

# Cities, Regions and Economic Performance: History, Myths and Realities

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# Globalisation: Perceptions

- O'Brien (1992) – the 'end of geography'
- Cairncross (1997) – the 'death of distance'
- Thomas Friedman (2005) – the 'World is Flat'  
- the world is becoming a global 'village'
- Glaeser – 'Cities are Back' 1998; Krugman 1991; Porter 1990
- *Reshaping Economic Geography* WB 2009
- *How Regions Grow* OECD 2009
- *Regions Matter* OECD 2009

# 20<sup>th</sup> Century Anti-Globalisation

- 1929-1972 decline in global trade/GDP ratio
- 1914-1980 decline in global foreign assets/GDP ratio
- Post-WWII Bretton-Woods system
- 1960s -1970s global financial restructuring – Eurodollar markets
- 1980s – emergence of ICTs and JIT/TQM
- 1990s – rise of the internet, e-mail, mobile phones, GPS systems

# Globalisation – 1990s

- *Technological Changes* – transportation improvements (RO-RO), and ICTs
- *Institutional Changes* – EU, NAFTA, CER, ASEAN, MERCOSUR, APEC, BITs, DTTs
- *Organizational Changes* – out-sourcing, off-shoring, global expansion of multinationals

# Globalisation - 1990s and 2000s

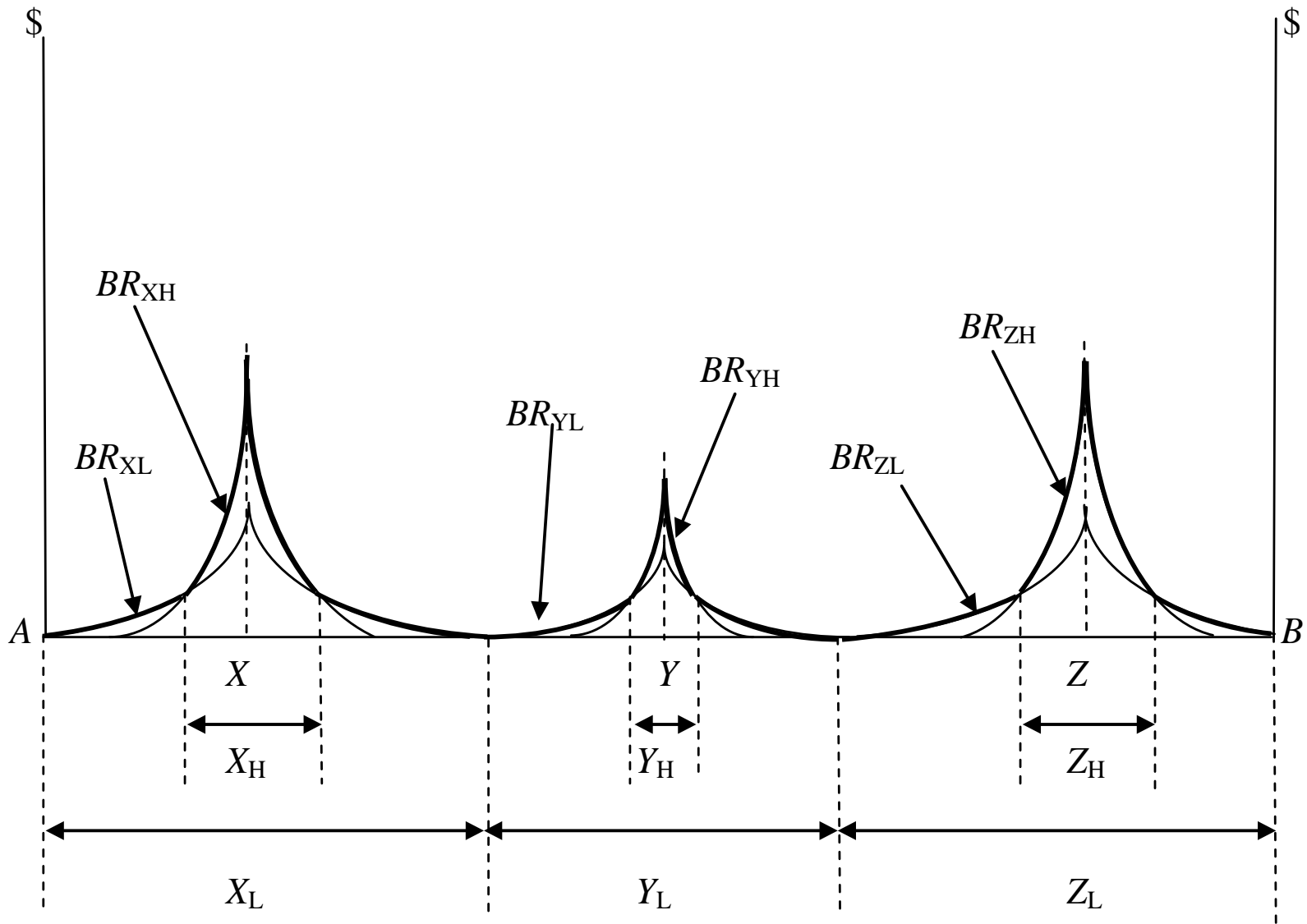
- Leamer (2007) – the world is not shrinking but economic activity is dispersing
- Changing architecture of global trade → 1/3 of the global labour market appears
- Rise of the BRIICS economies: Role of China
- Growth in Super-Regions: EU, NAFTA, East-Asia
- Slow international convergence (except Africa), intra-national divergence
- ‘Global city’ competition

# Importance of Agglomeration

- Importance of agglomeration appears to have increased globally since early 1990s
- More than half the world now live in cities
- In advanced economies cities are increasingly associated with knowledge activities – productivity, patents, innovations, HQs, creativity, entrepreneurship, copyrights, licences, human capital etc
- Premium for face-to-face contact

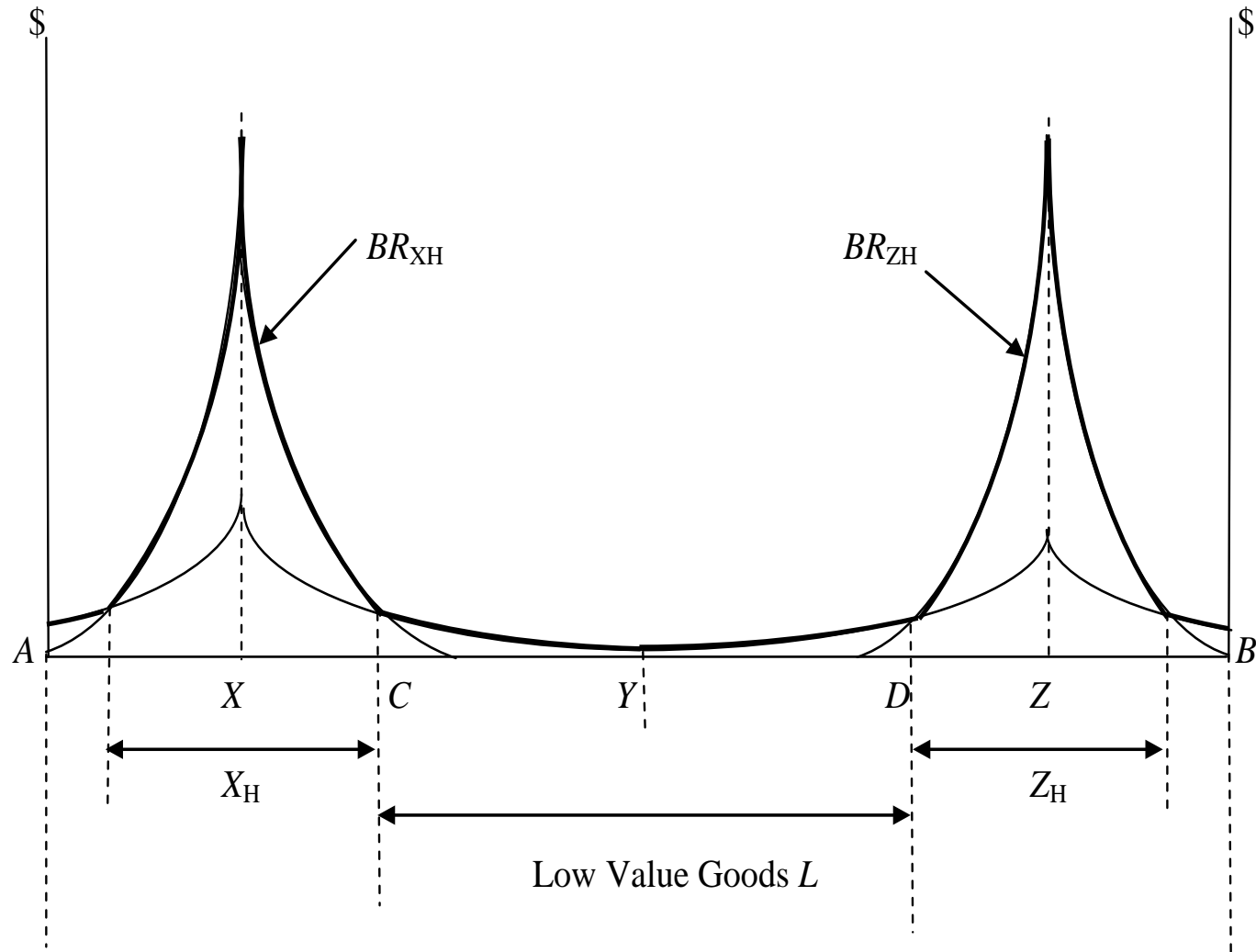
# The Spatial Transactions Costs of Knowledge

- Product-cycle argument and economics of knowledge literature
- Spatial transactions costs for routine, standardised and non-knowledge intensive activities have *fallen*
- Spatial transactions costs for knowledge-intensive, non-routine, non-standardised activities have *increased*



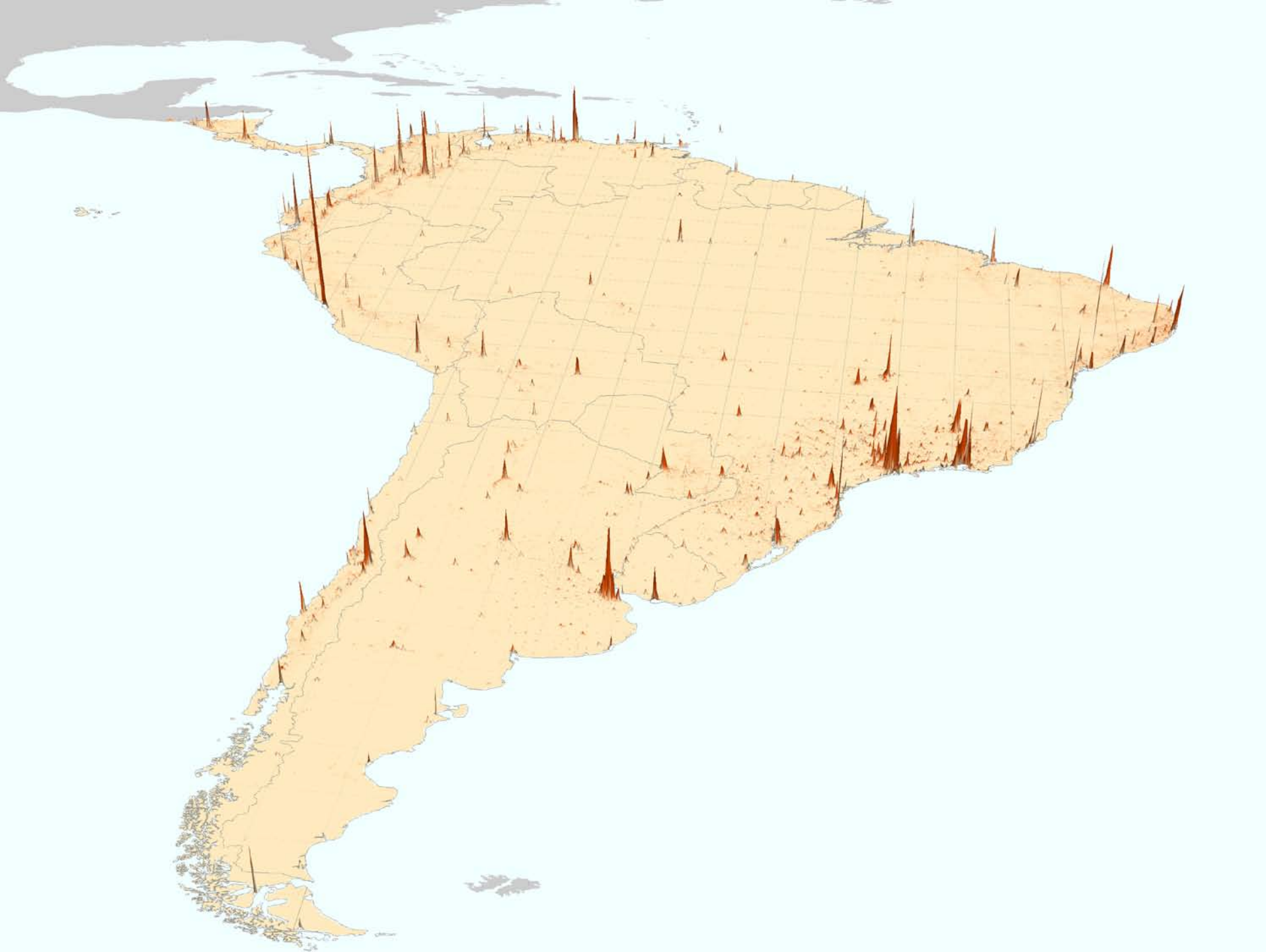
**Fig. 1** A Three City One-Dimensional Economic Geography





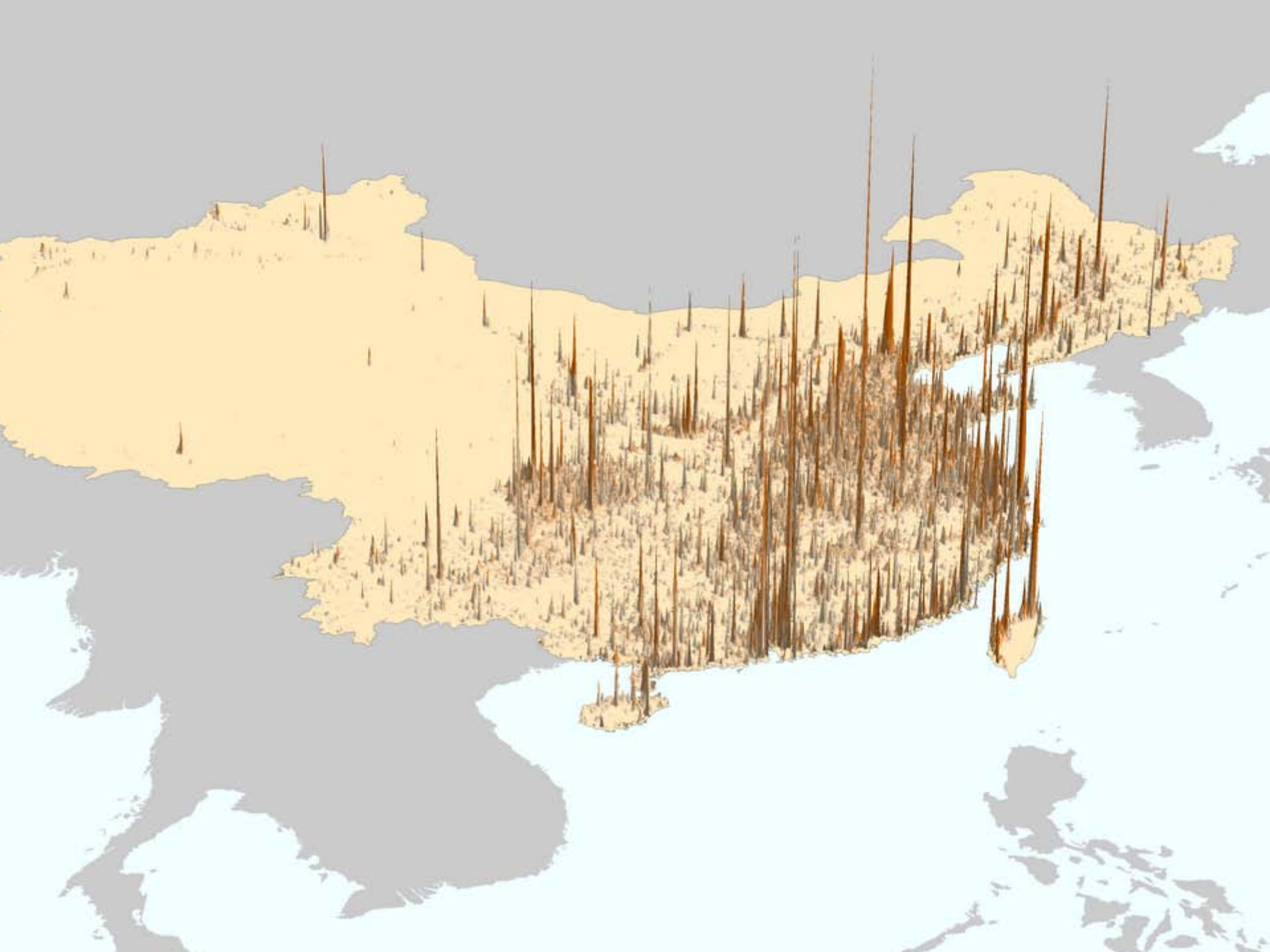
**Fig. 2** Globalization, Localization and Economic Geography

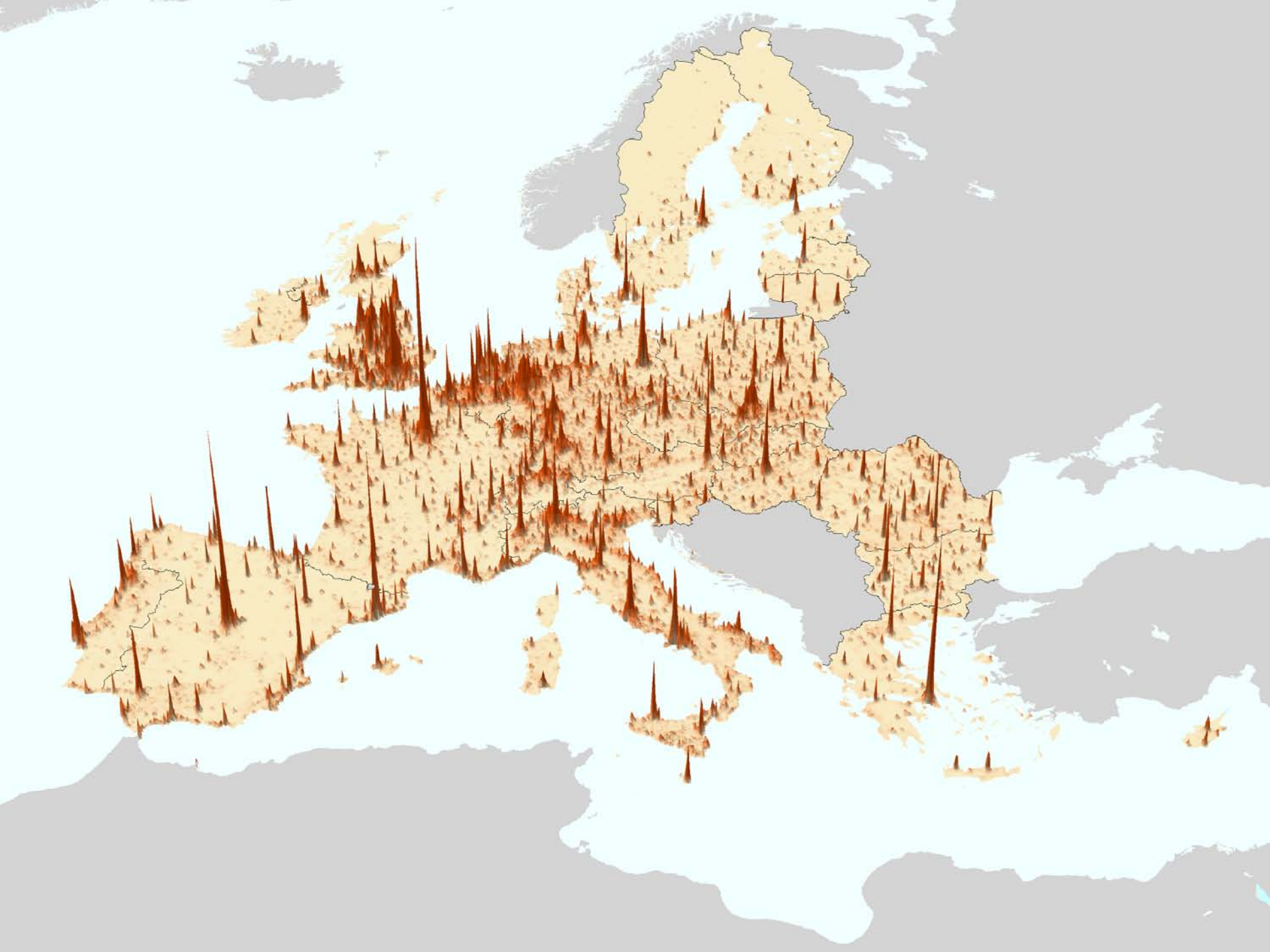












## Urbanization and Industrialisation Indices

<b>1500 Urban Index</b>	<b>1600 Urban Index</b>	<b>1700 Urban Index (Industry Index 1750)</b>	<b>1800 Urban Index (Industry Index in 1800)</b>	<b>1890 Urban Index (Industry Index in 1860)</b>	<b>1913 (Industry Index in 1913)</b>
Belgium 21.1	Netherlands 24.3	Netherlands 33.6 (9)	Netherlands 28.8 (10)	England & Wales 61.9 (64)	USA (126)
Netherlands 15.8	Italy 15.1	Belgium 23.9 (9)	England & Wales 20.3 (16)	Scotland 50.3 (64)	UK (115)
Italy 12.4	Portugal 14.1	England & Wales 13.3 (10)	Belgium 18.9 (10)	Belgium 34.5 (28)	Belgium (88)
Spain 6.1	Spain 11.4	Italy 13.2 (8)	Scotland 17.3 (16)	Netherlands 33.4 (28)	Switzerland (87)
France 4.2	Belgium 8.8	Portugal 11.5	Italy 14.6 (8)	Germany 28.2 (15)	Germany (85)
England & Wales 3.1	France 5.9	France 9.2 (9)	Spain 11.1 (7)	Spain 26.8 (11)	Sweden (67)
Germany 3.2	England & Wales 5.8	Spain 9.0 (7)	France 8.8 (9)	France 25.9 (20)	France (59)
Portugal 3.0	Germany 4.1	Scotland 5.3 (10)	Portugal 8.7	Italy 21.2 (10)	Canada (46)
Scotland 1.6	Scotland 3.0	Germany 4.8 (8)	Ireland 7.7 (10)	Ireland 17.6 (64)	Austria (32)
Switzerland 1.5	Switzerland 2.5	Scandinavia 4.0 (7)	Germany 5.5 (8)	Switzerland 16.0 (26)	Italy (26)
Scandinavia 0.9	Scandinavia 1.4	Ireland 3.4 (10)	Scandinavia 4.6 (8)	Scandinavia 13.2 (15)	Spain (22)
Ireland 0.0	Ireland 0.0	Switzerland 3.3 (7)	Switzerland 3.7 (10)	Portugal 12.7	Russia (20)
<b>Western Europe 5.8</b>	<b>Western Europe 7.9</b>	<b>Western Europe 9.5</b>	<b>Western Europe 10.2</b>	<b>Western Europe 29.6</b>	
China 3.8	China 4.0	China n.a. (8)	China 3.8 (6)	China 4.4 (4)	China (3)
Japan 2.9	Japan 4.4	Japan n.a. (7)	Japan 12.3 (7)	Japan 16.0 (7)	Japan (20)

Source: Maddison (2007); Findlay and O'Rourke (2007)

Urban (Urbanisation) Index: Population in Cities of at least 10,000 inhabitants as a Percentage of Total Population

Industry (Industrialisation) Index: Per Capita Levels of Industrialisation (UK in 1900 = 100)



## The World's Largest Cities in 1700

<b>1700</b>	<b>City Population 000s</b>	<b>Country Population 000s</b>	<b>GDP \$000s</b>	<b>GDP per Capita \$</b>
Istanbul (Constantinople)	700			565 (0) (Other Asia average)
Edo (Tokyo)	688	27,000	15,390	570 (9.6)
Beijing (Peking)	650	138,000	82,800	600 (0)
London	550	8,565	10,709	1250 (28.3)
Paris	530	21,471	19,539	910 (17.2)
Ahmadabad	380	165,000	90,750	550 (0)
Osaka	380	27,000	15,390	570 (9.6)
Isfahan	350			565 (Other Asia average)
Kyoto	350	27,000	15,390	570 (9.6)
Hangzhou (Hangchow)	303	138,000	82,800	600 (0)
Amsterdam	210	1900	4047	2130 (54.2)
Naples	207	13,300	14,630	1100 (0)
Guangzhou (Canton)	200	138,000	82,800	600 (0)
Aurangabad	200	165,000	90,750	550 (0)
Lisbon	188	2000	1638	854 (10.4)
World		603,410	371,369	615 (3.7)

## The World's Largest Cities in 1800

<b>1800</b>	<b>City Population 000s (% growth 1700-1800)</b>	<b>Country Population 000s 1820 (% growth 1700- 1820)</b>	<b>GDP \$000s 1820 (% growth 1700- 1820)</b>	<b>GDP per Capita \$ 1820 (% growth 1700- 1820)</b>
Beijing (Peking)	1100 (69.2)	381,000 (276)	228,600 (276)	600 (0)
London	861 (56.5)	21,239 (247)	36,232 (338)	1706 (36.4)
Guangzhou (Canton)	800 (400)	381,000 (276)	228,600 (276)	600 (0)
Tokyo (Edo)	685 (0)	31,000 (14.8)	20,739 (34.7)	669 (17.3)
Istanbul (Constantinople)	570 (-18.5)	25,147 (West Asia)	15,269 (West Asia)	607 (West Asia (0))
Paris	547 (3.2)	31,250 (14.6)	35,468 (182)	1135 (24.7)
Naples	430 (208)	20,176 (15.2)	22,535 (54)	1117 (15.4)
Hangzhou (Hangchow)	387(27.7)	381,000 (276)	228,600 (276)	600 (0)
Osaka	383 (0)	31,000 (14.8)	20,739 (34.7)	669 (17.3)
Kyoto	377 (108)	31,000 (14.8)	20,739 (34.7)	669 (17.3)
Moscow	248 (217)	54,765 (264) (USSR)	37,678 (232)	688 (12.6)
Soochow	243 (173)	381,000 (276)	228,600 (276)	600 (0)
Lucknow	240 (400)	209,000 (26.6)	111,417 (26.6)	533 (-3.1)
Lisbon	237 (26)	3297 (64.8)	3043 (85.7)	923 (12.7)
Vienna	231 (220)	3369 (34.7)	4104 (65.2)	1218 (18.6)
World		1,041,092 (72.5)	694,442 (86.9)	667 (8.4)

Sources: Chandler (1987); Maddison (2006)

## The World's Largest Cities in 1850

<b>1850</b>	<b>City Population 000s (% change 1800-1850)</b>	<b>Country Population 000s (% change 1820- 1850)</b>	<b>GDP \$000s (% change 1820- 1850)</b>	<b>GDP per Capita \$ (% change 1820-1850)</b>
London	2320 (269)	27,181 (27.9)	63,342 (74.8)	2330 (36.5)
Beijing (Peking)	1648 (49.8)	412,000 (8.1)	247,200 (8.1)	600 (0)
Paris	1314 (240)	36,350 (16.3)	58,039 (63.6)	1597 (40.7)
Guangzhou (Canton)	875 (9.3)	412,000 (8.1)	247,200 (8.1)	600 (0)
Istanbul (Constantinople)	785 (37.7)	30,286 [1870 West Asia] (20.4)	22,468 [1870 West Asia] (47.1)	742 [1870 West Asia] (31.3)
Tokyo (Edo)	780 (13.8)	32,000 (18.5)	25,393 [1870] (22.4)	737 [1870] (10.1)
New York	645 (1023)	23,580 (236)	42,583 (426.6)	1806 (43.6)
Mumbai (Bombay)	575 (410)	235,800 (12.8)	134,882 [1870] (21.1)	533 [1870] (0)
St. Petersburg	502 (228)	73,750 [USSR] (34.6)	83,646 [1870] (52.7)	943 [1870] (37.1)
Berlin	446 (259)	33,746 (35.9)	48,178 (79.6)	1428 (32.6)
Hangchow (Hangchow)	434 (12.1)	412,000 (8.1)	247,200 (8.1)	600 (0)
Vienna	426 (84.4)	3950 (17.2)	6519 (58.8)	1650 (35.5)
Philadelphia	426 (626)	23,580 (236)	42,583 (426.6)	1806 (43.6)
Liverpool	422 (555)	27,181 (27,181 (27.9))	63,342 (74.8)	2330 (36.5)
Naples	414 (-3.8)	24,460 (21.2)	33,019 (46.5)	1350 (20.8)
World [1870]		1,270,014 (21.9)	1,101,369 (58.6)	867 (29.9)

## The World's Largest Cities in 1900

<b>1900</b>	<b>City Population 000s (% change 1850-1900)</b>	<b>Country Population 000s (% change 1850- 1900)</b>	<b>GDP \$000s (% change 1850- 1900)</b>	<b>GDP per Capita \$ (% change 1850-1900)</b>
London	6480 (279)	41,155 (51.4)	184,861 (291)	4492 (92.7)
New York	4242 (657)	76,391 (323)	312,499 (734)	4091 (226)
Paris	3330 (253)	40,598 (11.7)	116,747 (201)	2876 (80)
Berlin	2707 (606)	54,388 (61.2)	162,335 (336)	2985 (209)
Chicago	1717 [1858- 1900] (1717)	76,391 (323)	312,499 (734)	4091 (226)
Vienna	1698 (398)	5973 (51.2)	17,213 (264)	2882 (74.6)
Tokyo	1497 (91.9)	44,103 (37.8)	52,020 (204)	1180 (60.1)
St. Petersburg	1439 (286)	124,500 [USSR] (68.8)	154,049 (84)	1237 (31.1))
Manchester	1435 (348)	41,155 (51.4)	184,861 (291)	4492 (92.7)
Philadelphia	1418 (332)	76,391 (323)	312,499 (734)	4091 (226)
Birmingham	1248 (424)	41,155 (51.4)	184,861 (291)	4492 (92.7)
Moscow	1120 (300)	124,500 [USSR] (68.8)	154,049 (84)	1237 (31.1)
Beijing (Peking)	1100 (-33.2)	400,000 (-3.0)	218,074 (-11.8)	545 (-9.2)
Kolkata (Calcutta)	1085 (262)	284,000 (20.4)	170,466 (26.4)	599 (12.4)
Boston	1075 (514)	76,391 (323)	312,499 (734)	4091 (226)
World [1913]		1,791,020 (41.0)	2,704,782 (246)	1510 (74.2)

## The World's Largest Cities in 1925

<b>1925</b>	<b>City Population 000s (% change 1900-1925)</b>	<b>Country Population 000s (% change 1900- 1925)</b>	<b>GDP \$000s (% change 1900- 1925)</b>	<b>GDP per Capita \$ (% change 1900-1925)</b>
New York	7774 (83.2)	116,284 (52.2)	730,545 (233)	6282 (53.5)
London	7742 (19.5)	45,059 (9.48)	231,806 (25.4)	5144 (14.5)
Tokyo	5300 (354)	59,522 (86.0)	112,209 (216)	1885 (59.7)
Paris	4800 (44.1)	40,610 (11.7)	169,197 (44.9)	4166 (44.8)
Berlin	4013 (48.2)	63,166 (87.2)	223,082 (37.4)	3532 (18.3)
Chicago	3564 (208)	116,284 (52.2)	730,545 (233)	6282 (53.5)
Ruhr	3400 (443)	63,166 (87.2)	223,082 (37.4)	3532 (18.3)
Buenos Aires	2410 (299)	10,358 (221)	40,597 (233)	3919 (53.5)
Osaka	2219 (228)	59,522 (86.0)	112,209 (314)	1885 (18.3)
Philadelphia	2085 (47)	116,284 (52.2)	730,545 (216)	6282 (53.5)
Vienna	1865 (9.8)	6582 (10.2)	22,161 (233)	3367 (204)
Boston	1764 (64.1)	116,284 (52.2)	730,545 (28.7)	6282 (53.5)
Moscow	1764 (57.5)	158,983 (27.2)(USSR)	231,886 [1928] (50.5)	1370 [1928] (10.)
Manchester	1725 (20.2)	45,05 (9.48)9	231,806 (25.4)	5144 (14.5)
Birmingham	1700 (36.2)	45,059 (9.48)	231,806 (25.4)	5144 (14.5)

Sources: Chandler (1987); Maddison (2006)

## The World's Largest Cities in 1950

<b>1950</b>	<b>City Population 000s (% change 1925-1950)</b>	<b>Country Population 000s (% change 1925- 1950)</b>	<b>GDP \$000s (% change 1925- 1950)</b>	<b>GDP per Capita \$ (% change 1925-1950)</b>
New York	12,463 (60.3)	152,271 (30.9)	1,455,916 (99.3)	9561 (52.2)
London	8860 (14.4)	50,127 (11.2)	347,850 (50.1)	6939(34.8)
Tokyo	7000 (32.1)	83,805 (40.8)	160,966 (43.4)	1921 (1.9)
Paris	5900 (22.9)	41,829 (3.0)	220,492 (30.3)	5271 (26.5)
Shanghai	5407 (360)	546,815 (13.8)	239,903 (10.0)	439 (-21.9)
Moscow	5100 (289)	179,571 {USSR] (12.9	510,243 (220)	2841 (207)
Buenos Aires	5000 (207)	17,150 (65.6)	85,524 (210)	4987 (27.2)
Chicago	4906 (37.6)	152,271 (30.9)	1,455,916 (99.3)	9561 (52.2)
Ruhr	4900 (44.1)	68,375 (8.2)	265,354 (18.9)	3881 (9.9)
Kolkata (Calcutta)	4800 (345)	359,000 (12.2)	222,222 (30.3)	619 (-11.4)
Los Angeles	3986 (347)	152,271 (30.9)	1,455,916 (99.3)	9561 (52.2)
Berlin	3707 (-7.7)	68,375 (8.2)	265,354 (18.9)	3881 (9.9)
Osaka	3341 (50.6)	83,805 (40.8)	160,966 (43.4)	1921 (1.9)
Philadelphia	2900 (39.1)	152,271 (30.9)	1,455,916 (99.3)	9561 (52.2)
Mexico City	2872 (372)	28,485 (53.3)	67,368 (223)	2365 (73.1)
World (1950)		2,524,324	5,329,719	2111 (40) (1913-1950)

## The World's Largest Cities in 1975

<b>1975</b>	<b>City Population 000s (% change 1950-1975)</b>	<b>Country Population 000s (% change 1950- 1975)</b>	<b>GDP \$000s (% change 1950- 1975)</b>	<b>GDP per Capita \$ (% change 1950-1975)</b>
Tokyo	23,000 (328)	111,573 (33.1)	1,265,661 (786)	11,344 (590)
New York	17,150 (37.6)	215,973 (41.8)	3,516,825 (241)	16,284 (70.3)
Osaka	15,500 (464)	111,573 (33.1)	1,265,661 (786)	11,344 (590)
Mexico City	11,339 (395)	60,828 (213)	312,998 (465)	5146 (216)
Moscow	10,700 (209)	254,519 [USSR] (41.7)	1,561,399 (306)	6135 (216)
London	10,500 (18.5)	56,215 (12.1)	665,984 (91.4)	11,847 (225)
Sao Paulo	10,041 (451)	108,824 (204)	455,918 (510)	4190 (257)
Paris	9400 (59.3)	52,758 (26.1)	699,106 (317)	13,773 (261)
Los Angeles	8960 (225)	215,973 (41.8)	3,516,825 (241)	16,284 (70.3)
Buenos Aires	8498 (69.9)	26,082 (52.1)	211,850 (247)	8122 (62.8)
Cairo	8400 (305)	36,952 (74.3)	52,501 (272)	1421 (56.1)
Rio de Janeiro	8328 (290)	108,824 (204)	455,918 (510)	4190 (251)
Shanghai	8000 (47.9)	916,395 (67.6)	800,876 (339)	874 (99.1)
Kolkata (Calcutta)	7875 (64.0)	607,000 (69.1)	544,683 (245)	897 (44.9)
Seoul	7500 (483)	35,281 (69.2)	111,548 (695)	3162 (411)
World		4,065,408	16,644,898	4094 (93.9)

## The World's Largest Cities in 2000

<b>2000</b>	<b>City Population 000s (% change 1975-2000)</b>	<b>Country Population 000s (% change 1975- 2000)</b>	<b>GDP \$000s (% change 1975- 2000)</b>	<b>GDP per Capita \$ (% change 1975-2000)</b>
Tokyo	29,896 (30.0)	126,737 (13.6)	2,589,320 (204)	20,431 (80.0)
New York	24,719 (44.1)	270,561 (25.2)	7,394,598 (210)	27,331 (67.8)
Seoul	20,674 (275)	46,898 (30.7)	624,582 (559)	13,317 (421)
Mexico City	19,081 (68.3)	98,553 (62.0)	655,910 (209)	6665 (29.5)
Sao Paulo	17,396 (73.2)	169,897 (56.0)	926,918 (203)	5459 (30.2)
Manila	16,740 (310)	79,376 (78.5)	181,886 (201)	2291 (12.9)
Los Angeles	15,807 (76.4)	270,561 (25.2)	7,394,598 (210)	27,331 (67.8)
Mumbai	15,769 (223)	991,691 (63.3)	1,803,172 (3.31)	1818 (202)
Djakarta	15,086 (284)	207,429 (58.9)	628,753 (3.2)	3031 (201)
Osaka	15,039 (-3.0)	126,737 (13.6)	2,589,320 (204)	20,431 (80.0)
Delhi	13,592 (309)	991,691 (63.3)	1,803,172 (3.31)	1818 (202)
Kolkata	12,619 (60.2)	991,691 (63.3)	1,803,172 (3.31)	1818 (202)
Buenos Aires	12,297 (44.7)	36,235 (39.2)	334,314 (57.8)	9219 (13.2)
Shanghai	11,960 (49.5)	1,252,704 (36.6)	4,082,513 (509)	3259 (372)
Cairo	11,633 (38.4)	66,050 (78.7)	140,546 (339)	2128 (89.8)
World [1998]		5,907,680 (45.3)	33,725,631 (202)	5709 (39.4)

Sources: Chandler (1987); Le Gales (2002); Maddison (2006)



## The World's Most Productive Cities in 2002-2004

<b>US Cities</b>	<b>City Pop Millions</b>	<b>City Per Capita Productivity (US \$000 PPP)</b>	<b>Non US Cities</b>	<b>City Pop Millions</b>	<b>City Per Capita Productivity (US \$ PPP)</b>
San Francisco	4.2	62.3	London	7.4	46.2
Washington DC	5.1	61.6	Paris	11.2	42.7
Boston	4.4	58.0	Dublin	1.6	38.9
Seattle	3.2	54.4	Vienna	2.2	37.6
Minneapolis	3.1	53.0	Stockholm	2.2	36.7
New York	18.7	52.8	Stuttgart	2.7	36.4
Denver	2.3	50.8	Milan	7.4	35.6
Philadelphia	5.8	50.5	Lyon	1.6	35.2
Dallas	5.7	50.1	Munich	6.1	35.2
Atlanta	4.7	47.8	Oslo	1.7	35.0
Houston	5.2	47.4	Sydney	4.2	35.0
San Diego	2.9	46.8	Brussels	3.8	35.0
Chicago	9.4	45.6	Toronto	4.7	34.9
Los Angeles	12.9	45.3	Helsinki	1.8	34.0
Detroit	4.5	44.0	Frankfurt	5.6	33.6

Sources: OECD (2007); World Bank (2008)

# The Highest Productivity Cities in the OECD

<b>US Cities</b>	<b>City Population Million</b>	<b>Relative Productivity</b>	<b>Non US OECD Cities</b>	<b>City Population Million</b>	<b>Relative Productivity</b>
San Francisco	4.2	1.72	London	7.4	1.59
Washington	5.1	1.70	Paris	11.2	1.53
Boston	4.4	1.60	Dublin	1.6	1.18
Seattle	3.2	1.50	Vienna	2.2	1.27
Minneapolis	3.1	1.46	Stockholm	2.2	1.29
New York	18.7	1.45	Stuttgart	2.7	1.34
Denver	2.3	1.40	Milan	7.4	1.29
Philadelphia	5.8	1.39	Lyon	1.6	1.26
Dallas	5.7	1.38	Munich	6.1	1.30
Atlanta	4.7	1.32	Oslo	1.7	0.95
Houston	5.2	1.31	Sydney	4.2	1.07
San Diego	2.9	1.29	Brussels	3.8	1.19
Chicago	9.4	1.26	Toronto	4.7	1.08
Los Angeles	12.9	1.25	Helsinki	1.8	1.19
Detroit	4.5	1.21	Frankfurt	5.6	1.24

Sources: OECD (2007); OECD (2008); World Bank (2008)

## The Highest Non-US Relative Productivity Cities in the OECD

<b>Non US OECD Cities Excluding Former Transition Economies, Mexico and Turkey</b>	<b>City Population Millions</b>	<b>Relative Productivity</b>	<b>Non US OECD Cities (All OECD countries)</b>	<b>City Population Millions</b>	<b>Relative Productivity</b>
London	7.4	1.59	Warsaw	3.0	1.99
Paris	11.2	1.53	Monterrey	3.2	1.98
Lisbon	2.7	1.39	Istanbul	11.4	1.60
Auckland	1.2	1.34	London	7.4	1.59
Stuttgart	2.7	1.34	Budapest	2.8	1.59
Milan	7.4	1.31	Paris	11.2	1.53
Munich	6.1	1.30	Prague	2.3	1.51
Stockholm	2.2	1.29	Mexico City	18.4	1.49
Vienna	2.2	1.27	Izmir	3.4	1.46
Lyon	1.6	1.26	Ankara	4.0	1.41
Frankfurt	5.6	1.24	Guadalajara	3.5	1.39
Madrid	5.6	1.24	Lisbon	2.7	1.39
Rome	3.7	1.21	Puebla	2.1	1.36
Brussels	3.8	1.19	Auckland	1.2	1.34
Helsinki	1.8	1.19	Stuttgart	2.7	1.34

# Globalisation and Cities

- In the developed world urban scale is no longer the unambiguous indicator of either national or city performance, as used to be the case at the beginning of the 20<sup>th</sup> century
- In developing countries urban scale is a much better indicator of economic performance
- US case is different to EU – higher urbanisation levels and higher urban productivity premia
- Canada/Australia/NZ and Japan/Korea

# Globalisation and Cities

- The optimal scale of cities in advanced economies appears to be largely similar to the optimal scale in the early twentieth century.
- Importance of *connectivity* of regions- sociological concept – accessibility, monetary power and decision-making discretion
- Role and *L*-ocation of MNEs
- Bel and Fageda *JEG* 2008

# Global Cities and Global Regions

- The rise of *global cities* in super-regions
- Global cities as *knowledge hubs* in global networks of transportation and communication
- The *sub-national* regional and *trans-national* or *super-regional* levels
- Global regionalism: strong spatial patterns of DTTs and BITs and MNE activity ~ 70% same super region

## Global City Rankings

<b>Global City</b>	<b>2004 Pop 000s</b>	<b>2008 Global City Index</b>	<b>Global Financial Centre</b>	<b>Pop 000s</b>	<b>2008 Global Financial Centre Index</b>
London	7400	79.17	London	7400	795
New York	18,700	72.77	New York	18,700	786
Tokyo	34,200	66.60	Hong Kong	7000	695
Singapore	4000	66.16	Singapore	4000	675
Chicago	9400	65.24	Zurich	2500	665
Hong Kong	7000	63.94	Frankfurt	5600	642
Paris	11,200	63.87	Geneva	450	640
Frankfurt	5600	62.34	Tokyo	34,200	628
Seoul	23,500	61.83	Sydney	4200	621
Amsterdam	7500	60.06	Boston	4400	618
Madrid	5600	58.34	San Francisco	4200	614
Sydney	4200	58.33	Dublin	1600	613
Toronto	4700	58.16	Paris	11,200	612
Copenhagen	2400	57.99	Toronto	4700	610
Zurich	2500	56.86	Washington	5100	597

Sources: Mastercard (2008); Corporation of London (2008); OECD (2007); World Bank (2008)

# Global Cities and Global Regions

- Core city growth has often been associated with a contraction of the periphery
- 25-40 year old 'knowledge' workers are most migratory
- Increasing spatial 'reach' of core cities
- 1990s increased interregional and international migration rates
- 2000s *falling* interregional migration and *falling* entrepreneurship rates





# EU Urban and Regional Performance

- Dijkstra, L., Garcilazo, E., McCann, P., 2012, “The Economic Performance of European Cities and City-Regions: Myths and Realities”, *European Planning Studies*
- OECD 2012 *Redefining Urban*
- FURs - measurement and standardisation
- Polycentric-monocentric
- Urban story is complex – no simple typologies for performance

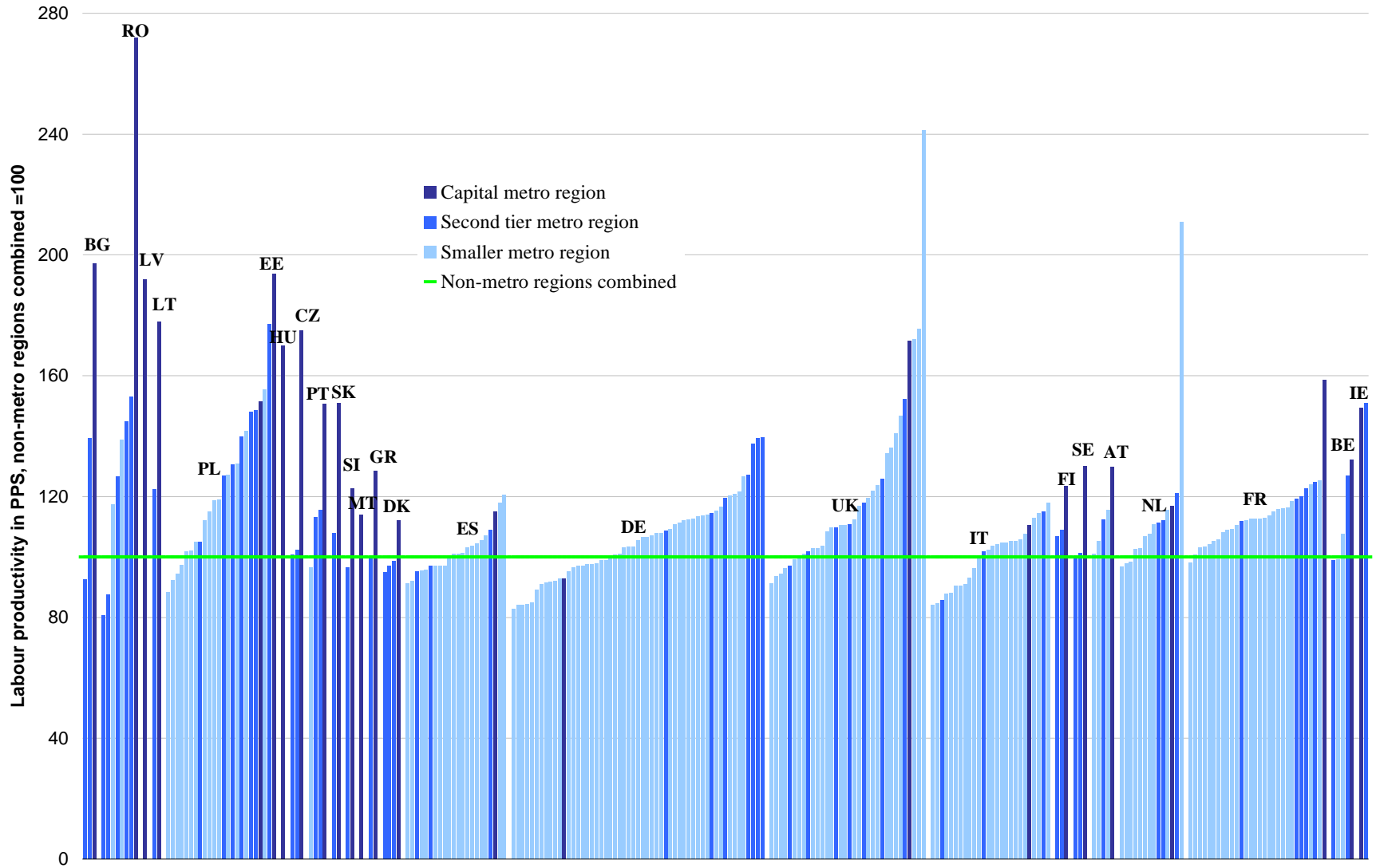
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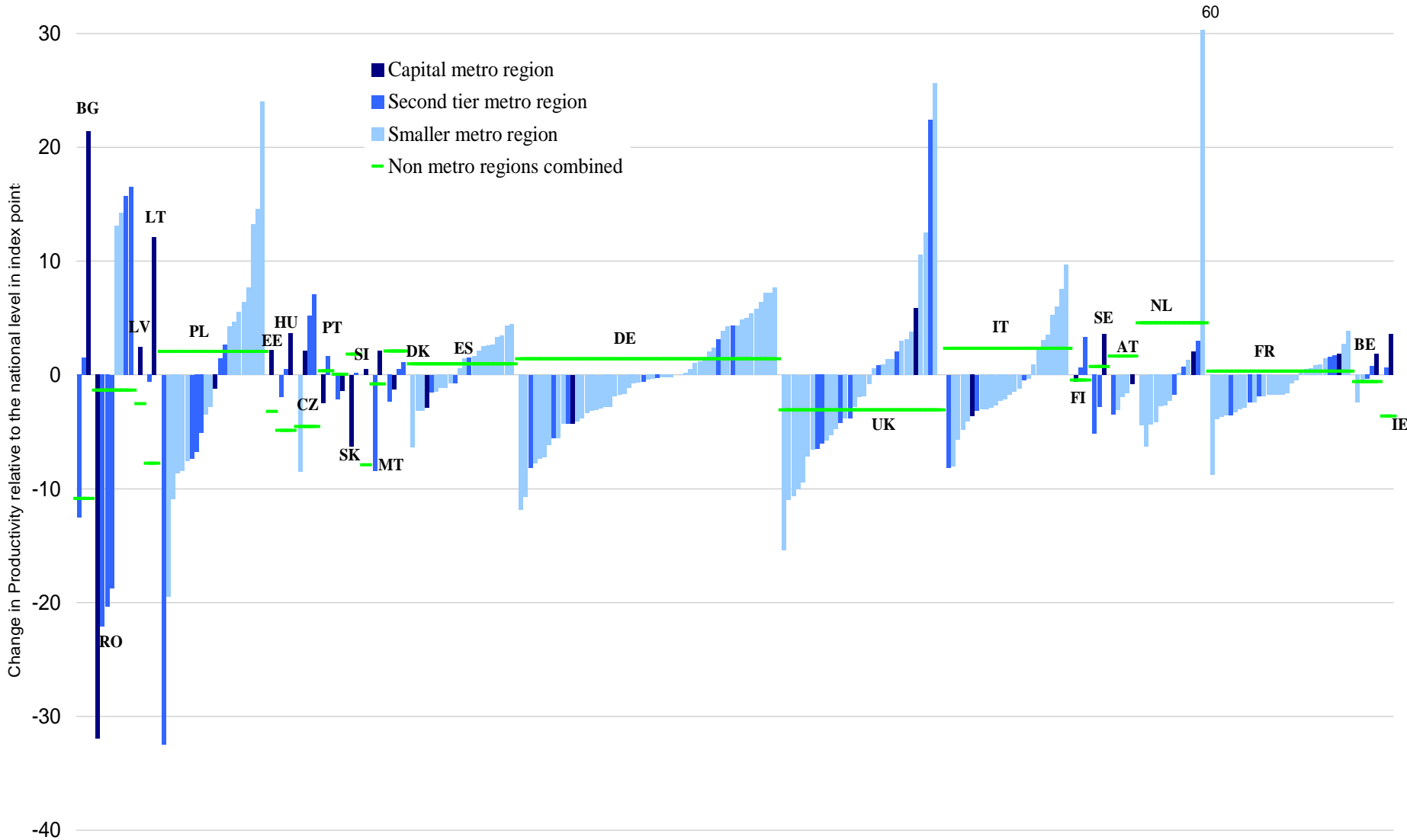
# EU Urban and Regional Performance

- 2000-2008 UK, France, Netherlands, Spain – population of metro regions grows at a lower rate than national population
- GDP per capita share of primarily urban areas in EU15 has remained almost constant over the last decade
- Cities offer most possibilities and provide greatest challenges
- Middle-skills as well as low skills problems
- Reasons for slower growth - anti-urban bias and planning restrictions?
- Concentration followed by spread effects?
- Shifts in the spatial structure of the economy?

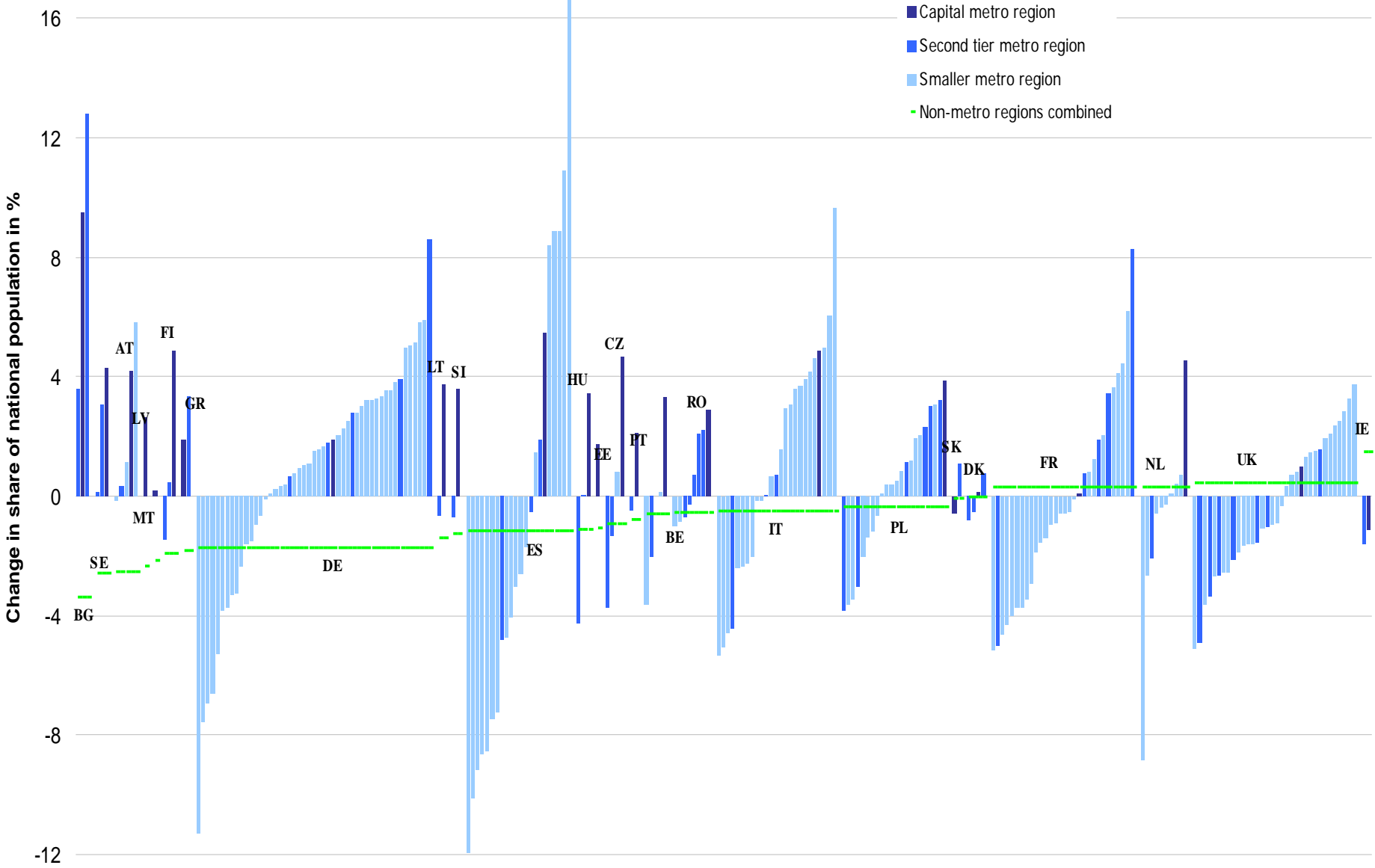
Labour productivity in PPS in metro regions compared to the rest of their country, 2008



### Change in labour productivity in pps, 2000-2008



# Population change in metro regions, 2000-2008



# The EU Regional Context

- 1990-2002 primacy of urban areas across EU: urban > intermediate > rural
- Post 2002 shift in favour of non-core locations in many EU countries in terms of population growth and productivity growth
- EU-15: intermediate areas and rural areas growing faster than urban areas
- EU-17 urban growth still dominates
- Different patterns in different countries – no simple story
- Dutch reversal Broersma and van Dijk (2008)  
*JEG*

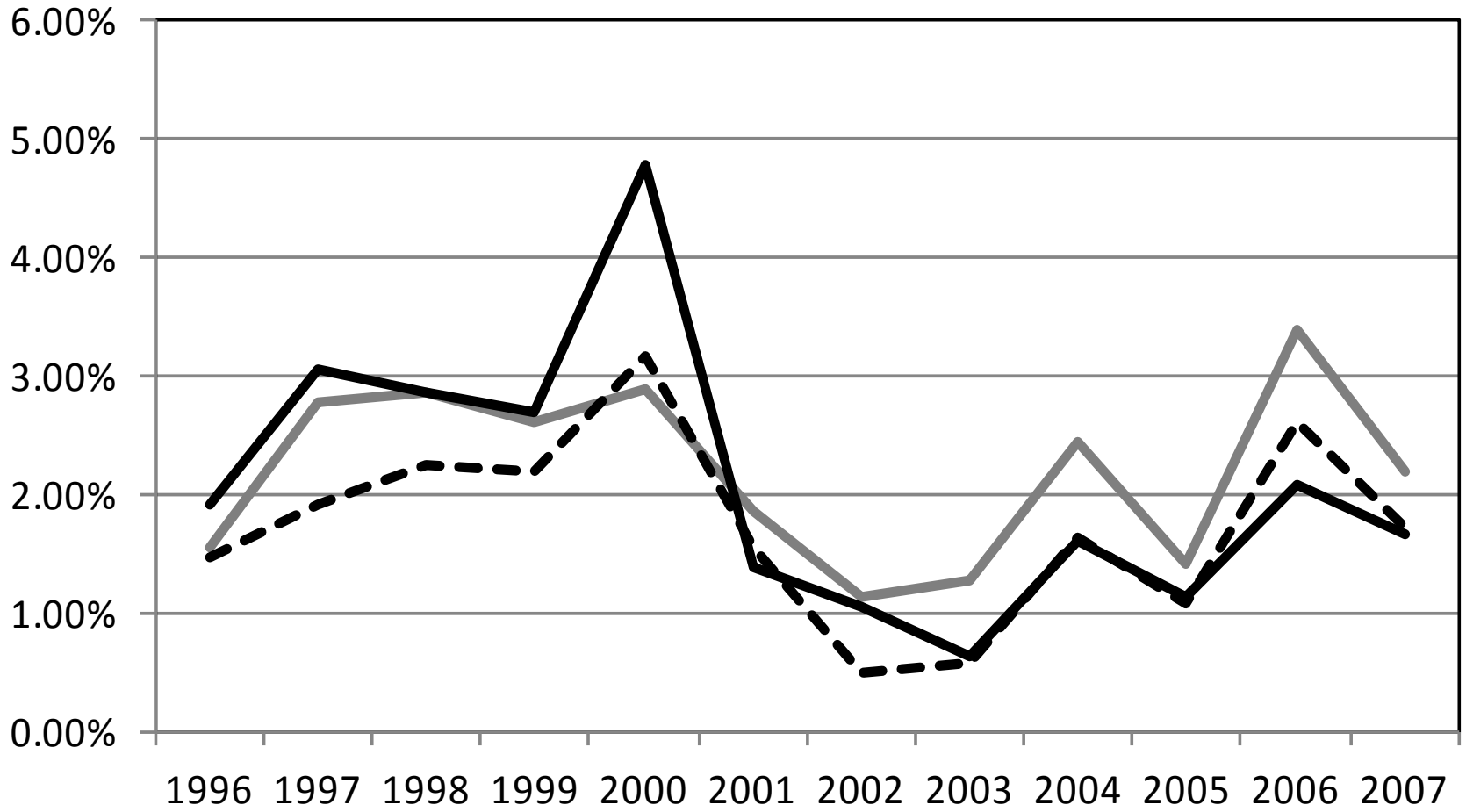


# The EU Regional Context

- 335 OECD TL2 regions and aggregate growth
  - 2% of regions → 22% of growth
  - 26% regions → 58% of growth
  - 53% of regions → 19% of growth
  - 19% of regions → 1%
- 718 OECD EU TL3 regions and aggregate growth:
  - 2% of regions → 21% growth
  - 34% of regions → 58%
  - 49% of regions → 20.5%
  - 15% of regions → 0.5%

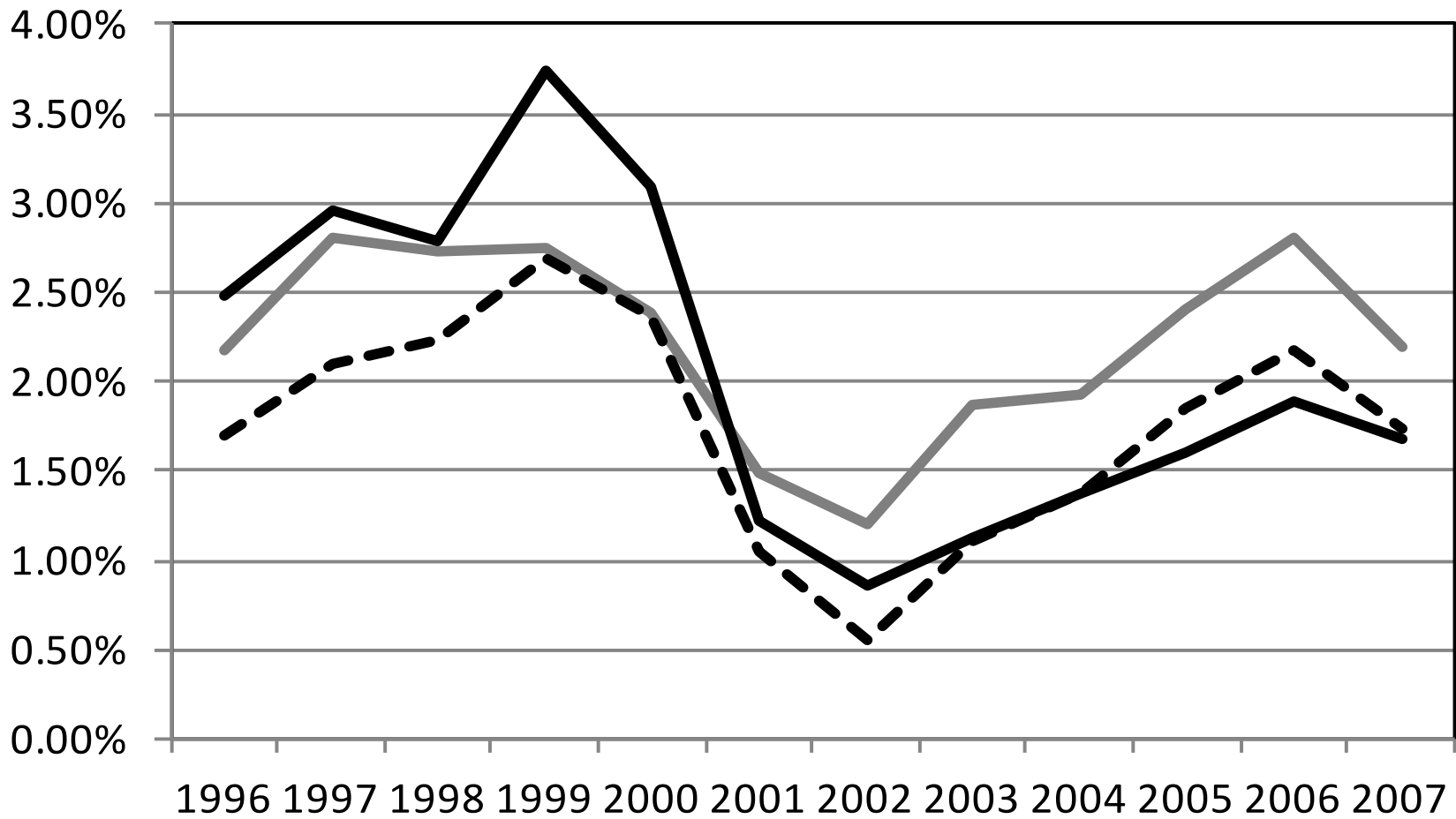
# EU-15 Yearly

PR IN PU



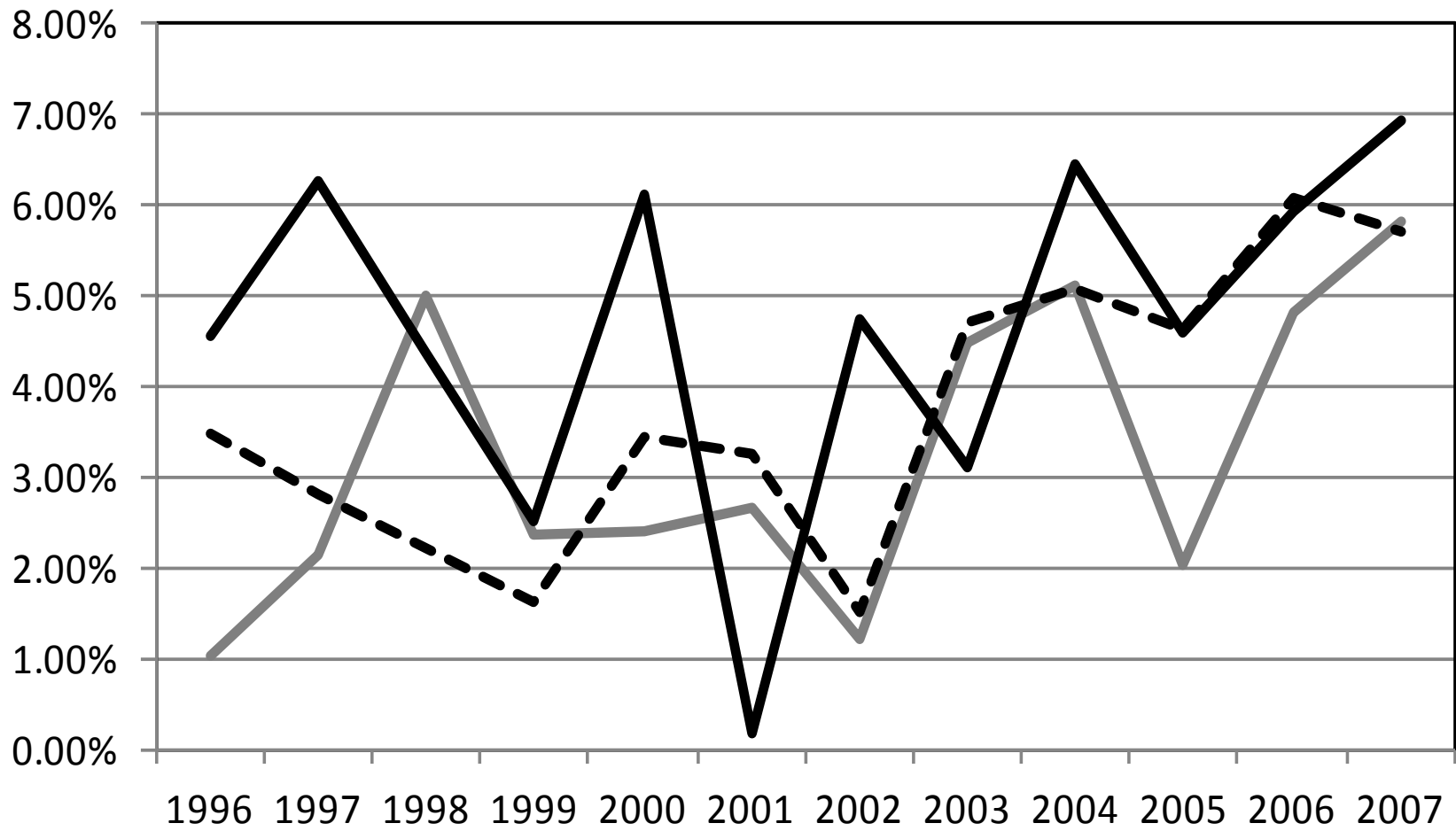
# EU-15 2 yr MA

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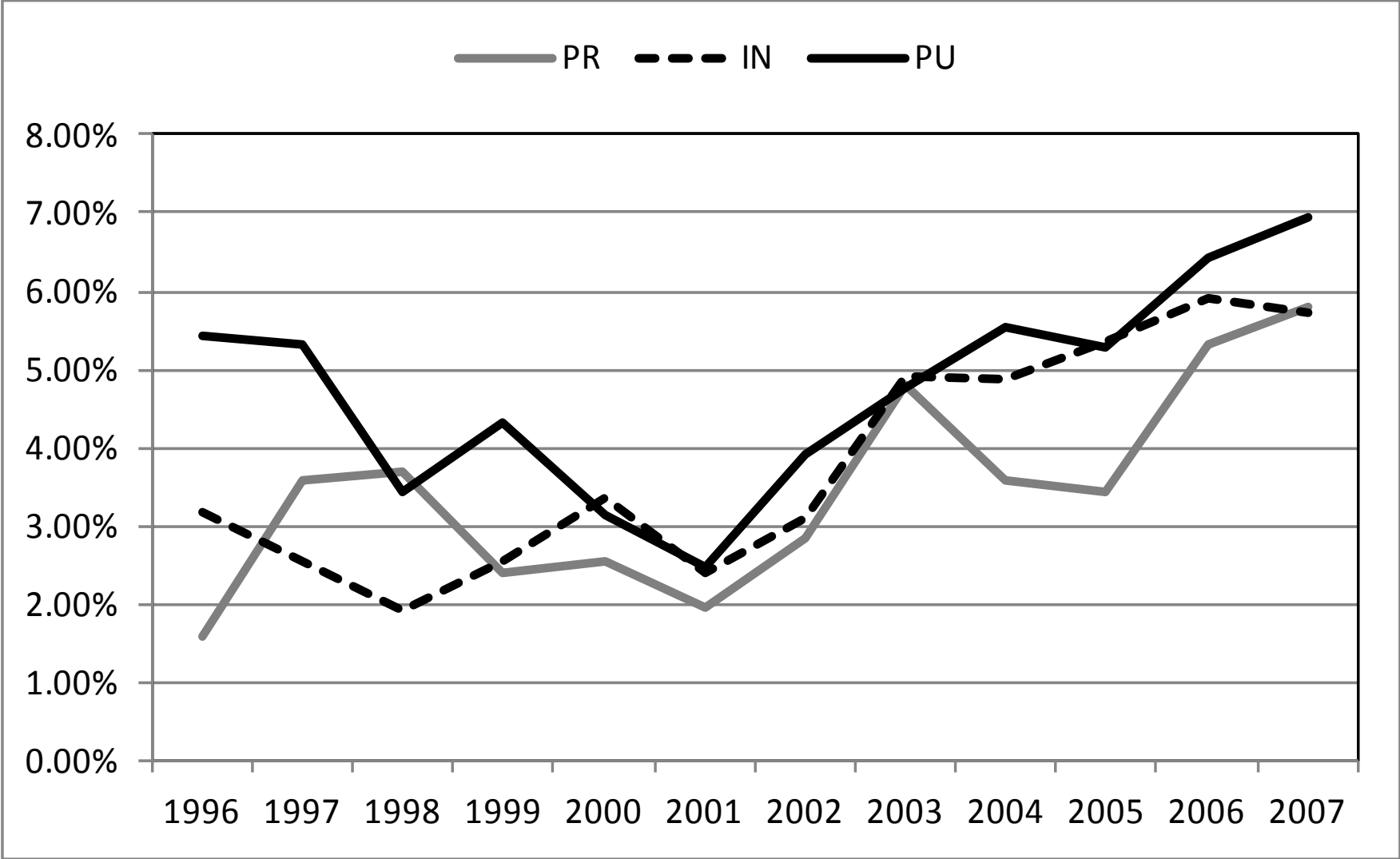


# CEECs Yearly

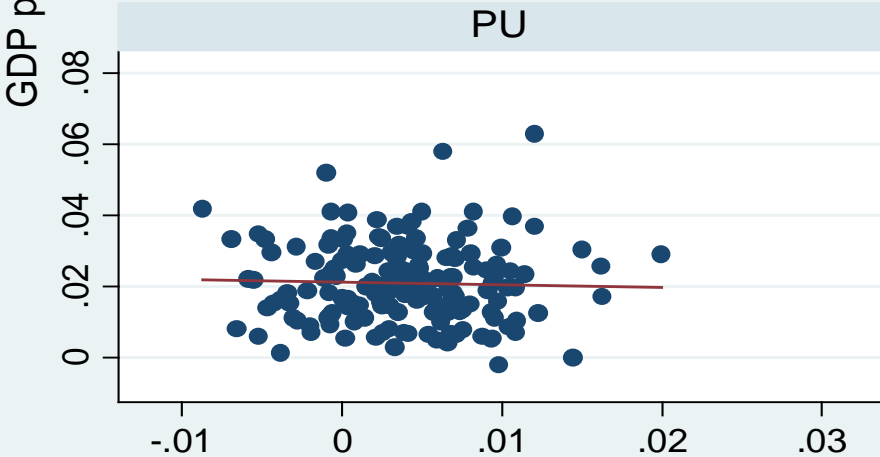
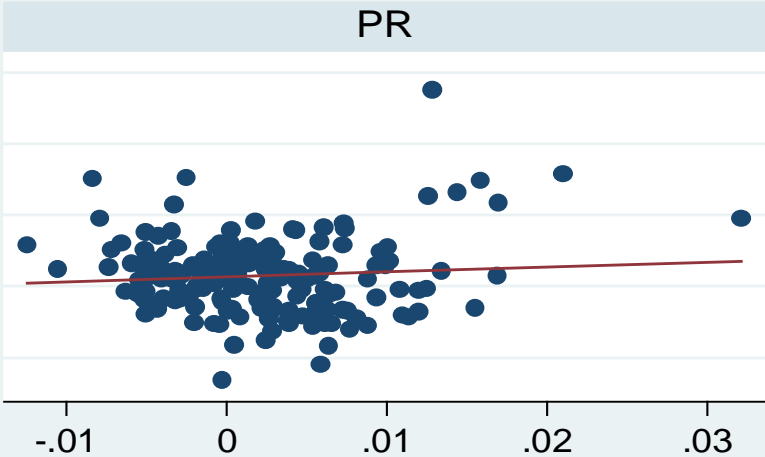
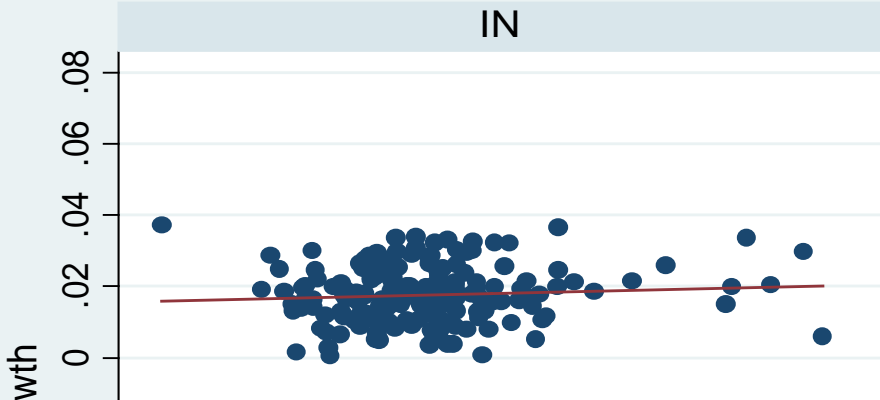
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CEECs 2 yr MA

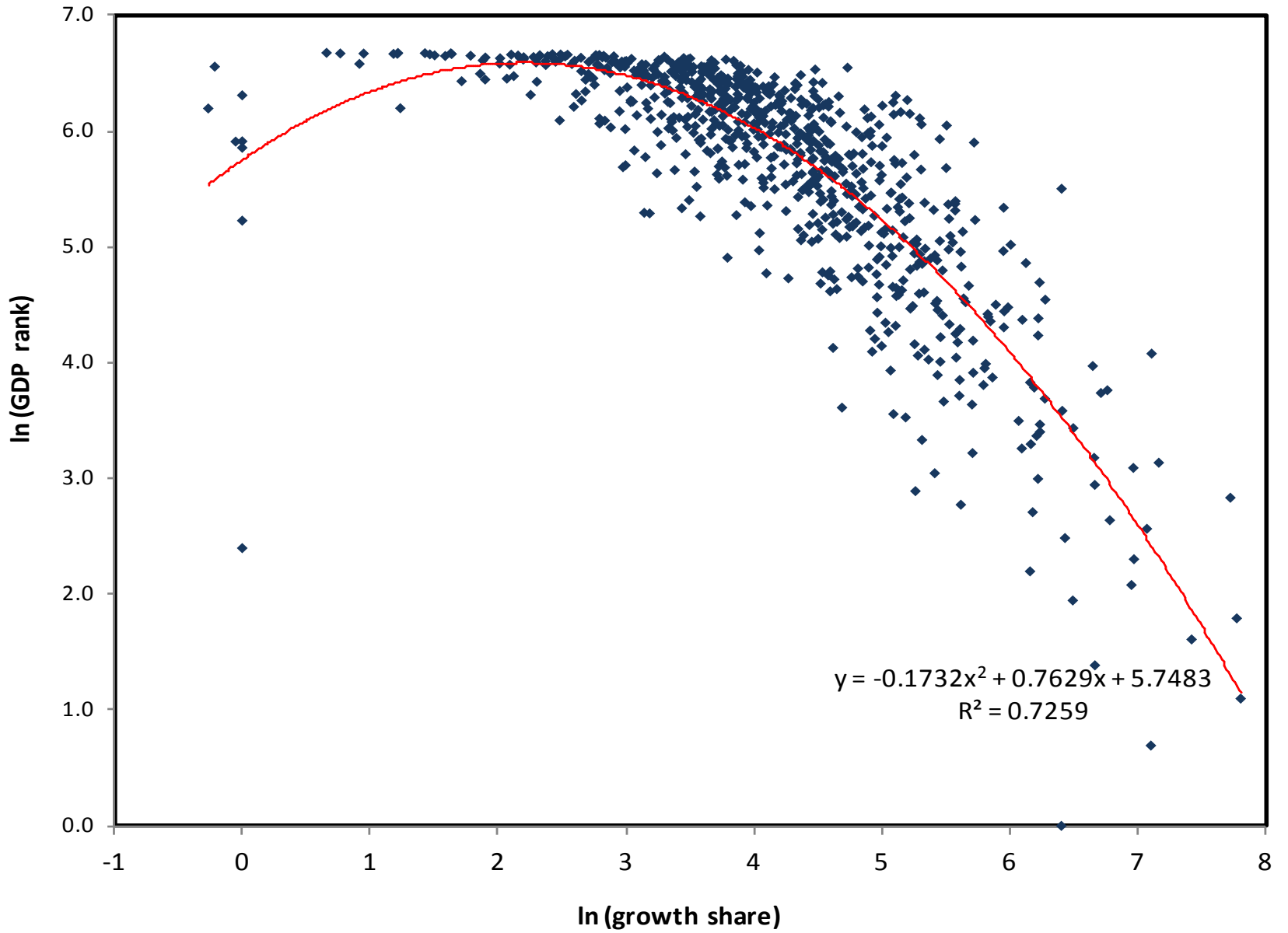


EU 15:



pop gr

Graphs by type of region (PU, IN, PR)



# The EU Regional Context

- Reasons for the post 2000 regime change?
- New technologies tend to originate – or concentrate in densely populated areas first – but spread effects narrow the urban advantages
- Spiky world in terms of productivity – but evidence of flattening or catch up?
- Does this represent a more general picture in terms of the spatial impacts and evolution of globalisation?



# Final Observations

- World is rather more different than many textbook and journal papers describe
- EU urban and regional is rather different to textbook descriptions and US
- Mixed evidence from China and Latin America
- OECD, World Bank, MGI, PWC
- Urban and regional agenda in EU requires a different and nuanced approach
- Agglomeration, sustainability, coordination
- Governance and role of policy