

## **Global Cities: Asian Perspectives**

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### *Introduction*

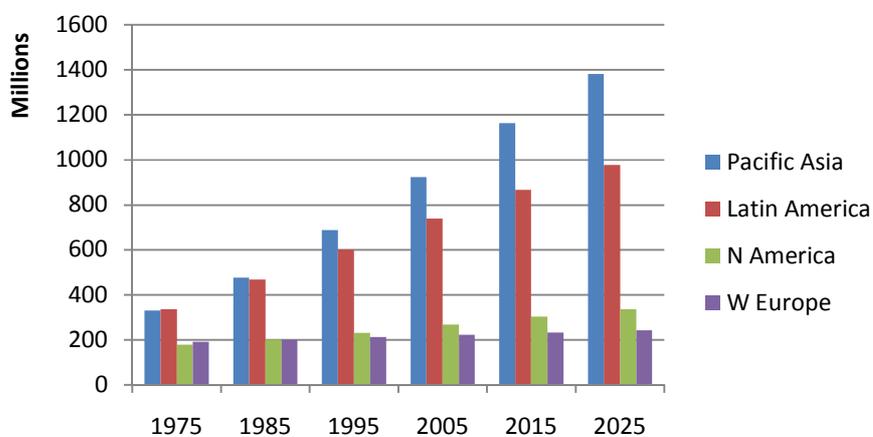
Since around the 1970s, the Asia-Pacific region has experienced, despite the financial crisis of the 1997, robust economic growths, some of which, spectacular. Japan led the way. Its foreign direct investments (FDI) to the Asia-Pacific region began as early as 1960s. The FDI swelled in the following decades. Much of them were intra-company trades, which in effect strengthened regional economic linkages (Lo & Marcotullio, 2000). At first, the four Asian tigers – South Korea, Taiwan, Hong Kong and Singapore – were the main recipients of the off-shore production investments from Western and Japanese Transnational Corporations (TNCs). But, by the end of the 1980s, South Korea, Taiwan, Hong Kong and Singapore became the sponsors of FDIs to the ASEAN (Association of Southeast Asian Nations) countries, including Malaysia, Thailand, Indonesia, and to a lesser degree of FDI, the Philippines and Vietnam. In the 1990s, China entered the scene with a magnitude. These countries soon became major players of the global economy to such a degree that “[t]ransformations in the global economy have become intertwined with the rise of Pacific Asia” (Douglass, 2000; p2317).

At the same time, urbanization under globalization brought about various contradictions in the region, including economic gaps between the rich and poor, and the rural and urban. Such gaps are commonplace in the various parts of the world and attributed to the economic effects of globalization. However, the uneven developments in Pacific Asia are more profound and closely related to the political choices of the central government. This paper examines the relationship between such uneven growths and the emergence of world cities in the Asia-Pacific region. The paper also discusses the sustainability issues involved in the uneven development in Pacific Asia and government policy.

### *The Mega Urban-Regions and Uneven Development in Pacific Asia*

The rapid urbanization in the Asia-Pacific region since the 1970s was the reason for as well as the consequence of the region's remarkable economic development (Douglass, 2000). As Figure 1 shows, urbanization in Pacific Asia has been growing fastest in the world to indicate that urbanization is the engine of the "Asian economic miracles."

Figure 1: Urbanization of World Regions: Population Growth



Data source: United Nations 2008

On the other hand, urban development under globalization contains tensions and contradictions. Indeed, urbanization in Asia Pacific is highly concentrated on limited areas. For example, in South Korea, major business corporations moved their production facilities from domestic sites to southeast Asia in the late 1980s and then later to China. At the same time, Seoul and its surrounding region grew with emerging producer services and high-technology enterprises. As a result, the capital region accumulated 39% of national population (Hill and Kim, 2000). Trans-national corporations (TNCs) also affected uneven growth patterns as they changed from factory owners to the controller of finance, logistics, technology and marketing activities. This change allowed TNCs for higher mobility to influence urban planning priorities (Douglas, 2000). For example, in ASEAN countries, rapid urban growth occurs only in limited number of cities because TNCs prefer to concentrate in core urban regions. Douglass (2000, p 2320) reports:

Whether already highly urbanized or currently experiencing accelerated rates of urbanization, Pacific-Asian countries that are strengthening linkages with the global economy are all registering highly spatially uneven patterns of urban growth that focus on one or a very few MURs [mega-urban regions].

The central governments of the Pacific Asia region are instrumental for the urban development as much as globalization and FDI/TNC. In Tokyo, Seoul, Taipei, Singapore, Hong Kong, and to a lesser degree in Bangkok and Jakarta, state planning and its concerted efforts allowed rapid urban development. The states implemented deliberate actions to develop these cities to earn a world city status (Hill and Kim, 2000; Marcotullio, 2003). Meanwhile, such central government efforts have produced the emergence of extended metropolitan regions (McGee, 1994) or mega-urban regions (Douglass, 2000) and the concomitant uneven development in the Asia Pacific region. Douglass (2000, p2322) explains:

[G]overnments are being compelled to devote ever more concentrated attention to MURs in the drive to remain competitive in the world economy. Specifically, in the higher-income Asian NIEs, governments are intentionally promoting a remaking of key metropolitan regions into world cities.

In this effort, typical policy projects to guide urban growth include: high-rise business districts, global hub airports, super container ports, ultra high-speed rail transit and expressways for trucking and car movement (Douglass, 2000). Developmental state, which is the political ideology prevalent in the Pacific Asian regions, is an important factor that has been making the strong central government actions for the urban development possible.

#### *Developmental State and Urbanization in the Asia-Pacific Region*

Although there is a variation, developmental state is a defining value as well as policy to all Pacific Asian countries (Douglass, 1994; Beeson, 2007). Developmental state emphasizes active central government, particularly its technocratic bureaucracy, for planning and development. The authority of elite bureaucracy is buttressed by neo-Confucianism values with hierarchical order, deference, government paternalism and group-orientation (Douglass 1994).

One of the underlying reasons for the prevalence of developmental state ideology in the region is nationalism cultivated under the threats of colonialism. Countries in the Asia Pacific region desired to achieve fast development to respond to the colonial power of industrialized nations. For Japan, catching up with the West was the state goal since its modernization in the late 1800s. For the rest of the Pacific Asian countries, desire to resist the colonial power justified strong state leadership for growth. Douglass (1994, p544) describes the experiences of the latter nations:

The state played a strategic role in harnessing national and international forces to orchestrate a 'late development' process of accelerated industrialisation aimed at catching up with Europe, the USA, and Japan.

Nationalism and state authority sanctioned under the developmental state political culture accentuate the uneven development patterns of the Asia Pacific regions. The sensitivity to the East-West hierarchy of Pacific Asian developmental states responds to the discourse that urban development is essential to compete in the global economy (more discussion in the following section) and they implement world city development programs to compete against the superior countries. The consequence is the continued growth of MURs and increasing socio-environmental problems contained in the uneven development patterns. The following section explains the concept of world cities and its particular effects in the Asia Pacific regions to clarify the interaction between the urban development policy and exacerbated uneven development in the region under globalization.

### *Globalization and the World City Concept*

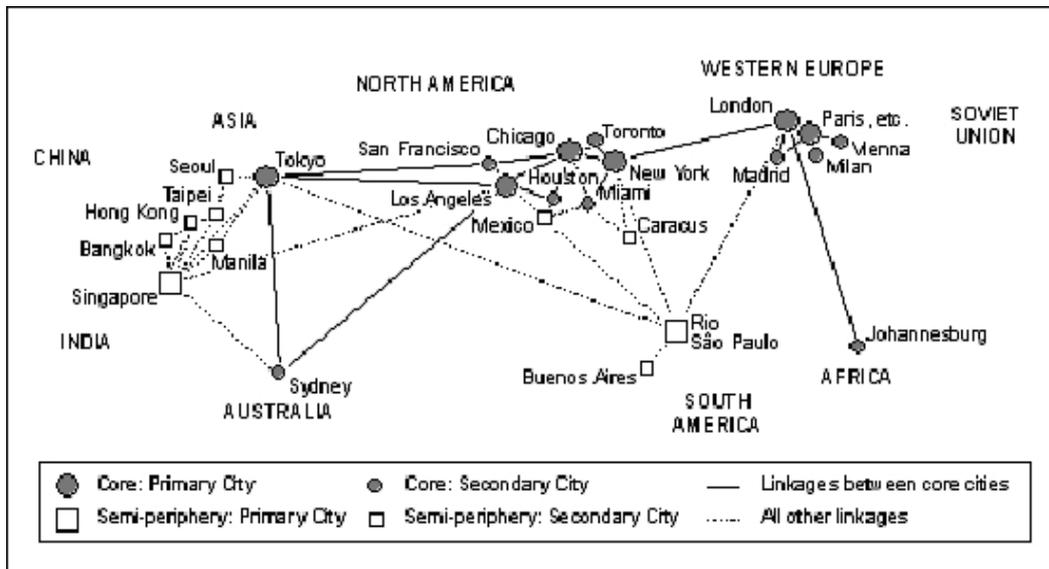
Globalization is a process of "time-space compression" stemming from the advanced capitalism and technology (Harvey, 1989). World cities have important functions in and implications to this process. The concept of "world cities" in the context of globalization was introduced by Friedmann and Wolff (1982) and Friedmann (1986). Sassen (1991) expanded the concept by introducing another oft-used term "global cities." Regardless of some differences attached to these two terms, the researchers similarly draw attention to the places where the process and effects of globalization most importantly take place. They explain that the

networks of world cities are the locations through which the time and space shrink and the global division of labor expands. They described that world cities are interconnected hierarchically according to their functional instrumentalities to the economic globalization process.

In addition to the above understanding that globalization is a geographic evolution of capitalistic advancements, with world cities as its spatial agency, globalization is also a spatial arrangement of capitalistic political economy. In other words, globalization is a project of neoliberalism ideology (Jessop, 2000). In this understanding, world cities are not merely places of process but are the instruments of competition in the global political economy (Brenner, 2000). As such, instead of their interrelations and interdependence in the global division of labor, world cities' hierarchical relations become the most salient issue for decision makers. Under the neoliberal globalization project, cities are directed to compete against one another for higher rank positions in the hierarchy of world cities, only to reinforce the understanding that globalization is about competition rather than interdependence. In their crudest form, decision-makers push for urban development at all cost by threatening the dire consequences from losing the global urban competition.

I argue that the countries of Pacific Asia are particularly susceptible to this global urban competitiveness ideology, for various studies of the hierarchical order of world cities under globalization fundamentally depict a map of Western/Anglo-American hegemony. For example, Friedmann's original world city map (Figure 2) puts most Pacific Asian world cities in the semi-periphery region with the North America and Western Europe world cities, in the core region. This evokes the traditional drive for national development against the West. It stimulates their catching-up-with-the-West instincts, as described in the above section, for urban development policy and enhancement of their world city competitiveness. The growth of MURs, the most striking aspects of urbanization in the Asia-Pacific region, is, to a large extent, a consequence of such drive and policy.

Figure 2: The Hierarchy of World Cities



Source: Copied from Friedmann (1986)

In the following, I will describe the experience of the growth of Tokyo to substantiate the above argument. Despite the relative declines in regional and rural communities, state policy to redevelop Tokyo further has been justified because of the mixture of nationalism, developmental state political culture and global urban competition discourse. Tokyo's story will be followed by the case of Mumbai, India. Although India is not a part of Pacific Asia and does not share the developmental state culture, India is following the path of the latter. It is an example that uneven development pattern of Pacific Asian MURs is spreading.

*Tokyo: Developmental State and World City Politics*

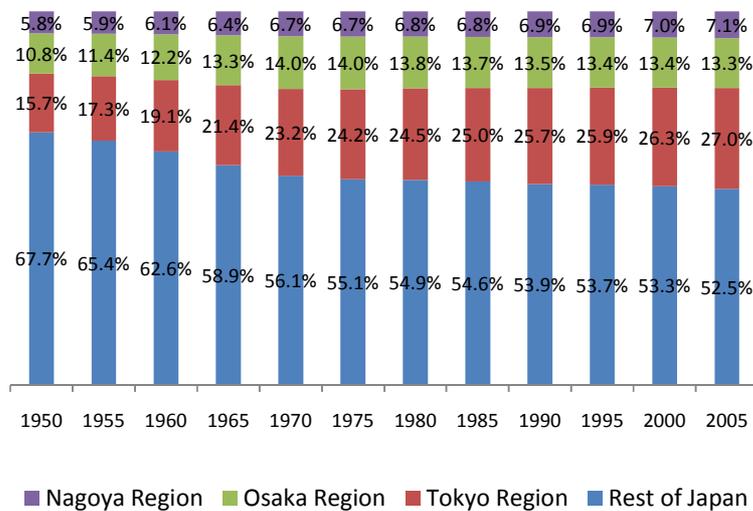
Tokyo is Japan's world city and the core of its MUR of more than 35 million populations. But Tokyo's supremacy in the Japanese nation state has been contradictory and controversial. The main reason is the particular premise of Japanese developmental state. That is, the equity value among classes and between various parts of the state. Balancing urban-rural economic differences and minimizing central-provincial gaps was important premise for the developmental state authority. Tokyo grew rapidly in the post World War II period, functioning

as the economic and political center. The centralized planning achieved efficiency but contradicted with the even development value. The consequence was the primacy of Tokyo and constant political pressures from the rest of Japan for equalization.

During the 1980s, neoliberalism captured Japan. Government reform, deregulation and decentralization were top on the political agenda. The core of the policy debate was whether Japan should maintain balanced development or to redirect development to its urban center, Tokyo for efficiency. The debate did not reach a decisive conclusion until the 1990s, when the hierarchy of world cities and global urban competition began entering into the policy discourse. The post-bubble economic depression of the 1990s stimulated the need for reform and policy change as well. The governor of Tokyo seized the opportunity to make a case for state Tokyo redevelopment policy while giving up on the traditional balanced national development ideal. He appealed to nationalism that underlay developmental state ideology by raising three points: 1) Tokyo is the engine of the Japanese economy and the first Asian city joined the ranks of top-tier western world cities; 2) Tokyo's global competitiveness is declining, with emerging Asian cities threatening Tokyo's status; 3) if Tokyo lost its competitiveness, it would mean the decline of entire Japan and a national crisis. Essentially, what he was inferring was the positions of Tokyo and Japan in the world city hierarchy and the East-West relations to stir nationalism and justify state developmentalism policy for Tokyo's revitalization.

A lot of politics was played in the policy debate but, at the end of the day, the governor's points were accepted. The state government adopted a Tokyo-oriented urban revitalization policy in 2001 while implementing neoliberal decentralization and privatization reform. Now, Tokyo MUR is one of the few regions growing (fastest growing as well) when the nation as a whole is heading toward population decline (see Figure 3).

Figure 3: Major City-regions of Japan: Population Proportions



Data source: Statistics Bureau (Japan)

### *Mumbai: India's Quest for 'World City' Status*

UN-HABITAT (2006) reports the story of Mumbai and its bid for world city status. Mumbai is the capital city of the state of Maharashtra. It is India's financial capital, raising almost 40% of the nation's taxes. With a population of 18.3 million, it is the world's fourth largest city-region. In late 2004, the Indian government embarked on a campaign to turn the city into an international hub for trade and commerce and to make Mumbai a "world-class city." In response to the Indian Prime Minister's ambition, the state of Maharashtra made an ambitious urban renewal plan to build new roads, a subway system, and a large scale public housing project. A plan to modernize the city's slum, which was one of the largest slums, with 5 million dwellers, was an important part of the renewal because slum was considered damaging the city's image to become "Shanghai of India" (UN-HABITAT, 2006).

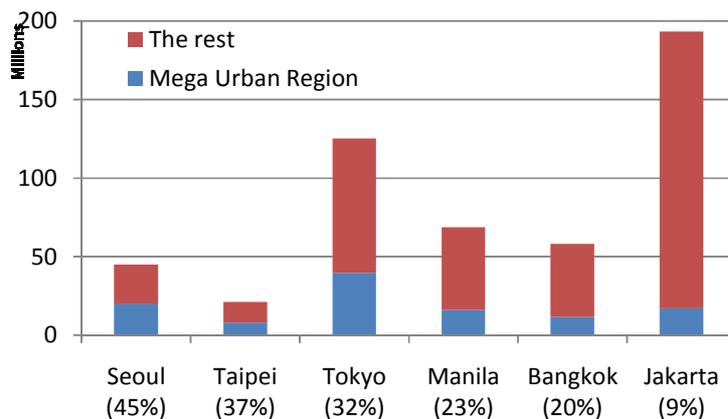
The slum was protected by progressive slum improvement programs and tenure regularization policies from indiscriminate demolition. Despite this fact, the Maharashtra government began a slum demolition drive in late 2004. Between December 2004 and March 2005, more than 90,000 shanties were torn down in violation of various agreements, covenants and a law. Meanwhile, the slum dwellers, of which only 5% had access to individual pipe water

and less than 1% had access to individual toilets or pay-per-use toilets, were important labor resources for various low-skill works. The slum demolition was halted in February 2005 amid public outcry and political oppositions but many believe Mumbai's world class city project is still on the agenda (UN-HABITAT, 2006).

*The Consequence: Sustainability Problems of Uneven Urban Development*

The uneven urban development under globalization has been experienced in all countries of the Asia Pacific region, including Japan, S. Korea, Taiwan, Hong Kong, Singapore, Malaysia, Thailand, Indonesia and the Philippines, China and Vietnam. The relative sizes of select MURs in the region to their national population range from Taipei's 37.3% to Jakarta's 8.8% (see Figure 4).

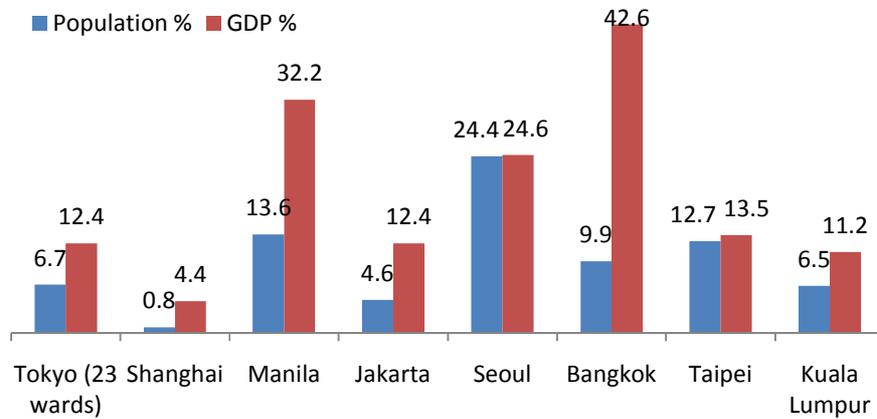
Figure 4: Mega-Urban Regions: Population Size to the Nation



Source: Douglass (2000)

Wealth also concentrates in MURs. The condition is particularly acute in the southeast. For example, Manila's GDP was 32.2% of the nation while its population was only 13.6% in 1996. Similarly, Jakarta's GDP counted 12.4% of the nation while its population, only 4.6%. Bangkok and Shanghai were severe cases of economic concentration, with the cities' GDPs counted 42.6% and 4.4% while their populations were 9.9% and 0.8%, respectively (see Figure 5). These growth gaps encourage further urban migration to cause continued growth of MURs.

Figure 5: City Population and GDP to the Nation



Source: Japan Development bank 1996, adopted from Lo & Marcotullio (2000)

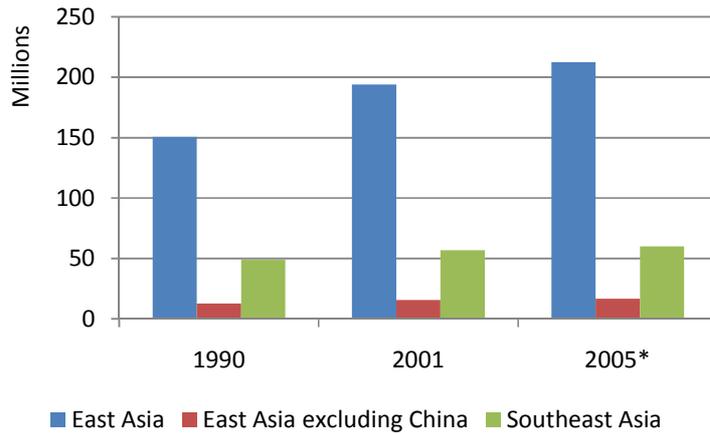
As described above, MURs have a tendency that certain areas within them receive focused investments for business development while other areas are neglected. This creates environmental problems because the neglected areas often lack even the basic urban services. For example, telecommunication and transportation expenditures for business districts are prioritized over basic services, such as clean water supply, for poor residential sectors (Marcotullio, 2003). Combined with intensified use of urban space and transportation, lagging basic urban service supply is a cause for the “brown” issues of many of Pacific Asia MURs (Douglass, 2000). For example, Bangkok and Jakarta suffer from serious problems in clean water supply, sewer system, and solid waste disposal, in addition to air and water pollution (Marcotullio, 2003).

As the Mumbai case shows, the symbol of uneven urban development and a major brown issue site is slum. Pacific Asia’s slum population is increasing (see Figure 6 & 7). An important point is that slum coexists with world city modernity. Smith (2004, p408) describes Jakarta to make a point:

On the one hand, [there] are vast expanses of shimmering skyscrapers and six- and eight-lane highways, a downtown filled with luxury hotels and the corporate logos of the world’s pre-eminent multinational firms and populated by elegantly dressed men

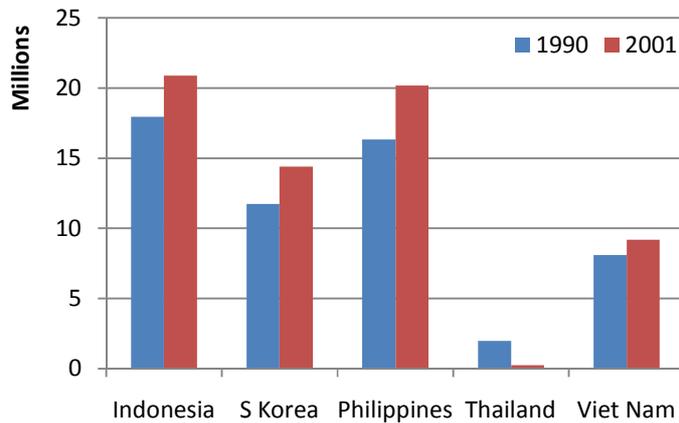
and women... But there is a dark underside to Jakarta: the less visible parts of the city, where the masses of residents live in squalid slums, shantytowns and squatter settlement.

Figure 6: Slum Populations in Pacific Asia



Source: UN\_HABITAT 2005

Figure 7: Slum Populations in Pacific Asia Countries



Source: UN\_HABITAT 2005

An overwhelming majority of Pacific Asian slum dwellers live in China, with their numbers reaching almost 18 million. In a stark contrast, Thailand has been very effective on

tackling slum. “The main reasons behind Thailand’s ability to reduce slim growth are a strong political commitment by its leadership (UN-HABITAT, 2006, p23). This is a proof that it is politics, not the global economy, which makes the difference about the conditions of MURs in Pacific Asia.

### *Conclusions*

This paper examined the connection between the politics of world city competition and development, developmental state political ideology of Pacific Asia, the region’s uneven urban development patterns and MURs, and their socio-environmental problems. The main argument is that when the developmental states of the Asia Pacific region encounter the neoliberal globalism and its urban competition discourse, their developmental state political culture tends to reacts to the rhetoric of hierarchical urban competition and concentrates their efforts on world city development policy. This is a factor that explains the prevalent of MURs in the Asia Pacific, their continued growth and uneven development problems resulting from it.

Originally, globalization expressed the notion and tendency of increased interactions and interdependence between various parts of the world. The concept of world cities was posited as the locations of such interconnectedness and interdependence across the world even if, it explained, some cities were more instrumental and influential to the globalization process than others. Then, particularly since the 1990s, the hierarchical order of the world city concept began to be politically used to become a powerful agenda setting rhetoric despite the negative externalities involved in such urban policy, such as slum development and the brown issues. The environmental spillover effects can extend from the metropolitan to cross-border regional or even to the global (e.g. water pollution, air pollution, and contagious diseases).

How can we stop the prevalent world city competition rhetoric that legitimizes targeted urban investments at the neglect of equitable social development and environmental degradation? The answer exists in our capacity to reimage globalization correctly as the interconnectedness and interdependence of the various parts of the world. Against the understanding of globalization as the divided urban spaces and their global-local competitions, Amin (2002, p395) posits globalization as “energized network space” where the mixture and

connectivity intensify as “more and more things become interdependent.” Indeed, we have just witnessed from the current financial crisis that world has become a heavily interdependent globalized network system. Thus, any strains and problems in some parts can bring down the whole whether the problems are of economic or environmental. By reintroducing the network and connectivity of globalization to our understanding, we must politically internalize the externalities of uneven world city development and formulate alternative policy whose target is global socioeconomic development and environmental management.

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