg (52-14), Stockholm (48-19), Milan (49-19), Oslo (47-16), Sydney (44-16) Athens (39-19), Toronto (38-15), Barcelona (37-15), Frankfurt (37-14), Brussels (37-13), Zürich (36-16), Warsaw (31-16), Budapest (31-15),
Gamma	Chicago (40-10), San Francisco (35-19), Düsseldorf (33-9), Boston (31-9), Singapore (30-16) , Vienna (30-14), Tokyo (29-18) , Hong Kong (29-16) , Cologne (28-14), Prague (27-12), Lissabon (25-12), Melbourne (23-9) , Buenos Aires (22-14), Mexico City (22-12), Helsinki (22-11), Rome (21-12), Sao Paulo (21-11)

Black holes and loose connections (Short 2002)

- exclusive attentiveness to locational structure of global service firms -> neglect of large 'third world' cities
- 35 large *non-world cities* (pop.>3 mio. and *not* in GaWC list of world cities): e.g. Teheran (10.7 mio.), Dhaka (9.9), Khartoum (7.3), Nanjing (3.1)
- 11 '*black holes*' (no other city in national territory is a world city): e.g. Kinshasa/Congo (6.5), Lahore/Pakistan (5.5), Chittagong/Bangladesh (3.1)
- reasons: poverty, collapse, exclusion or resistance
- marginalized cities have elites, global cities marginal. parts of population
- how do population size and connectivity (GaWC) correlate for world cities?



Loose connections

- some cities are much more strongly ,connected‘ than would be predicted from their population size, some are much less connected ...
- besides London and New York, Hong Kong and Singapore are most strongly ,overproportionally‘ connected (!)
- extremely disconnected cities: Calcutta, Lagos, Karachi, ...
- extreme polarization: Guangzhou - Hong Kong
- some cities in ,Western‘ countries also disconnected: e.g. Pittsburgh, USA

Table 5-6a:
The nine ‘best connected’ cities

City	Residual
London	0.591
New York	0.470
Hong Kong	0.348
Singapore	0.322
Amsterdam	0.278
Milan	0.275
Frankfurt	0.257
Madrid	0.253
Toronto	0.251

Table 5-6b:
The nine ‘worst connected’ cities

City	Residual
Calcutta	-0.175
Lagos	-0.165
Karachi	-0.147
Chennai	-0.131
Guangzhou	-0.121
Kiev	-0.115
Rio de Janeiro	-0.113
Pittsburgh	-0.113
Casablanca	-0.110