Macro regions in Europe, the Ile-de-France, a fluid region



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What is a "global city"? What is a "global city-region" or a "mega-city region"?

Many people have questioned the definition of a city and city-region. But these concepts are all metaphors for a scale of development that is rather new, representing a paradigm shift in the way that the 'urban' is being interlinked across regions, and across the world, through processes of globalisation.

Whereas the 'death of cities' was predicted not so many years ago, cities still matter and Europe is now acknowledging this alongside its established regional policy agenda. All over the world, cities are becoming even more important as locations for social reproduction with rural to urban migration and population growth within cities. They are centers for cultural activities which can be provided in cities in a way that they cannot in rural areas, for financial activity, economic production and innovation, important in the advanced world service economy. Very concentrated activity is, more than ever, occurring in cities across the world because of processes of globalisation.

A new outlook needed: increasing relationships between cities detached from regional boundaries

A global urban outlook is therefore now essential for policy. It is an urban world and it is a globalising world where interrelationships between cities are increasing and at the same time, detaching cities to an extent from the regional domain.

Paris: a global 'mega-city region'? When we consider cities which are highly globally connected in the ICT-facilitated knowledge economy, we must also consider the functional spaces around them. Paris is an important global city at the world scale and so is its interlinked 'functional region'. The distinctive process of urban functional expansion occurring at a mega-region scale has been noted for Paris in recent EU-funded research.

A new global mega-city region scale

In the RICS (UK Royal Institution of Chartered Surveyors) "Vision for Cities" Task Group, we are looking at some of the policy implications of these urban developments in an international context. A key challenge of the new global mega-city region scale is how to govern and administer complex urban functional systems which have multi-scale connections with other cities. Facing up to this challenge is critical to support sustainable employment and reduce poverty, which are essential given the concentration of world population now living in expansive urban configurations.

The new UK 'Demos London' think tank has recently made the point that the apparent association between even mature Western global cities and poverty is dependent upon the way a city is considered statistically. Although I am very mindful of Manuel Castells' 'fourth world' concept which points out that the fourth world is everywhere including global cities in developed economies, at the same time it is important to consider the continuous dynamic flows of population that pass through a global city like London, or Paris. If you take a snapshot of a city population at any particular moment in time of course, you will find evidence of poverty but migrants are actually moving through, into and out of, the city. If you think about a mature global city as a node for population flows and associated economic mobility and upgrading, a different light is shed on the relationship between the city, people and poverty. Economically dynamic global megacity regions contribute to knowledge and wealth creation, and to population mobility and social progress.

Other countries in the world such as China, where I also undertake research, are engaging with the need to put in place strategic policies to consider these urbanisation developments and economic development opportunities. On the other hand, in the UK, we have now gone completely the other way. The English regions are going or have already gone, and 'new localism' is attempting to take democratic policy-making on development down to the lowest level possible - the neighbourhood. In my opinion, the European Union and the UK, need to keep a watchful eye on this policy direction because recently introduced 'localism' is going the opposite way to strategic planning which is needed to engage with the global mega-city region development scale.

What are the driving forces behind the global mega-city region? Laying emphasis on advanced producer services

What are the driving forces of global mega-city region emergence? Other speakers have already talked about the paradigm shift associated with late 20th century ICT developments and the virtualisation of economic activity. But inter-city transportation modes have developed also and it is important to be aware that face-to-face contact and global centralities occurring in cities and their proximate functional regions are still very crucial.

Economic globalisation and the monetisation of today's global economy are dependent upon relationships and tacit knowledge transfer between actors in knowledge-intensive advanced business (producer) services - finance, law, accountancy, advertising, consultancy, etc. - which occur in global cities. It is these knowledge-intensive tertiary services, studied by the Globalisation and World Cities (GaWC) Network- (I am GaWC Director of Applied Studies), which are recognised as adding value to primary and secondary sector production. This capacity is especially important for a large country such as China where, at the present time, a large low-paid labour force is employed in the latter sectors. And it is global mega-city regions which now provide the specialised labour markets and infrastructures vital to support business services agglomeration, innovation and flows of knowledge and finance.

Ranking of international cities: Paris has recently risen from fifth to fourth place

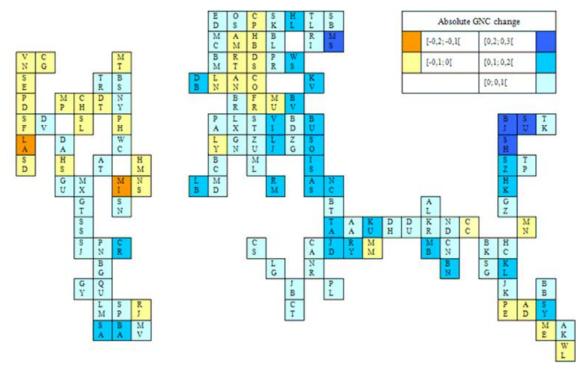
China is investing in its global mega-city regions. GaWC data on the way in which advanced producer services networks are using globalising cities around the world can shed light on development priorities important for the economic and social sustainability of globalising mega-city regions. The values presented in the table show the amount of advanced producer services business network 'connectivity' conferred on global cities by the firms and functions located in them. In the year 2000, Paris was fifth in the world in the global cities line-up but by 2008, it had risen to the fourth position rank. This is interesting because the most striking development in the past decade has been the rise of Asia Pacific global cities, with three such cities being located in China - the only country in the world to have three top ten ranking global cities.

2000			2008		
1. LON	100.00	1.	NY	100.00	
2. NY	97.10	2.	LON	99.32	
3. HK	73.08	3.	HK	83.41	
4. TOKYO	70.64	4.	PARIS	79.68	
5. PARIS	69.72	5.	SINGAPORE	76.15	
6. SINGAPORE	66.61	6.	TOKYO	73.62	
CHICAGO	61.18	7.	SYDNEY	70.93	
8. MILAN	60.44	8.	SHANGHAL	69.06	
MADRID	59.23	9.	MILAN	69.05	
10.LOS ANG	58.75	10	. <u>BEIJING</u>	67.65	
11.SYDNEY	58.06	11	.MADRID	65.95	
12.FRANKFURT	57.53	12	.MOSCOW	64.85	

World City Connectivity generated by Advanced Producer Services, GaWC Project 71, Cities Globalisation Index, http://www.lboro.ac.uk/gawc/projects/projec71.html#m edia

Another noteworthy point from the data is the rising position of Moscow - and a little further down the ranking, you would find Warsaw rising also. There has been a distinct rise of cities located in economies on the so-called 'semi-periphery' which have been subject to recent political and/or economic change.

Global Connectivity Change



(Code: 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 Dusseldorf; 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 Johannesburg; JD Jeddah; JK Jakarta; 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 Pittsburg; 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

Absolute Change - 132 Cities, http://www.lboro.ac.uk/gawc/rb/rb310.html

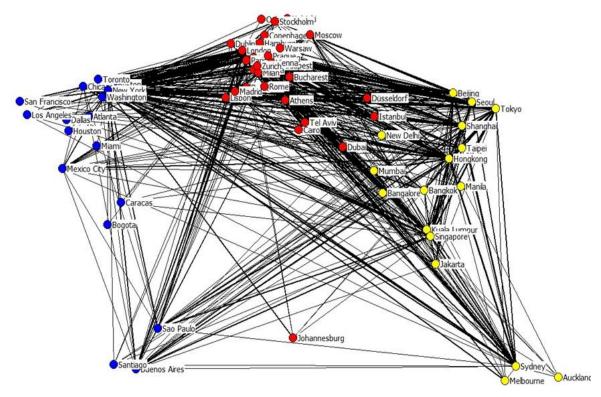
The above map illustrates a West to East global connectivity shift which has relevance for policy in Western Europe. We are seeing very large and expanding global mega-city regions in emerging world regions coming up strongly due to global corporate restructuring. Cities that have increased their global advanced service network connectivity most between 2000 and 2008 are Shanghai, Beijing, Seoul and Moscow.

Further 2000/2008 network analyses now being undertaken by the University of Reading and GaWC in an EU-funded ESPON (European Spatial Observation Network) study, are isolating and visualising changes in the world position of European cities in advanced producer services networks. In so doing, we do not begin with cities as defined by regional administrative or metropolitan boundaries but instead look to see where firms are locating, how

they are using cities as part of their global strategies and how urban formations are evolving in consequence. We see interesting European city relationships emerging. In the next map for example, we see the very dense network connectivity of the 'old' European core which is spanning outwards with Warsaw now increasingly strongly connected, and so on

We can also see cities in Europe which have very strong dyadic (one-to-one) inter-linkages with other major cities world-wide - London, Paris, Frankfurt, Zurich, Amsterdam, Moscow and cities in Asia and the Americas such as São Paulo for example. However, apart from Johannesburg, Sub-Saharan Africa in general, constitutes a large underconnected space in this interconnected 'world city network'.

World City interrelations,



World City Network 2008, http://www.lboro.ac.uk/gawc/projects/projec81.html.

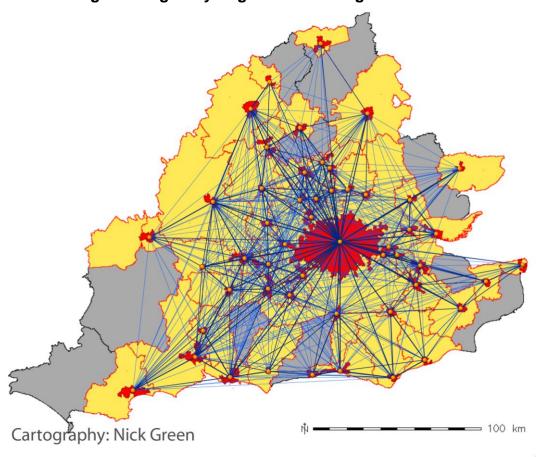
Connectivity analysis shows strong clustering within Europe and very strong West-East city interrelations. Singling-out different advanced producer services sectors, produces in-depth insights into the geographies of these relations. For financial services for example, Tokyo is seen to be better connected at a global scale than for advanced producer services as a whole.

The latest data on inter-city real-estate investment inflows and outflows around the world are also important due to the interrelationship between these investment flows and financial services. Commercial real estate is now, to a great extent, a financial product and there are important synergies between highly interconnected international financial centres and the geography of real estate investment flows. Financial services are occupiers of city real-estate, they are owners and investors in real-estate and they manage the new financial vehicles and funds that allow major intra- and inter-city flows of investment such as real estate investment trusts (REITs).

How are global changes impacting on the global mega-city region scale and on the Paris region in particular?

Paris region was studied in the major 2003-2006 North Western Europe INTERREG Polynet study (Pain and Hall 2006) supported by European Regional Development funding. Looking at the European economic heartland, or the European 'core' in terms of the European Spatial Development Strategy (ESDP), a key research objective was to understand the functional dynamics of its major polycentric urban regions consisting of multiple towns and cities of different sizes. The key research questions addressed were - To what extent are these regions functionally polycentric intraregionally? How are their constituent cities interrelating with extra-regional and global urban functional scales?

South East England Mega City Region Commuting



South East England Mega City Region Commuting, Hall, P. and Pain, K. 2006 The Polycentric Metropolis: Learning from mega-city regions in Europe, Earthscan, London.

An initial study examined the extent of the functional contiguity of the mega-city regions as defined by daily commuting patterns. A major challenge for policy is an environmental dilemma posed for polycentric mega-city regions by cross-cutting daily commuting shown in the above map. High volume traffic flows and congestion present serious challenges for environmentally sustainable development in all the polycentric regions studied. Across the North West Europe study area business travel too, needs to be better supported by investment in multimodal transport infrastructures.

This was followed by investigations into the functional connectivity conferred on the regions by advanced producer services firms operating on a regional, national, EU and global network scale. Significantly, the results were reviewed in the context of policy frameworks relevant to the global mega-city regions as surveyed functionally.

A key research finding was that the eight global mega-city regions studied have different types of regional structures and different kinds of urban functions. Paris mega-city region is very interconnected by functional structures - advanced producer services networks seen in the next map in addition to travel-to-work and business travel flows. The urban scale examined here was that of the 'Bassin Parisien' hence the results have key relevance for Ile-de-France and policy development for the future. Other data collected on business travel, email etc, reinforced the results on the high connectivity of the regions at local to global scales.

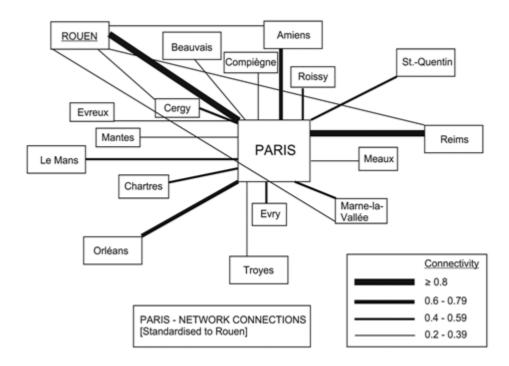
An important finding relevant to policy with regard to advanced producer services is that international, so-called 'wholesale', business to business functions need to be concentrated in the global cities where there is ready access to a large transnational specialised labour market and where firms providing services to each other benefit from very close proximity for face-to-face meetings and tacit knowledge exchange. Just one city in each of the mega-city regions had this specialised international cluster role and function. Meanwhile, while the Paris global mega-city region (like London) appears morphologically monocentric from the point of view of the distribution and size of its proximate towns and cities, it was found to be more functionally polycen-

tric in terms of advanced producer services connectivity than regions with a more balanced population distribution such as the Rhine-Ruhr in Germany, and the Randstad in Netherlands.

Advanced producer services networks that are regional also tend to be national in scope whereas networks that are European tend to be global in scope and this explains the distinctiveness of the roles and functions of London and Paris and their special relationship. They are interconnected very strongly by business networks that use both cities as part of a global and European strategy. Both cities are thus more polycentric at a global scale than the other cities and regions studied. And they

are more functionally polycentric at a mega-city region scale. So the Paris region has a distinctive global role amongst French regions; other regional centres have different roles but more qualitative research is necessary to understand urban functional complementarities at a national scale which need to be supported by policy. This is especially true in the UK where small cities like Reading, Southampton, Cambridge etc., have intense network relationships, generated by advanced producer services, with each other and with the other major English 'core' cities.

Paris Network Connections



Paris Network Connections, Hall and Pain, 2006, The Polycentric Metropolis: Learning from mega-city regions in Europe, Earthscan, London.

Global mega-city region development as a process

So a key conclusion is that traditional redistributional policies aimed at dispersing global city functions to economically underdeveloped regions miss the point. As far as advanced producer services are concerned, their office locations are where they have to be in order to access the skills that are their assets and to service different business markets. Their business practices and interrelationships need to be understood and nurtured for, as a senior business actor once said, advanced producer services are "like a bar of soap". If you put the soap under the bathwater it will pop up where it will... If regional

policy disrupts the location needs of businesses in fluid global markets, they will pop up somewhere else.

So we must be aware of global mega-city region development as a process. We need to understand these important global configurations, like the Paris region, better and we need joined-up spatial and economic policies to engage with their dynamics.