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Globalization and the City

Two Connected Phenomena in Past and Present

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Coverphoto: © Tobias Töpfer. The picture shows Marginal Pinheiros in São Paulo, a highway on the riverbank of the Pinheiros River and location of the most recent city center expansion area.

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Preface

Günter Bischof

The University of New Orleans (UNO) and the Leopold-Franzens University of Innsbruck (LFUI) have been cultivating a transatlantic university partnership for some 35 years. This partnership has grown out of the six-week summer school program UNO has organized in Innsbruck since 1976. The two universities signed a partnership treaty in 1982. A multitude of programs grew out of this. No Austrian university has such a deep relationship with an American university as does LFUI with UNO. Student and faculty exchange programs, conferences and joint publications are now regular parts of the agenda. The UNO-LFUI exchange of students grew, when international student mobility dramatically increased in Austria after the end of the Cold War in 1989-91 and Austria's accession to the European Union in 1995. In 1997, CenterAustria was founded at UNO to coordinate all of these activities. In 2010, LFUI opened up a "New Orleans Office" to coordinate the many activities with UNO. Both institutions thus acknowledge the important role of this bilateral university partnership. These days, some 70 Innsbruck students come to UNO every year to study for a semester or two; they learn about different pedagogical approaches, which makes them see the world with different eyes.

Studying abroad today also means getting an education to prepare them for what might be called "global citizenship" – attaining the education, social and interpersonal skills to function in the global city. Strong universities and their international student bodies are part of the make-up of global cities. Students not only open their eyes to the United States and the American South, they also gather first-hand impressions of New Orleans, one of the most unique American cities. More than

10,000 American students have studied with the UNO Summer School and the Academic Year Abroad programs in Innsbruck; more than 1,000 Innsbruck students have studied at UNO.

International student mobility has become a vital part of a nation's soft power positioning it in the global arena; it is also part of nation branding. Students who return home with positive impressions of the place where they studied will carry these "scratches on their mind" for the rest of their lives. During the academic year of 2010/11, 723,000 foreign students studied at American universities – 20 percent of the global total. These students added \$20 billion to the American economy. More importantly, these students engaged in cross-cultural dialogue. They learned about "American values". International student mobility is increasingly seen as a component of a nation's public diplomacy, as the British scholar Giles Scott-Smith reminds us. Educating young people also means educating the elite of the future. In this sense, studying abroad within the context of the UNO-LFUI partnership also means contributing to the "Americanization" of young Austrians and the "Austrianization" of young Americans. An increasingly global politics of education also signifies an "explicitly non-coercive mode of imperial power" (Paul A. Kramer).

Cities like New Orleans and Innsbruck, of course, want to establish and promote their own "brands" in the world. New Orleans' reputation is that of a musical and party city. New Orleans' global brand is its role as the cradle of jazz and the "Big Easy" – *Mardi Gras* is billed as the "biggest free party on earth". Innsbruck's brand is that of a "capital of the Alps". Innsbruck and the Tyrol boast of being a hub of winter sports and home of two winter Olympics. These brands give even smaller and mid-sized cities like Innsbruck and New Orleans the status of "global cities". The cities' fine educational institutions attract international students to "university towns" like Innsbruck and New Orleans; it helps define their positions and standing in the world as "global cities". We must not only think of trade and finance when we think of global cities but also of culture and educational opportunities.

University partnerships such as the UNO-LFUI model bring foreign students to town, open their minds and horizons, add economic benefit to the host cities and institutions, and help define the brands of these cities. In the case of Innsbruck and New Orleans, the university partnership has also led to a city partnership. Innsbruck has named one of its bridges over the Inn River "New Orleans Bridge". There is a fancy marker in the busiest tourist sector of town that gives the distance to New

Orleans (and to all other partner cities). Recently, a New Orleans street lamp has been set up in a residential development in a public housing project, where it joins street lights from other mid-sized partner cities of Innsbruck such as Freiburg in Germany, Grenoble in France, and Sarajevo in Bosnia. The City of Innsbruck organizes a highly popular “New Orleans Jazz Festival” every summer; 250 “UNO Summer School” students and 30 Summer School faculty members with their families are visible in Innsbruck during the six weeks of the program. The University of Innsbruck named a lecture hall for the “University of New Orleans”. Overall, the city of Innsbruck is well aware of the benefits it derives from international students and appreciates them as much as the millions of tourists visiting every year. In this sense, Innsbruck is a global city.

While there is a conference room named after the University of Innsbruck at UNO, no such public awareness and recognition of partner cities has been advanced by the city of New Orleans. While the “brand of New Orleans” is very strong in Innsbruck, apart from the UNO campus, the “brand of Innsbruck” does not exist in New Orleans. In other words, Innsbruck is much more aware of what the unique UNO-LFUI partnership is doing for the city. New Orleans with its seven universities is oblivious to the universities’ import of foreign students and the 59 million dollars of economic impact they had on the city in 2011/12 (17 million of which were produced by UNO’s international students). The mayor’s office seems to be unaware of the numerous university partnerships of the city’s seven universities that add manifold short and long-term benefits to the city and its global brand. New Orleans refuses to recognize what international students bring to the city and how much they contribute financially to the community’s well-being. New Orleans only recognizes the economic power of millions of tourists coming to town for a few days to attend sporting and cultural events or to enjoy fine dining and partying. It does not see the thousands of foreign students, living in the city for a semester or a year or even longer and becoming life-long ambassadors for the city in their home countries. In this sense, New Orleans is not a global but a provincial city.

Annual symposia, producing intense transatlantic academic discourses, have been a significant part of the UNO-LFUI university partnership since 1982. Different areas of a comparative research have been a premier focus of these symposia, which have included topics like *European Economic Integration and New Orleans Urban Development* (1990), *Comparative urban Revitalization Strategies* (1992), *Tourism and Festivals* (1999), *Satchmo Meets Amadeus: New Orleans and Salzburg – Two Cities*

and Their Sounds of Music (2000), and *Gated Cities: The Privatization of Urban Space* (2004). Most of the papers of these annual UNO-LFUI symposia have been published. *Global Cities* expands the horizon from a transatlantic to a global comparison and fits well into this long tradition of annual conferences.

Finally, we would like to thank Andreas Exenberger and Philipp Strobl for organizing the meeting in Innsbruck in early November 2011 and the sponsors in Innsbruck for making the visiting scholars' stay enjoyable and memorable. They produced an academic program on a very high level. LFUI Rektor Tilmann Märk took time off his busy schedule to welcome the visitors to his fine institution. The International Office under Mathias Schennach provided financial support as did CenterAustria at UNO. Klaus Frantz, the coordinator of UNO affairs at LFUI, and Christina Sturn of the UNO Office at LFUI also helped to make the meeting possible. At innsbruck university press, Birgit Holzner was instrumental in bringing the papers to publication. At UNO, James Mokhiber contributed to the academic content of the program. Gertraud Griessner and the CenterAustria staff were crucial in organizational details in making the conference possible. Our copy editor Inge Fink, on very short notice, turned the contributors' academic prose into smooth English. We would like to thank all of them for making the symposium and this publication possible.

New Orleans, winter 2012/13

Introduction

Andreas Exenberger & Philipp Strobl

Globalization and the City

It is often said that the world is turning into a “global village”. In reality, it is much more a “global city”: today, more than half of the world’s population lives in cities (although often under poor conditions), and many metropolises of the world are much more economically productive and significant with respect to global networks than most of the world’s states. In addition, these cities look increasingly alike, shaping a global space which is more and more indistinguishable between continents. Thus the modern city is the primary manifestation of globalization today, and its very essence is a global network of multidimensional spaces of congestion that both describes and shapes it.

The relevance of cities is nothing but new. While there were phases and places in history, when and where cities were not particularly important, and as a rule, only a small fraction of the population lived in these settlements, the history of civilization as we know it is very much connected to cities. From ancient to medieval and modern times, and from China, India and Mesopotamia to the Mediterranean, Europe and Mesoamerica, cities have been a recurrent phenomenon, and still archeology finds further evidence for large and hitherto undocumented – albeit not totally unexpected – settlements in distant periods and places. Hence, cities were essential for culture and civilization; they allowed a centralization of power and knowledge, and they were crucial for the division of labor and for organizing the demand of the people, on which economic development rests. And if we adopt a view of globalization that

allows for a history in the *longue durée*, then cities emerge as the places people traveled to and from, where people exchanged news and goods, and where people could develop a view of a wider world, particularly if the city was located at the sea-shore.

Hence, as places of intense and continuous interactions, cities are the locations *par excellence* where global history takes place, and we must study the history of cities in connection with the history of globalization from this perspective. Interestingly, although we can look back on twenty years of manifold globalization debates and shelves of books about the topic, this has hardly been done so far.¹ Hence, we lack orientation. One reason for that is, of course, methodological: it is simply impossible to fully grasp the complexities of a global social system that incorporates about seven billion individuals and a lot of collectives that are organized in different hierarchies and networks, all of them interwoven. But there are also two ways out of this dilemma: the first is to study the emergence of globalization in its various dimensions historically to identify the characteristics relevant for change and to understand the path-dependence of the process in order to comprehend recent developments and to contextualize them properly in the form of a meta-narrative; the second is to collect data about what is “really” going on, recently as well as historically, to get an idea of the structure and practical constraints of human action and choices at the micro level as well. Both help us make (more) sense of the alleged chaos of human existence.

This book is about cities and globalization for this very reason. It is centered on cities because they have played a crucial role throughout the whole process as centers of exchange and as focal points of developments. It is here that two rather different strands of literature meet: On the one hand, there is vivid research on “global cities” (or “world cities”) going back to the concepts of John Friedman and Saskia Sassen in the 1980s and early 1990s (as a global space also referencing Manuel Castell’s “network society”) although the term is certainly older.² On the other hand, the ideas of historians like Fernand Braudel, who observed that “central cities” shaped “world economies”,³ are highly relevant in this context and show that certain nodes of exchange have been crucial for the overall development of the world even in times

¹ A very recent exception is *Global Cities*, a large-scale collective volume by Taylor et al. (2012).

² See Friedman (1986), Sassen (1991, 1994), and Castells (1996, 2004).

³ Braudel (1986) particularly referred to Venice, Antwerp, Genoa and Amsterdam as cities that shaped late medieval and early modern Europe, at least economically. See also Exenberger/Cian (2006) and Exenberger (2007) for more extensive elaborations on the significance of Venice and the hanseatic city of Lubeck for “globalization” in Europe in medieval times.

when city populations were comparably small and the world economies far from global in a literal sense.

Further, Peter Taylor correctly claims that there is a clear empirical misbalance of city- and state-centered research, especially with regard to connections between cities.⁴ From this approach, the research tradition of the Global and World Cities (GaWC) network emerged, which challenged this lack of data, especially when compared to data about nation-states, for which also a lot of ranking exercises referring to their degree of globalization exist. However, all this research has, so far, remained focused on the present and has lacked a historical dimension. As a result, most quantitative research about globalization focuses on variables, which are useful only for analyzing short-term trends (if any).⁵ This is totally clear when data about internet access, international tourism or UN peace-keeping missions is included, which – as such – can logically only exist for a few decades. But it is also true for seemingly more neutral data like foreign direct investment (FDI), gross domestic product (GDP), migration flows or portfolio investments, which in many cases is not only poorly specified historically (and consequently hardly collected), but also – at least potentially – omits factors relevant for earlier globalization episodes, which could be informative for recent developments as well. In addition, most of this data is collected in a regular and comparable way for states only, today as well as in the past.

This book approaches several of the shortcomings of earlier literature about globalization and about cities. It offers a multi-dimensional perspective on several time periods, places and reference texts, on economic, cultural and social phenomena manifesting in and connecting cities in the context of globalization (or at least global relevance at the respective time). Thus it offers empirical material to understand how global processes affected these cities and vice versa. And it offers discussions of the concept of global city, especially in the context of (re)writing global history.

Now There is the Book ...

The book starts with a general historical discussion about the connection between urbanization and the industrial revolution by Franz Mathis (Innsbruck). In the chap-

⁴ See Taylor (1999), also with reference to several seminal works on global cities.

⁵ The KOF Index of Globalization was recently extended backwards until 1970; Dreher et al. (2009), 29.

ter *No Industrialization without Urbanization: The Role of Cities in Modern Economic Development*, Mathis emphasizes the role of cities as amplifiers of change. They provide agglomerations of people, of supply (of labor and capital) and demand (for goods and services), of markets and opportunities. Hence, they are a precondition, as well as an incentive, for industrialization. The connection is positive (as shown by the examples of Britain, the U.S. and Japan) as well as negative (where there are no cities, there is no industrialization) and is also relevant in today's globalization, as more recent examples of successful industrialization in the developing world show.

In a second overview chapter, *Locating and Teaching Cities in the "New" World History: Perspectives from the U.S. after the Fall of "Western Civilization"*, Jim Mokhiber (New Orleans) demonstrates how the global city concept in world history research and teaching has been neglected. Mokhiber links Sassen's theoretical approach, which is extensively outlined in this contribution, to Janet Abu-Lughod's work on the pre-modern Eurasian world system⁶ and thus demonstrates the usefulness of a historically grounded debate. But he also draws the connection between city research and the teaching of world history and discusses the didactic usefulness of cities in this context, an approach that is certainly applicable beyond the context of teaching (Western) civilization history in the United States.

Finally, in a third overview chapter, *Bringing Economic Geography Back in: Global Cities and the Governance of Commodity Chain*, Christof Parnreiter (Hamburg) argues – from a geographic perspective – that global cities have to be theoretically conceptualized and empirically scrutinized as critical nodes in commodity chains. He stresses the inherent spatial character of the concept and emphasizes the connections to world systems theory,⁷ to which many of the authors in this book at least implicitly refer; he also discusses the problem of governance in this context.

The second part of the book contains five case studies from very diverse historical epochs and places, which are presented chronologically. The first, *The Phenomenon of Global Cities in the Ancient World* by Brigitte Truschneegg (Innsbruck), analyzes the reception of ancient cities as "global" (in its meaning at the respective time). In her comparative study of Alexandria, Babylon, Athens, Carthage and Rome, she not only stresses and discusses cultural significance, economic relevance and political

⁶ Abu-Lughod (1989).

⁷ Wallerstein (1974).

power as notable dimensions of global reach, but also the problems in finding historically stable concepts to measure these dimensions. Hence, her contribution is also very valuable in interdisciplinary methodological terms.

The second case study by Robert Dupont (New Orleans), *New Orleans as a Global City: Contemporary Assessment and Past Glory*, describes one of the first colonial settlements in what was to become the South of the United States and its multifarious history. Throughout time, New Orleans has shown some of the features that mark a global city, especially in the early nineteenth century, when it was among the most relevant port cities in the Americas (if not the world) because of its strategic location at the mouth of the Mississippi. Besides this historical assessment, Dupont also contributes to methodological questions and provides a discussion of the global city concept in the context of urban studies.

In the third case study, *Zanzibar: Imperialism, Proto-Globalization, and a Nineteenth Century Indian Ocean Boom Town*, Erik Gilbert (Arkansas) analyzes the increasingly multiethnic city of Zanzibar. It is still perceived as “ancient”, but is actually a quite recent product of the emerging globalized Indian Ocean economy in the nineteenth century, which was ruled by the British. Here we find a second, more local example for the relevance of perception, as well as the mutual forces of influence, in a nutshell: while Zanzibar is a product of this “new” economy, it simultaneously helped to shape it. Consequently, the chapter also draws our attention to Africa, often enough neglected as a place of agency in global processes.

While these case studies focus on historical developments, the remaining two are more spatial in their approach. The fourth case study, *The Evolution of a Global City: Vienna's Integration into the World City System*, by Robert Musil (Vienna), examines the connection between cities and globalization by focusing on a semi-peripheral (or second order) city, Vienna. This contribution is particularly interesting not only because it is explicitly spatial, but also because it directly relates to the concept of path-dependence. It does not only provide an empirical study of the global city hypothesis, but it also discusses the question of how influential the history of a city is for its current role in a larger network of cities (a concept that lies at the heart of Peter Taylor's understanding of “global city”). While Vienna is the most likely Austrian candidate for a global city today and in the past, its connections rest on its historical function as a bridge between East and West in Europe, on its role as the metropolis

of a multi-ethnic empire and also on its role in the slow industrialization of this empire during the nineteenth century.

Finally, in *São Paulo: Big, Bigger, Global? The Development of a Megacity in the Global South*, Tobias Töpfer (Innsbruck) leads us to one of the great metropolises of today's global South and echoes discussions presented earlier in the volume (especially Mathis, Parnreiter and Musil). In his chapter, he not only provides an interesting typological discussion on the question of what kind of city São Paulo in Brazil actually is (along the main categories of global city vs. megacity), but he also stresses the consequences of its actual status for the geography of the city and the greater metropolitan area as well as its historical and recent development. As a result, while there is no doubt that São Paulo is a megacity, its status as a "global" city is debatable.

Instead of a concluding section, the third part of the book presents a collection of three shorter works from diverse disciplinary backgrounds as some kind of research outlook.⁸ In the first of these, *The Reach of the Continental Blockade: The Case of Toulouse*, Andreas Dibiasi (Zurich) takes an economic-historical approach as he discusses the effects of the conflicts during the Napoleonic Wars on the economic situation (especially the prices) in the city of Toulouse. The second, *Designing a Global City: Tokyo*, is an architectural case study from a city-planning perspective by Beate Löffler (Dresden) about the largest metropolitan area today, which Sassen explicitly mentions as one of the prominent examples of a global city. The third, *The Council of European Municipalities and Regions: Shared Governance in a World Featured by Globalization Issues* by Manfred Kohler (Bruxelles), finally provides an institutional case study from a political-science perspective, linking the levels of regions and cities with that of nations and supra-national entities. All three of these chapters refer to important but somehow neglected topics and provide fruitful directions for further research about cities and globalization, namely economic integration, cultural perception and political governance.

Throughout the book, we also find reflections on various concepts related to the idea of "global" cities. Most of the authors refer explicitly to Saskia Sassen's work, and all conceptualize their approach in the broader context of works that try to define world versus global cities, as well as about metropolises, megacities or central, imperial and primary cities. These reflections are necessary because the concepts cannot

⁸ These chapters were selected via a call for papers for the conference preceding this book.

simply be used interchangeably and hence have to be clarified, especially when applied to historical material. As a result, the book is also interesting for those looking for conceptual clarifications, which is particularly relevant from a historical perspective, because the term “global city” as originally coined is a rather specific idea not easily applied to historical research. Thus, the contributions to this book also pave the way for a historically informed re-conceptualization of the approach.

... But There Also Was a Preceding Conference

However, the book is also the result of an even longer process. It is based on a conference dedicated to discuss some of the problems associated to the global-city debate.⁹ The *Conference in World History: The Role and Significance of Global City* was held in November 2011 in Innsbruck as a joint conference of the partner universities of Innsbruck and New Orleans. At this interdisciplinary conference, earlier versions of most of the papers were presented.¹⁰ In the course of the event, the fruitful and intense discussions between the researchers from Europe and the United States gave rise to considerably improved papers, which now constitute the chapters of this book.

To assist the participants in the process of producing the chapters for the book, we ended the conference with a concluding round-table talk, dedicated to summarize the results and still-open questions. Chaired by Günter Bischof (New Orleans), Franz Mathis (Innsbruck) and James Mokhiber (New Orleans), who have also contributed to this book, as well as Katja Schmidtpott (Marburg) and Malte Fuhrmann (Istanbul), who presented papers at the conference, exchanged reflections about the conference and discussed these with the audience.

⁹ For more information, see www.uibk.ac.at/fakultaeten/vwl/forschung/wsg/symp11.html (accessed 15 Feb 2013).

¹⁰ While Christof Parnreiter could not participate in the conference, he was able to provide a chapter for the book. Unfortunately there are also three contributions, which had – for various reasons – to be withdrawn from it. Katja Schmidtpott (Marburg) talked about *The Globalization of Labour in East Asia: The Japanese Treaty Port of Yokohama and Its Chinese Community*, a case study from the turn of the nineteenth to the twentieth century; Malte Fuhrmann (Istanbul) about *When the Conquering Sultan Appears in the Metro and Byzantium Sabotages the Railway Station: Istanbul's Pasts and their Roles in the Present*, a long-term city history focusing on its perception and instrumentalization; and Mathilde Leduc-Grimaldi (Tervuren) about *Tide of Times in the Post-Colonial Era: Tourists, Venetians and Street Vendors in the Doge City*, a contemporary case study about social relationships in a historically loaded environment.

The first question raised in this talk was whether a global city necessarily must be multi-ethnic – which has been the case in some of the examples discussed during the conference (like Istanbul, Venice or New Orleans). On the other hand, Tokyo, one of the cities used by Saskia Sassen to elaborate her global city thesis, is certainly far from being “global” in that sense on account of its lack of “foreign faces”. Hence, as Katja Schmidtpott argued, the description of a city as global depends on the observer’s point of view. From an economic point of view, Tokyo may clearly be “global”, but from the Japanologists’ perspective, things look rather different, notably less connected and interrelated. Multiculturalism and cosmopolitanism, two specific manifestations of multi-ethnicity, are particularly relevant here, although these concepts are sometimes overloaded. But they point to the fact that multi-ethnicity is neither necessarily successful nor peaceful but has to develop, often in a contradictory and discordant way.

In addition, the question of measurability of the concept “global” remained unanswered (and is consequently picked up and clarified in several contributions to this volume). What is regarded as “global” is often subject to a certain approach. One could, like James Mokhiber did in his talk, easily argue that the number of plane flights that arrive or depart in a city’s airport is relevant. This is an indicator of exchange in general, indeed, but also more specifically of international tourism, which can be further intensified by a proper utilization of the cultural heritage of a city, of its very nature as a global city, of codes dedicated to fulfill the expectations of international costumers. Icons are relevant, and – as some contributions to this volume very clearly show – they always have been for the perception of a city. But the connection to the global market is an additional factor in the process, and many cities became “boom towns” only after their (economic) globalization.

It is also worth noting that further conceptual differentiation is necessary. Franz Mathis emphasized the difference between megacities and global cities (which is explicitly picked up in this volume by Tobias Töpfer), a difference directly related to globalization. Consequently, big cities have to be divided into cities that play an important role within a global network and cities that are “merely” important for their region. In this context, megacities are cities whose economic and cultural importance grows because of their connection to their hinterland, while global cities owe their specific significance to their connections to the “wide globalized world”. Both concepts are connected: historically, many cities grew at first because of their relations to the hinterland and only later reached global importance by connections to a wider

global market. But this is only one element of the “global character” of a city. As Malte Fuhrmann mentioned with reference to Immanuel Wallerstein, a starting point to conceptualize this could be a city’s connections to the world system (which is explicitly picked up in this volume by Christof Parnreiter and James Mokhiber). And here we come back to Fernand Braudel, who has identified “world cities” as the driving forces of development in early modern Europe, as exemplified by port cities in which overseas markets and connections dominated local exchange. As a result, both paths are possible, and a major city can develop from a local or a global base although the difference will most likely influence the character and potential of a city. Finally, achieving a “global” character also leads to problems, prominently problems of governability of a city and its diverse population, often also resulting in a spatial differentiation of the city in connection to the influences of globalization.

Not surprisingly, many questions remain open after the conference and also after the publication of this book. It still is unclear what makes a city a global city: is it cultural factors, economic factors, multi-ethnicity, or a combination of all of these – and if so, what kind of combination? The answers may remain subject to conceptualizations specific for certain questions. A more general characterization may be approached via a description of Athens, taken from a chapter in this volume: “Never has a city in so short a time unharnessed so much tradition-building energy that even millenniums later people look upon it as a spiritual mother”.¹¹ What more could be said about a city than that it transcends space and time, at least as an idea? The only caveat is that a statement like this can never be said about a contemporary city, because judgments like these are always strictly retrospective.

While this book contributes to a critical reflection of concepts related to the global city debate and provides empirical material from various periods and places, further research is still necessary. But cities are a fruitful and at the same time rather neglected laboratory of social, economic and cultural, sometimes also political change. They are clearly worth studying, because cities are central places in the process of mutual influence of globalization on people (and vice versa). They are meeting places, communication nodes and sites of exchange as well as locations where global processes become particularly visible and influential. “Global cities” are and always have been both, products and producers of globalization. They play an important role in

¹¹ Schulz (2006), 53 (translation Brigitte Truschnegg).

shaping a global economy, culture and society, but they are also shaped by it. And they are places where countervailing forces match and local reactions to globalization become especially visible. Consequently, the adverse effects of globalization are particularly apparent as well: not only economic exchange, migration, communication, and technological development take place predominantly in cities, but also political conflict, cultures clashing and amalgamating, and violence. Hence, the global city is opening a door to the world, for better or for worse, as a multifaceted information interface and as a focal point of globalization in various forms.

Some of these forms will be explored in more detail in this book. To address all would require not a single one but shelves of them. And indeed, when we were about to finish this book, Routledge published a four-volume collection of seminal contributions to research about *Global Cities*.¹² While its price (£ 800) is still rather prohibitive and points to the fact that some profits can be earned by doing global city research, its publication is also showing the relevance of this book and underlining the growing importance of the subject. Furthermore, the examples stressed here can also be understood complementary, because they are special and hence particularly instructive: they do not simply discuss the usual suspects (like London or New York) but take a much broader approach; and they also re-read several of these seminal contributions from different disciplinary, geographical and historical backgrounds. In the end, they offer an elaborate arrangement of viewpoints certainly worth exploring in more detail.

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¹² Taylor et al. (2012).

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No Industrialization without Urbanization: The Role of Cities in Modern Economic Development

Franz Mathis

When we talk about the conditions and causes of the Industrial Revolution, we should first of all try to answer two basic questions: First, why was the industrialization process for a long time restricted to western and central Europe, the United States, Canada, Australia, or Japan? And second, why did it happen – in these parts of the world – between the late eighteenth and the early twentieth centuries, why not before, why not afterwards? Many of the arguments that have been brought forward to explain the industrialization process so far will not stand the test when seen in the light of these two questions.

Insufficient Explanations of Industrialization

Legions of historians and economists have regarded the Industrial Revolution of the nineteenth century as a European phenomenon and, therefore, have searched for typically European aspects of this process. All these attempts are bound to fail when we take into account that until very recently, eastern and southern Europe were to a great extent excluded from this process, which, on the other hand, took place in some non-European countries, too. To see the examples of countries like the U.S., Canada or Australia simply as a kind of extended European experience does not help, since

the same could be argued for the still less developed Latin American countries, let alone the successful industrialization of non-European Japan towards the end of the nineteenth and in the beginning of the twentieth centuries.

Hardly more convincing is the imperialistic or colonial argument. If the theory was correct that claimed that European colonialism – to put it very simply – was responsible for successful industrialization in the colonialist countries and prevented such a process in its colonies, the early colonial powers such as Spain and Portugal would have had to be the first to industrialize. But, as we all know, the opposite was the case, with those two countries being among the last European countries to industrialize during the second half of the twentieth century. And what about countries like Switzerland, Sweden, Italy or Germany, which had no colonies when they started to industrialize? The theory of colonial imperialism cannot explain the following phenomena: The development of former colonies, like the highly industrialized United States, Canada or Australia on the one hand, and the lagging-behind of still little industrialized Bolivia, India, or Kenya on the other; the differences between the independent but still less developed China and highly industrialized Japan; Latin American countries, which, despite becoming politically independent in the early nineteenth century, had to wait till the end of the twentieth century to see the beginning of a broader industrialization process.

Similar discrepancies may be detected in the beginnings of industrialization on the one side and the beginnings of colonialism on the other. When countries like Britain, France and the Netherlands established their colonial empires in the sixteenth and seventeenth centuries, why did industrialization not start before the end of the eighteenth and even more so in the nineteenth century? Why did the often-cited raw materials from the colonies or the allegedly important markets in the colonies not become crucial for the industrialization of these countries before? Could it be that they were not that crucial after all? To answer this last question, let us take a closer look at the role that raw materials and potential markets played in the process of industrialization.

There is no doubt that modern mass manufacturing needs all kinds of raw materials. We all know that the first products to be manufactured in large quantities with the help of modern machines were textiles, especially cotton. In pre-industrial times, raw cotton was imported to Europe from the eastern Mediterranean. Later on, the southern states in the U.S. became the main supplier, providing most of the raw

cotton needed to supply the modern spinning and weaving machines. What can we learn from this? First, in order to industrialize, a country does not have to produce the necessary raw materials within its own boundaries because they may be – and in fact have been – imported from abroad. Second, in order to import raw cotton, a country does not have to rely on its own colonies. Although British companies could have imported raw cotton from the British colony in India, they preferred – like other European companies – raw cotton from the by now independent United States, simply because it was cheaper. Companies anywhere else in the world could have done the same. Only during the American Civil War, when the supply from southern plantations was interrupted, did Britain and the rest of Europe turn to India.

But what about the second stage of industrialization, which is characterized by revolutionizing iron and steel production from about the mid nineteenth century onwards? Both iron ore and mineral coal needed to smelt the ore were easily available to European companies, which rendered them independent of overseas supplies. Britain, France, Belgium, Germany, as well as former Austria, had more than enough iron ore and coal to feed the growing number of furnaces, and countries such as Switzerland or Japan had no problems importing the iron and steel they needed. So again, what we have to ask is why the companies in some countries did exploit their own or imported resources of iron ore and coal and why others did not, and why they did it then and not much sooner.

To give another example, the same was true with mineral oil later on. After Europe's own and limited resources no longer sufficed to cover the growing need, European companies bought or produced oil in overseas countries. Most of these countries, especially those in Latin America or in West Asia, were no longer or had never been European colonies. On the other hand, what remains to be explained is why many countries that have had large quantities of mineral oil have not fully industrialized yet, as opposed to those that imported mineral oil because they did not have enough of it themselves. Thus, summing up what has been said about raw materials so far, it should have become clear that the existence or lack of raw materials can neither explain why some countries industrialized, nor can it explain why the raw materials, which had been there for millions of years, were not used more extensively before the nineteenth century.

The same is true for overseas or colonial markets. If they, as many still argue, had been crucial for industrialization, this process should have started long before the end of

the eighteenth century; America was discovered around 1500, and the first colonies were established soon after. The first explanation for this delay may be found in population numbers. Recent figures compiled and presented by Jon Mathieu show that in 1500, out of an estimated world population of about 461 million people, over 70 per cent lived in Europe and Asia, continents that had traded with each other long before that time.¹ Obviously – and understandably – the remaining 132 million living in America, Africa and Oceania could not trigger off an industrialization process in Europe as early as in the sixteenth century, and they were even less able to do so 300 years later. For in 1800, due to European violence and imported diseases, these three continents counted an estimated population of only 128 million, while Europe and Asia had grown to 826 million, which constituted 86 per cent of the world's total population of 954 million at the time.²

With regard to Asia, we have to consider that, due to higher transportation costs, trade decreased with growing distances. Therefore, it should not surprise us that according to Patrick O'Brien, towards the end of the eighteenth century, about three quarters of European foreign trade (i.e. trade across national borders) took place inside of Europe and only about 5 per cent between Europe and Asia, let alone the much larger amount of internal trade within the European countries. Trade with the Americas accounted for 18 per cent, 10 for the northern and 8 for the southern continent.³ Thus, if markets did play a crucial role in the process of industrialization – which, in fact, they did – those markets could much rather be found in Europe herself, both within and outside national borders, and not overseas. This was not only due to population numbers, but also to the much lower purchasing power of native people in America and Africa, with many of them still living as hunters and gatherers and producing hardly any surplus to sell, and others being exploited by relatively small elites both native and foreign. Besides, before the introduction of railways and steamboats, pre-modern means of transportation drove up the prices for imported goods. Thus, high transportation costs, as well as low purchasing power in these parts of the world, reduced potential overseas markets for industrial goods from Europe to a very small number of people, most of them immigrants from Europe.

¹ Mathieu (2011), 87.

² Mathieu (2011), 87.

³ O'Brien (1982), 4.

Urban Pre-Conditions of Industrialization

Before I continue to reflect on the question of markets in more detail, I turn to some other conditions essential for successful industrialization such as capital, entrepreneurship, technology, labor force, and infrastructure. All of them are in some way related to cities and, therefore, to the hypothesis in the title of this paper. Successful, widespread industrialization depends on the extent to which the above conditions exist in a given economy. Or, in other words, successful industrialization is not possible without a certain amount of capital, entrepreneurs who invest it in industrial manufacturing, technology to enable industrial production, skilled and less skilled labor to operate the machines, and sufficient transportation systems to make the purchase of raw materials and the sale of manufactured products profitable. As these conditions are less likely to develop in an agrarian economy, a certain level of urbanization was necessary to obtain them.

In primarily agrarian economies with low population density, most of the people lived on a subsistence level. In general, they produced most of the basic goods they needed to survive by themselves and traded the little surplus they achieved with their neighbors or had to deliver it to a small elite of landlords. In the absence of a large customer base for specialized products, division of labor or specialization made little sense and even fewer profits. Trade on this small scale required little money; the chances to accumulate capital were scarce.

All this changed as population density increased in certain areas. With more people around, it became gradually easier and more feasible to earn one's living from buying and selling or from producing and selling goods to others. Denser populations in restricted areas raised the number of potential customers and reduced the price of goods as a consequence of lower transportation costs. Division of labor and specialization began to make sense; markets emerged and grew into cities by attracting more people offering goods and services to each other. Barter proved more and more insufficient; money payments were being introduced instead. The chances for the accumulation of capital rose.

These chances, however, were anything but equally divided among urban populations. In general, we may observe that trade – long-distance trade in particular – offered better chances for accumulating capital than crafts or local trade. The longer the trade route, the smaller the number of people involved and the larger the potential

profit margins. At the same time, long-distance trade required more entrepreneurial spirit, which distinguished long-distance merchants not only from local merchants and craftsmen, but also from landlords. As long as dependent farmers paid their rents in goods or in money, they had little incentive to invest their money in an entrepreneurial way. Thus, urban merchant capital rather than the capital of rural landlords was invested in economic undertakings. In other words, it was not capital in general that was needed for industrial investment, but *commercial* capital, the kind that was and still is primarily created in cities. Therefore, it makes sense when Robert Lopez associates the emergence and rapid spreading of cities in medieval Europe, in particular between the eleventh and the fourteenth centuries, with a commercial revolution.⁴ Medieval urbanization provided commercial capital, which was an indispensable precondition for later industrialization.

And yet, this first stage of urbanization was not at all restricted to Medieval European cities. Similar cities with a comparable potential of capital accumulation had emerged long before in ancient times and in several other parts of the world, in particular in the Mediterranean and in parts of Asia. As in Europe before the eighteenth century, these cities met the indispensable preconditions for industrialization, but they lacked the additional circumstances necessary to fuel the existing capital into industrial enterprise.⁵

The same may be said for technology, another indispensable precondition for modern industrialization. It is obvious that machine-based manufacturing needed skills that exceeded the technical knowledge of a farmer, who cultivated fields and raised animals in a rather simple way. Instead, modern manufacturing may be regarded as an offspring of traditional crafts, which relied strongly on the technical skills. Such traditional manufacturing developed primarily – though not exclusively – in cities. Thus, wherever they emerged, cities not only provided merchant capital but also technical skills, long before technology began to be taught in technical schools and universities.

It is true that some of the early machine-based production processes such as the spinning and weaving of cotton asked for relatively few skills and could therefore be carried out by unskilled rural people as well. When it came to inventing, installing

⁴ See Lopez (1971).

⁵ See Mathis (2011).

and repairing modern machinery, however, skills and knowledge gathered in metal-working professions proved indispensable. Thus we may find modern textile mills in rural areas, but machine-building enterprises such as locomotive factories were almost exclusively limited to cities.

However, the emergence of technically less demanding production facilities in rural areas depended on another precondition of modern industrialization, which, in this case, was not urban. The relative overpopulation generated by constant population growth provided a surplus of cheap labor, which could be profitably employed in modern factories. As long as low population density allowed rural people to live relatively well on agriculture alone, they had no reason to turn to the much harder and sometimes almost inhumane work in the early factories. Few people were ready to turn to low-income factory work until the growing population density, combined with limited resources of land, made it difficult for them to earn their living in agriculture. And yet, no matter how cheap these workers were, potential entrepreneurs hesitated to employ them without large enough markets for the goods they produced. Cities played an essential role in the creation of such markets.

Finally, a sufficient infrastructure is another important precondition for successful industrialization. In an agrarian subsistence economy with little exchange and trade, there was little need for an efficient transportation system. With the emergence of cities, however, not only the growing trade within the cities but also between them led to the building of roads and waterways. It is obvious that, later on, this traffic infrastructure facilitated the exchange of even larger amounts of goods produced in mechanized factories. Without efficient transportation systems, these goods might have become too expensive to be sold in a profitable way. After all, we should remember that modern means of cheap mass transportation, such as railways and steam ships, were introduced some decades after the beginning of the industrialization process, which they no doubt helped to accelerate.

Mass Demand of Large Cities

After having shown how a first wave of urbanization created a number of indispensable preconditions for modern industrialization, such as large, machine-based factories and mass production, we must still remember that many of them – both in ancient times or in the Middle Ages – had already emerged long before modern

industrialization started. To understand why the Industrial Revolution was not triggered before the late eighteenth and the nineteenth centuries and why – for a long time – it occurred in only a very limited number of regions, we must now turn to a second phase of urbanization. This second stage of urbanization was no longer characterized by the emergence of an additional number of still relatively small cities of some thousand inhabitants, but much more by the enormous growth of existing cities, which reached populations of several hundred thousand and even a million or more people.

According to Paul Bairoch and others, in 1900, Europe counted six times as many cities with more than 5,000 inhabitants than a hundred years before.⁶ In the same period, the number of large cities with more than 200,000 people rose even faster, from 8 to more than 50; most of them were situated in western and central Europe.⁷ Nine of them had already passed a population of one million. A similar density of large cities could only be observed in the north eastern part of the United States and in Japan, with about 20 and 6 cities respectively with more than 200,000 inhabitants in 1900. Fewer than 10 cities of comparable size had emerged in the much larger central and southern America, only 7 in British India.⁸

This unprecedented growth of cities resulted from both a faster population growth and a rising exodus from rural areas due to overpopulation. In Europe, between 1800 and 1900, the overall population grew almost as fast as during the three centuries before.⁹ And the percentage of people living in cities, which had stagnated at about 12 per cent between 1500 and 1800, rose to 38 per cent by 1900.¹⁰ An even sharper rise of both the overall population and the percentage of people living in cities could be observed in the United States at the same time.¹¹

But how could a relatively large number of big cities induce the process of industrialization? Apart from the favorable preconditions discussed before, which were more amply provided by large cities than by smaller ones, the much larger demand for all

⁶ Bairoch et al. (1988), 282.

⁷ Bairoch et al. (1988), 280; Mitchell (1980), 425-426.

⁸ Köllmann (1965), 112, 135-136, 244 and 295.

⁹ From 76 million around 1500 to 188 million in 1800 and to 405 million in 1900; Mathieu (2011), 87.

¹⁰ Mathieu (2011), 88.

¹¹ Population in the U.S. rose from 5 million in 1800 to over 30 million in 1860 and about 90 million in 1900; Köllmann (1965), 44 and 125. The percentage of people living in cities with more than 2,500 inhabitants rose from 15 % in 1850 to 40 % of the total population in 1900; Smolenski (1972), 601.

kinds of goods made the decisive difference. What distinguished modern factory production from traditional crafts was its much larger output. Mass production, however, could only be profitable when the demand was big enough. Thus, it is no surprise that early industrialization in the form of machine-based mass production took primarily place in or near urban centers such as London, Paris, Vienna, Berlin on the European side of the Atlantic, and Boston, New York City, Philadelphia, Chicago on the American side.

Large Cities and Industrialization in Selected Countries

Let us now take a closer look at some examples of industrialization as a consequence of large cities, beginning with Britain. It is more than pure chance that England was the first region to industrialize towards the end of the eighteenth century and that London was the first city to reach one million people around 1800, at a time when Paris as the second largest European city still stood at about half a million.¹² During the 50 years before, the population living in cities with more than 20,000 inhabitants had nowhere else in Europe grown as fast as in Britain, where the number of those cities had risen from six to 23. And yet, this dramatic rise in urban population resulted in an urban structure that was not so different from the situation on the continent, with most of the larger cities on both sides of the Channel housing between 20,000 and 100,000 people. Thus, it must have been London that made the difference. Between 1772 and 1815, the number of warehouses in London trading in cotton products rose from 120 to 729,¹³ which reflects the rapid growth of a market that could be supplied by companies from all over England due to relatively short distances. In 1787, British manufactories produced ten times more cotton yarn and cloth than they did in 1760, and in 1815, they produced more than 20 times as many cotton goods than they did in 1770.¹⁴

Once the process of industrialization had started in Britain, potential entrepreneurs on the continent could follow suit, but not all of them did. Mass-produced, machine-made cotton products were much cheaper than traditional, hand-made goods. In

¹² These and the following numbers are taken from Bairoch (1988).

¹³ Chapman (1990), 31.

¹⁴ Landes (1965), 274; Rule (1992), 35.

order to compete with them successfully and to render factory production profitable, at least two conditions were necessary: a sufficient supply of cheap labor and a sufficient demand from large markets.

Two regions in today's Austria may serve to illustrate the point. With regard to demand, no other city grew as fast as Vienna, from 175,000 people in 1754 to over 400,000 one hundred years later and to about 2 million in 1910.¹⁵ Vienna's demand for cotton textiles was largely covered by companies established in the Vienna basin south of the city from the early 1800s onwards, soon followed by other companies that turned to factory production in order to profit from the growing demand. Up to 60 per cent of the 80 manufacturing companies of today's Austria that employed more than 1,000 people on the eve of World War I were situated in the Vienna area and the neighboring regions of Lower Austria.¹⁶

Quite different from Vienna was the situation in the very western part of the country, in today's province of Vorarlberg. Here, because of overpopulation, a sufficient and cheap supply of workers was demanding jobs and therefore willing to work in factories. Soon after 1800, several cotton mills were established, with five of them growing into large businesses with over 1,000 employees before 1914, more than twice as many as in the larger provinces of Tyrol, Salzburg and Carinthia together.¹⁷ And yet, potential entrepreneurs could not have employed so many people profitably if there had not been large enough markets in the surrounding regions of a highly urbanized upper Italy, Switzerland or southern Germany and, later on, in the more remote Vienna.

This takes me to the example of Italy, which offers another interesting case with regard to the importance of cities for industrialization. During the second half of the nineteenth century, the northern part of the country in particular experienced rapid industrialization. As late as in 1871, regional differences in estimated per-capita incomes were not too spectacular, with the north slightly above and the south somewhat below the national average. During the following decades, however, due to rapid industrialization, the gap widened dramatically, so that in 1951, per capita incomes in the northwest had risen to a level almost three times and in the northeast

¹⁵ Sandgruber (1995), 107.

¹⁶ Mathis (1987), 372-385.

¹⁷ Mathis (1990), 71.

almost twice as high as in the south.¹⁸ Despite various other reasons put forward to explain these different developments, they may all be reduced to a decisive difference in urban structures. But unlike England, where one particularly large city made it the first country to industrialize, the cluster of several large cities in a limited area favored industrialization in northern Italy.¹⁹

It is true that around 1800, three of the larger cities with more than 100,000 people, Rome, Naples and Palermo, were located in the south and only two, Milan and Venice, in the north. However, among those cities that counted more than 20,000 inhabitants, 24 were situated in the north and only 8 in the south.²⁰ Thus, the few large cities in the south, although they also stimulated industrialization, remained somewhat “isolated islands in a sea of highly rural regions” and developed strongly dualistic economies, not unlike so many former and present countries in the so-called Third World. In the north, by contrast, several larger industrial regions emerged, such as the region of Milan, which included the neighboring cities of Brescia, Bologna, Varese, Como and Pavia, each of them having developed into centers of industrial production with populations between 80,000 and 200,000 people.²¹ Although Italy entered modern industrialization relatively late with only 765,000 cotton spindles in 1876, more than 80 per cent of them had already been installed in the cotton mills of Piedmont, Lombardy and Liguria, only 12 per cent in the region around Naples and Salerno.²² 40 years later, on the eve of World War I, both the number of spindles and the share of the north had risen to 4.6 million or about 90 per cent, whereas Campania’s share fell to only 6 per cent.²³ How much a cluster of larger cities could serve as a source of demand and capital becomes evident when we compare the number of joint stock companies and their overall capital. In 1863, 372 such companies existed in the north, only 50 in the south, and the capital invested in the former was more than 14 times as much as in the latter.²⁴

Similar regional differences may also be observed in the United States. Due to mass immigration from Europe, which in the nineteenth century concentrated heavily on

¹⁸ Cohen/Federico (2001), 15.

¹⁹ See Mathis (2007).

²⁰ Bairoch (1988), 40-49.

²¹ Chiellino et al. (1983), 36-37.

²² Hertner (1985), 747; Clough (1974), 63.

²³ Cafagna (1977), 327; Clough (1974), 63.

²⁴ Clough (1974), 167.

the northeast, urbanization in the northeast developed faster than in the south. Contrary to the export-oriented and plantation-based economy of the south, from which only a few Americans benefited, more people in the northeast became part of a market economy. In 1840, when traditional modes of production still prevailed, personal income in New England and the Middle Atlantic states was already almost twice as high as in the south – a gap that would widen in subsequent decades.²⁵

And yet, while such a market economy was no doubt an indispensable precondition for industrialization, it still was not sufficient to kick it off since concentrated mass demand did not emerge until the second half of the nineteenth century. Due to continued immigration, in 1850 there were only 6 cities with more than 100,000 people, but by 1900, there were at least 20, 6 of them with populations of more than half a million. New York City counted almost three and a half million inhabitants, Chicago 1.7 and Philadelphia 1.3 million, followed by St. Louis, Boston, Baltimore, and Pittsburgh with about half a million. Besides, most of the other big cities could be found within the relatively small, north eastern region between Boston, Chicago, and Washington (D.C.).²⁶ Given this concentration of cities in the northeast, it is no surprise that the industrialization process developed much faster here than elsewhere. It began in New England with the factory production of cotton textiles in the early nineteenth century and expanded to the Middle Atlantic states and to the midwest during the following decades; the industry now included other consumer and producer goods. The south, however, accounted for only a small fraction of the nation's industry, both before and after the Civil War. As late as 1909, about three quarters of the value added in manufacturing originated in the New England, the Middle Atlantic and the North East Central states.²⁷ At the same time, industrialization reduced the number of people employed in northeastern farming. Contrary to the U.S. as a whole, where about 36 per cent of the active population was still employed in farming by 1900, the rate had fallen to 12 and 13 percent in New England and the midwest. It was still at about 60 percent in the south.²⁸

Finally, I should like to throw a brief look on Japan, which, though about a hundred years later, had much in common with pioneering Britain. As was the case in Britain

²⁵ Gallman (2000), 53.

²⁶ Köllmann (1965), 135-136.

²⁷ Heim (2000), 117.

²⁸ Margo (2000), 213.

and several other countries, Japan's industrialization started with the mechanization of consumer industries based on silk and cotton, both of them looking back to a long tradition.²⁹ With the introduction of machine-based manufacture, the production of cotton yarn grew by a factor of fourteen from 1886 to 1897.³⁰ In the years before World War I, the number of mechanical spindles was almost 20 times higher than it had been a quarter century before, and the number of people operating them had grown from 6,000 to over 100,000.³¹ As late as 1936, China, with a population of about seven times higher, produced less cotton yarn than Japan.³² And as in England, the expanding home market at the beginning stimulated mass production; later on, growing quantities of the production were exported.³³

As in England, rapid urbanization led to the growing home market, although, in Japan, it was not just one particularly large city but at least two. As late as 1875, Tokyo had fewer than 800,000 inhabitants; by 1900, however, already one and a half million people lived within the city limits, and presumably more than 5 million in the larger metropolitan area.³⁴ Only 400 kilometers to the south of Tokyo, Osaka increased its population from less than half to over one million during the second half of the nineteenth century.³⁵ Furthermore, close to Osaka, Kyoto and Kobe boasted several hundred thousand inhabitants each before the turn of the century. As a consequence, a highly industrialized belt developed between Tokyo and Osaka, not unlike the so called "industrial coffin" between London and Manchester about a century before.³⁶

Outlook

To conclude, the examples of Britain, Austria, Italy, the United States, and Japan should suffice to support my argument that urbanization – in a first and in a second stage – provided both indispensable preconditions and crucial incentives for industrialization. It would be tempting to test my theory with other examples both in the

²⁹ For a general overview on Japanese industrial history see Mosk (2001).

³⁰ Landes (1999), 387.

³¹ Hentschel (1986), 134.

³² Perkins (1975), 120.

³³ Mathis (2006), 228.

³⁴ Bronger (2004), 169.

³⁵ Bronger (2004), 167 and 169.

³⁶ Mosk (2001), 102.

so-called developed and developing countries. It is obvious that recent rapid industrialization in countries like Brazil, Mexico, India or China – to name but a few – has been concentrated in large metropolitan areas. Some final figures show in what spectacular way the number of urban centers has increased worldwide during the last decades: In 1940, there were only 5 mega cities with more than 5 million people – Tokyo, New York, London, Paris, and Osaka-Kobe – all of them situated in the First World; sixty years later, at the turn of the millennium, their number had risen to 45, with 34 of them located in the Third World.³⁷ As I have demonstrated, the causal link between their growth and strong, regional industrialization can hardly be ignored.

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³⁷ Bronger (2004), 20.

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Global Cities and the “New” World History: Narratives and Teaching Perspectives from the United States after the Fall of “Western Civilization”

James Mokhiber

Introduction

In 2002, a contributor to the *Journal of World History* noted the apparent ambivalence of the journal’s readers regarding theoretical approaches to contemporary globalization. “World historians”, he observes, “do not seem to have much interest in the debate on globalization”.¹ He attributes this to what he describes as “their ‘natural’ aversion to post-modernism, [the] latest fashions and hypes”. Reviewing two works by non-historians, he urges his colleagues not to write off their efforts as some descent into theory or a “literary exercise”, and reminds his readers that “globalization is about growing interaction in world history, which is our main object of study, after all”. In contrast to the avid attention paid to the globalization debates by other social scientists, he notes that “world historians somewhat silently question whether the process of globalization is new at all”.

¹ Oonk (2002), 532. One of the books under consideration in Oonk’s review – edited by Brigit Meyer and Peter Geschiere and entitled *Globalization and Identity: Dialectics of Flow and Closure* (Oxford: Blackwell Publishers, 1999) – grew out of a series of conferences co-organized in the Netherlands by Saskia Sassen, Manuel Castells and others under the aegis of an international group of universities.

Just two years later, David Northrup's insightful presidential address to the World History Association (WHA) both refuted and confirmed some of the previous author's observations. In what is primarily a temporal model far from high-theory social science analytics, Northrup invokes globalization in his definition of a "Great Convergence" that, since 1000 AD, began to unevenly draw the peoples of the world into closer economic, cultural and political contact.² He acknowledges that a primary inspiration for his model comes "from looking backward through time to discover the origins of the contemporary globalization". Moreover, Northrup acknowledges that the rapid growth and popularity of the world history movement in the United States derives, in part, from the relevance it offers to students and faculty in an era of increasing interactions.

I cite these texts because together they help to raise some interrelated points relevant to our work on "global cities". While the first author highlights the limited attention of many world historians to the more theoretical debates surrounding "globalization" – the widely-acknowledged central "buzzword" of at least the two decades around the turn of the millennium – the second author acknowledges the popular and academic importance of the term and asserts world history's focus upon a longer history of waves or phases of increasing globalization. Together, they offer some clues to the relative marginalization of the "global city" model – elucidated most famously by urbanist and sociologist Saskia Sassen in her eponymous 1991 text – within world history discourse and practice, despite its paradoxical influence in generating and focusing attention on "globalization" within the wider academy itself.

From my perspective of teaching world history surveys and more specialized courses, I would like to explore world history's narrative and pedagogical relationship to Sassen's "global cities" in this chapter. I begin by briefly outlining Sassen's technocratic but insightful analytical model, and contrast it with Janet Abu-Lughod's understanding of the longer-term global significance of linked cities. I will then chart the emergence of the "new" world history in the United States and its partial embrace of contemporary globalization as a culmination of its narrative. Using textbooks as a guide to mainstream discourse and teaching practices in the United States, I will seek

² Northrup (2005), 253. Regarding my use of "AD", or *Anno Domini*, the (sometimes politically controversial) American practice in world history textbooks and other works has been to use the "BCE/CE" distinction. However, I appreciate observations in the editorial process that the "Common Era" designation does little to alter the inherently Western and Christian origins of this convention, and I defer to these comments here.

to show how most world history narratives nevertheless maintain their distance from Sassen's "global cities" and thereby risk losing a sense of "place" in their discussion of contemporary globalization. In my conclusion, I will highlight some of the ways that world historians of various stripes have begun to intervene, albeit in a limited and circumscribed fashion, in the "global city" debates.

Defining the "Global City": Saskia Sassen

As elucidated most fully by sociologist Saskia Sassen in 1991, the "global city" is not a historical model or understanding in the strict sense, but one that proceeds from the growing awareness of the increasingly complex economic present.³ In a multi-layered hypothesis, Sassen seeks to counter the tendency within existing globalization scholarship to focus on technology's role in assuring the hypermobility and flexibility of the global economy.⁴ Instead, Sassen seeks to reassert the importance of "place" in this new economy of globe-straddling firms and forces.

Her analysis hones in on the significance and effects of global corporate practices. She argues that the worldwide dispersion of economic activity by today's major transnational corporations requires such increasingly sophisticated coordination and management that these firms are required to outsource crucial corporate services, such as financial, accounting, advertising, legal, computer and communications functions. To provide global coverage and serve their clients' needs, these service firms, in turn, establish international connections, locating themselves in cities around the globe. Through these webs of corporate service industries, cities thus guarantee the global reach of multinational firms, serving as "central places where the work of globalization gets done".⁵

Building on research carried out in the late 1980s, Sassen famously found three exemplars of the parallel developments she was charting in New York, London and Tokyo. The three served related functions in the global economy in that, as she later pithily describes them, "Tokyo was the leading global exporter of money as a raw, unprocessed commodity; London was the ultimate entrepôt, a legacy of its imperial

³ Sassen employed the term "global city" as early as 1984; Sassen (2004), 373.

⁴ Sassen (1991), 5.

⁵ Sassen (2005), 35.

past; and New York was the Silicon Valley of financial innovations”.⁶ All three booming cities certainly exemplify one aspect Sassen seeks to highlight through her work: the growing social and economic disparities occasioned by the development of a highly-specialized managerial elite. The outsized economic and general importance of these cities, partially de-linked from their surroundings and more dependent on global trends and currents, also supports her contention that the emergence of “global cities” results in the decline of the nation as a spatial unit.

The attention Sassen’s work earned in the context of the changing global zeitgeist helped it to serve as something of a bridgehead for a host of scholarship in related fields and to reinvigorate the debate about the relationship between cities and the world economy. According to Sassen, the ensuing scholarly flood, which met up with currents coming from a number of different directions, “spawned a rather large literature across the world, producing, in turn, many advances and quite a few confusions”.⁷

This “invisible college” of researchers investigating the relationship between the world economy and world cities was led by John Friedmann, who had touched off a preceding wave of such work in the 1980s with his “world city hypothesis”.⁸ Looking beyond a city’s size to its economic role and its relationship and links to other cities within the world system, Friedmann draws on early work by Sassen, as well as a host of scholarship on the emergence of the modern world system.⁹

Despite their early intertwining, Sassen has long sought to disentangle her “global city” paradigm from the wider “world city” discourse, citing her resolve to remain rooted in “the specificity of the current period” of economic globalization.¹⁰ This desire translates, in part, into an effort to bracket one aspect of historical experience, the growth of contemporary globalization and its “global city” agents, while simultaneously acknowledging the existence and potential utility of a separate, historical “world city” category of analysis. Indeed, along these lines, Sassen has sought to

⁶ Amen et al. (2006), xi (a foreword by Sassen).

⁷ Sassen (2006), x.

⁸ Michele Acuto traces a lineage of world/global cities thinking back to the early twentieth century in a recent article; see Acuto (2011), 2953.

⁹ Friedmann (1986).

¹⁰ Sassen (2004), 373.

suggest that some cities, such as Miami, may evince “global city” qualities without possessing the lineage or characteristics of the pantheon of “world cities”.¹¹

In recent years, Sassen has extended her work on the social costs associated with the rise of the “global city”, and she has collaborated with those who would apply the model and its insights to the global south and “globalizing” areas in general. She has done so in part by stressing that the search for the global in the urban is her main concern, and that, rather than bestowing honorifics or crowns, her analytical model’s key function is to detect globalization and the unevenness of its penetrations into even the most globally-focused cities.¹² Sassen has remained a participant and commentator in debates and works that have sought to move beyond the core global cities, works that have included more political, cultural and historical approaches.¹³ These collections have sought to move “global city” debates away from supposed “winners” to those on globalization’s margins, and to a host of “wannabe cities”, allegedly driven by neoliberal agents, discourse and practices that might challenge the positions of New York, London, Paris and Tokyo as leading global cities. As approaches begin to move beyond economics and contingency and change come to light, history seems to be welling up within the “global cities” paradigm despite the insistence of many of its practitioners that today represents an irrefutable break with the past.¹⁴ Nevertheless, while Sassen asserts now that “the deep history of a city becomes more, not less, significant under conditions of globalization”, it is clear that she maintains her belief in the distinct nature of contemporary globalization.¹⁵

Challenging Sassen: Janet Abu-Lughod

Sassen thus has sought to recalibrate her approach and model in recent years, and her “global city” work remains vastly influential, shaping debates about globalization

¹¹ Sassen (2004), 373-374.

¹² Sassen (2006), x.

¹³ See Sassen’s “Afterword” in Gugler (2004), 371-386 and “Foreword” in Amen et al. (2006), ix-xiii.

¹⁴ The *Relocating Global Cities* editors tellingly insist that “there really is something qualitatively new about global relations today, and not only economically, that is manifested most in cities [...] globalization is not just a new, obfuscating conceptualization of a state or process that is actually quite old [...] globalization theory is necessary and not necessarily prone to folly, even though some attempts at it may turn out to be”. Amen et al. (2006), 208 and 204.

¹⁵ Amen et al. (2006), xii (a foreword by Sassen).

in academic and wider worlds. Rather than trying to discuss the full impact and range of reactions by scholars to her work, however, I would like to turn to the one most closely associated with our topic: Janet Abu-Lughod. A noted urbanist, sociologist and world historian, Abu-Lughod is uniquely suited to challenge Sassen's work and, for us, to open a discussion of world history's treatment of the "global city".

Throughout her career, Abu-Lughod has deftly interwoven her roles as an urbanist, sociologist and historian. Those of us interested in the French colonial world were probably first exposed to Abu-Lughod through her provocative history of urban planning in colonial Rabat, which showed how in the "dual cities" of French Morocco, a modern, European-style city constricted and cut off a "preserved" Medina – social polarization in an extreme form that she likened to a form of apartheid.¹⁶

When Abu-Lughod entered the "global cities" debate, she did so as a clear, albeit cordial, critic of her colleague Sassen's approach.¹⁷ In Abu-Lughod's 1999 *New York, Chicago, Los Angeles: America's Global Cities*, the criticism is sharp: the global cities literature, she notes, has been "remarkably ahistorical, as if contemporary trends represent a sharp break with the past, if not an entirely new phenomenon".¹⁸ The supposed hallmarks of Sassen's "global cities" – from the decentralization of production, international transfers of labor and capital, foreign investment, the increased role of external or subcontracted business services, transformation of communications and transport, and even the social polarization of cities – Abu Lughod claims, were developments that had been planted in early nineteenth century New York (and subsequently in Chicago and Los Angeles), or before the current era of globalization.

For the world history community, Abu-Lughod's arguments are consistent with the line she took in 1989 in a different, paradigm-defining work. Her *Before European Hegemony: The World System, 1250-1350 AD* draws a picture of a vast, linked Afro-Eurasian trading system – a series of overlapping orbits or circuits – that constituted

¹⁶ Abu-Lughod (1981).

¹⁷ In the introduction to her work on the subject, Abu-Lughod calls herself "lucky indeed to have enjoyed the friendship of Saskia Sassen", noting that she found in Sassen's work on globalization and the global city both "inspiration" and, perhaps more tellingly, a "goad" or provocation. "I never turned down any of the frequent opportunities to appear on panels with her as we debated and clarified our propositions", she writes, "because I knew I would always learn from her". Sassen returned the carefully-bounded compliment in an updated second edition of her book *Global Cities*, referring to Abu-Lughod's work as "masterly" – before directly challenging Abu-Lughod's research and conclusions. See Abu-Lughod (1999), viii and Sassen (2001), 157-161.

¹⁸ Abu-Lughod (1999), 2.

the most sophisticated system of trade and production the world had seen.¹⁹ As part of this ambitious work, she also sets out to describe how this system united an “archipelago of ‘world cities’” from a wide variety of societies. Together, these interacting cities produced a world system that anticipated the one later dominated by Europe and characterized by Immanuel Wallerstein as the “modern world system”.²⁰ The overriding goal of this ambitious book is clear: Abu-Lughod sets out to challenge the image of the modern world system – and indeed the so-called “Rise of the West” – as something *sui generis*, new and inevitable, arising from an innate power or quality of Europe itself. In this new formulation, an overlooked “fall of the East” necessarily anticipated and possibly brought on the period of Western ascendance.

I cite Abu-Lughod’s criticism of Sassen, as well as her *bona fides* as a practitioner of world history, because she opens a window on the attitudes and orientation of the world history community toward the novelty of the “global cities” model and, potentially, contemporary “globalization” itself. Before we can approach these potentially intertwined topics, however, it is necessary to briefly locate and review the emergence of world history as a sub-field and intellectual force in the United States academy.

The Fall of “Western Civilization” and the Rise of World History

For those who are not fully aware of the place the “new” world history has assumed in the American university and secondary school system, let me offer a summary with a view toward understanding its transformations and the eventual significance of “globalization(s)” within its narrative. It has been, on the whole, a remarkable ascent. From a wholly marginalized subfield, sometimes derided as the preserve of dilettantes and popularizers, world history has emerged over the past thirty or so years as a vital, self-confident and expanding area of research with wide pedagogical influence.²¹

In the United States, the launch of “new” world history has typically been tied to the publication of William McNeill’s 1963 *Rise of the West*.²² Well received by both

¹⁹ Abu-Lughod (1989).

²⁰ For a recent restatement and review, see Wallerstein (2004).

²¹ Geyer/Bright (1995).

²² Less reductively, Allardyce (1990) also considers the influence of Louis Gottschalk and Leften Stavrianos in his discussion of the emergence of the “new” world history in an article published in the first volume of the World History Association’s new journal.

scholarly and popular audiences, McNeill's formulations reflect the times and circumstances, with both the Cold War and decolonization shaping McNeill's effort to create a more inclusive historical narrative to fit the tense, changing world.²³ It also "told a good story", and set an ambitious narrative example for those who would follow. As Patrick Manning notes in his useful guidebook to the world history literature and discipline, McNeill's seminal work drew on and in many ways extended a tradition of history writing in a popularizing "grand synthesis" mode, reaching back to the beginning of the twentieth century and the work of Oswald Spengler, H. G. Wells and Arnold Toynbee.²⁴

The strong narrative thrust of the "new" world history inspired by McNeill was joined, and sometimes interrupted, by important analytical counterpoints and models, as well as significant interdisciplinary work.²⁵ Some of the new work offered elegant and encompassing models and themes – such as the ecological history of Alfred Crosby – that helped to bolster the broad narratives McNeill and others were drafting, while a polite skepticism regarding the grand narrative emerged in the comparativist orientation of Phil Curtin. World history profited from, and began stitching together, the scholarship on Asia, Africa, the "Middle East" and the Americas produced by U.S. "area studies" programs.²⁶ As noted earlier, "world systems" writers like Abu-Lughod also staked an important claim in world history territory, offering analytical rigor and a sense of the inequalities produced by growing interaction. Scholars intent upon stretching the parameters of the debate and narrative to include even the Big Bang itself joined. The "big tent" created to bring together this diverse group was the World History Association (WHA), dating from 1982.

From its inception, and despite its diversity of approaches, the WHA has consistently pursued the mission of making world history a more "teachable" subject, despite raging debates about topics, narratives, themes and periodization. Indeed, I think it is fair to say that the WHA, reflecting the breadth of its object of study and seeking to parry its academic and outside critics, has embraced its pedagogical responsibilities and mission more than most professional organizations.²⁷ Some claim that teaching,

²³ Manning (2003), 54.

²⁴ Manning (2003), 52-54.

²⁵ For an invaluable collection of early articles by Crosby, Curtin, McNeill, Wallerstein and other founding figures, see Dunn (2000).

²⁶ Stearns (2010), 9-10.

²⁷ See Johnston (2005).

in these early years, largely drove world history's development; as Ross Dunn has noted in his own guide to the discipline, for nearly a half-century "the teaching project nourished research more abundantly than research nourished teaching".²⁸ This was particularly true given the rise (or re-emergence) of the world history introductory survey course at both the university and secondary school level in the United States and the controversies in which world history's practitioners soon found themselves.

For the advent of the world history survey in the United States has involved a shift from what had for so long been seen as the bread-and-butter course at most American universities: the Western Civilization introductory survey. Familiarly called "Western Civ" in student vernacular, this enduring class more or less explicitly tied contemporary U.S. history back to that of Europe and, eventually, back to ancient Rome and Greece, tracing a supposed legacy of human freedom and cultural sophistication. Subsequent authors have underlined how this historical narrative emerged from the understanding of historical change and relationships that was shaped in part by perceived needs arising around the time of World War I and, later, the Cold War.²⁹ Fostering commonality with our allies, and raising the stakes of the struggles in and over Europe and beyond, helped to explain "why we fight". Thus, one might say, Western Civ's focus on the rise of "civilization", its passage into the "West", and its ongoing contest with variously construed "barbarians" forever storming the gates.

The tumult of the 1960s challenged the liberal theme of "freedom's progress" and Western Civ's dominance in the U.S. university system. Slowly, into the 1980s, experimental "new" world history courses began to appear throughout the American academy, though these earliest efforts still encountered the skepticism of those who saw it as either un-teachable, un-American, the purview of generalists and amateurs, or a revival of previous failed experiments.³⁰

In the 1990s, though, world history began to experience a period of unprecedented growth throughout the American educational system. Explanations for the rapid development of research in and teaching of the "new" world history should include the patient cultivation of a diverse intellectual community through the WHA and related institutions, the long experience of its practitioners preparing effective narratives

²⁸ Dunn (2000), 3.

²⁹ Johnston (2005), 257-258; Allardyce (1990).

³⁰ Johnston (2005), 258; Allardyce (1990).

with broad appeal, and the rising tide of the multicultural movement and identity politics in the United States. Current events also played their role: the 9/11 attacks on the United States in 2001, as well as high-profile World Trade Organization protests in Seattle in 1999 and other cities thereafter, drove some world historians to call for a greater engagement with all forms and phases of globalization, so as to better inform the public and policymakers alike.³¹

Indeed, in an era when the humanities are constantly called upon to justify themselves, this particular conjuncture provided ready arguments for the relevance of world history and, perhaps, history itself. Globalization heightened world history's appeal to university students because, as David Northrup put it in his presidential address,

“Not only does it place them at the center of things, but it also makes the past a meaningful backlight to give perspective on the future decades of their lives [...] our fascination with world history is a product of the forces of globalization in our times.”³²

For the increasingly internationally-minded student body, world history appeared to offer them a kind of cosmopolitanism, prepare them for careers with global dimensions, and, perhaps, reassure them about U.S. primacy in an age of challenges and interaction. Belatedly, academic world history globalized.³³

By this time, world history's more mature pedagogical style and narratives exhibited far fewer of the “civilizational” hallmarks that it had inherited from the previous Western Civ era or from McNeill's earliest formulations, though most courses still were not so radically different as to alienate Western Civ instructors forced to re-tool. The Agricultural Revolutions simply had to be studied in their plural form, the Roman Empire could be contrasted with the Han, Christian pilgrims with Buddhist and Muslim ones, and exchanges in the Mediterranean and Atlantic juxtaposed to those across the Sahara, Silk Road or Indian Ocean. Slave trades, the birth of nation-states, the rise of modern empires, and industrial revolutions could be compared

³¹ Hopkins' introduction to his edited volume is itself a revealing piece of evidence about the tenor of academic work in the wake of the 9/11 attacks; Hopkins (2002), 1-11.

³² Northrup (2004), 259.

³³ By my estimation, there were 31 distinct mentions of “globalization” in the *Journal of World History* from 1994 to 2000, versus 90 mentions in articles appearing in the period stretching from 2001 to 2007. Source: JSTOR (accessed 30 Oct 2011).

worldwide, the world was examined in all their theaters and from multiple perspectives and so on.

By the turn of the millennium, then, world history had emerged as a highly contingent story of the increasing velocity of connections, interactions and exchanges between people over long distances and vast spans of time. As the previous discussion of Abu-Lughod suggests, many world historians came to see and portray these as taking form within successive networks, systems or cycles of “globalization”, up to the present.³⁴ Along these lines, A. G. Hopkins usefully identifies both trends within the existing historiography and a typology to group globalizations, and set out an impassioned agenda for future study and research.³⁵

At the same time, some dissenters began to see world history’s insistence upon deep cycles of globalization and cursory gestures toward the connected “present day” as downplaying the significance of contemporary transformations. This is also what has propelled the effort to create what some practitioners have sought to define in a sometimes stark manner against mainstream world history as the “New Global History”. This diverging scholarly trend became particularly clear in the later 1990s, as its adherents increasingly became uncomfortable within the WHA’s “big tent”. Bruce Mazlish, for one, warns of “obfuscation” and even (tongue apparently only slightly in cheek) an “imperial turn” by world historians seeking to control academic discourse about the present by assimilating “global” to “world” history.³⁶ In an insurgent tone in one of several manifestos he published, Mazlish calls for “greater definitional precision” that would allow global histories to emerge from world history’s shadow and thrive independently.³⁷

Along these lines, Mazlish recommends that truly global historians should follow two principal paths. On the one hand, they should continue the work of world historians by studying the development, past and present, of those processes that transcend local, national or regional levels. More crucially, he suggests, the “heart and novelty”

³⁴ See Hopkins (2002).

³⁵ Interestingly, while Hopkins notes many of the kinds of economic factors Sassen discusses, the “global cities” debate does not loom large in this collection either; Hopkins (2002), 1-11 and 12-44.

³⁶ Mazlish (1998) 385 and 395. The empire reference was no single slip of the pen. In 2005, he again asserted that “World history practitioners [...] tend to take the global under their wings imperialistically, and to pooh-pooh its claims to an autonomous existence”. Mazlish (2005), 37.

³⁷ Mazlish (1998), 395.

of the New Global History is the writing of the history of contemporary globalization itself, through the study of “the ‘factors of globalization’ [...] as far back in the past as seems necessary and useful”.³⁸ For Mazlish, these date to either the 1950s or 1970s (he subscribes to the latter date) and include a host of phenomena – “the basic facts of our time” – including the exploration of space, the development of satellite communications, the emergence of nuclear and environmental threats, the rise of the multinational corporation, the expansion of global consumerism, the elaboration of human rights and the globalization of culture and so on. The interactions of these factors in a changing political and economic environment, he asserts, has resulted in the compression of time and space that we know of as globalization itself.

In recent years, Mazlish and others have continued their efforts to rally the troops for the New Global History, building on a series of conferences begun in the 1990s.³⁹ Central to such efforts has been an insistence that “global history [...] is emphatically an interdisciplinary practice”, necessarily drawing on theory and work from throughout the social and natural sciences. It is perhaps revealing, then, that its flagship journal *New Global Studies*, founded in 2007, omits mention of history in its title. Equally revealing, for our purposes, is the presence of Saskia Sassen on the new journal’s editorial board. Indeed, Sassen’s writing on the “global city” appears in the 2005 collection of foundational texts edited by Mazlish and Akira Iriye as *The Global History Reader*.⁴⁰ Sassen’s affiliations with this group are clearly consistent with her desire to highlight the distinctions she perceives to be inherent in the present era.

World History Textbooks in the U.S.: Narrating Globalization without Cities

The emergence of the New Global History, and the affiliation of Sassen with this group, suggests the tension with regard to the place of contemporary globalization within the narrative explored by the “new” world history. Along these lines, it can be instructive to examine the ways world historians describe contemporary globalization

³⁸ Mazlish (1998), 389.

³⁹ A clearinghouse for information about the New Global History Initiative can be found online at <http://toynbeeprize.org> and <http://newglobalhistory.org>.

⁴⁰ Mazlish/Iriye (2005), 11.

by examining some of the major textbooks used in college-level U.S. world history surveys. Often co-authored by leading historians, vetted by dozens of reviewers, and subject to multiple editions and corrections, textbooks offer approachable narratives intertwined with the world history consensus that began to appear roughly twenty to thirty years ago.⁴¹ As we will see, if contemporary globalization has found its way into textbook narratives, “global cities” have only barely done so.

A common feature of the world history textbook in the United States today is a concluding chapter or section that describes contemporary globalization through a selection of broad themes and issues.⁴² For example, the University of New Orleans’ current textbook, Robert Strayer’s thoughtful and sometimes provocative *Ways of the World*, examines globalization – “the process of accelerating engagement among distant peoples” – by looking at the spread of feminism and other liberation movements, the rise of fundamentalisms, the emergence of global environmental concerns, and the question of American “empire”.⁴³ Other textbooks, when they break with chronological narrative, invoke similarly broad themes like international pop culture and consumerism, technology, the internet and social media, religious and ethno-nationalist revival, terrorism, civil war and genocide, immigration, democratization and civil/human rights struggles, energy and agricultural challenges, environmental degradation, pollution and climate change, AIDS and international health, supranational organizations and NGOs, and North/South inequality and poverty.⁴⁴

The diversity of themes treated in such textbooks certainly helps to illustrate the breadth of the discussion of globalization in the contemporary era, and such chapters make a case that world history is relevant and useful in providing an understanding of the world our students will face. At the same time, however, the discussion of

⁴¹ Along these lines, one recent textbook notes that it was subjected to 83 editorial reviewers, 300 marketing reviewers, 27 class testers and more than 1,000 students before publication. See the promotional overleaf to Von Sivers et al. (2012).

⁴² While discussions of contemporary globalization do not always appear within a single chapter, see: Tignor et al. (2010), 745-843; Craig et al. (2009), 1014-1129, esp. 1090-1092; Von Sivers et al. (2012), 1100-1139; Adler/Pouwels (2008), 716-723; Bulliet (2006), 712-733; Spodek (2006), 827-840; Stearns et al. (2011), 988-1009; Wallech et al. (2007), 507-523.

⁴³ Strayer (2011), 1133-1134.

⁴⁴ Please note that I recognize that I am not undertaking the widest review of all such textbooks, and that my treatment is somewhat restricted to those which we have assigned or considered for use at UNO. It is testimony to the continuing success of world history in recent years that there are many new textbook offerings each year. While I have tried to reference the most recent editions, this unfortunately is not always the case.

these broad issues and themes tends to describe globalization, rather than explain or analyze its development or maintenance. Specificities regarding today's globalization disappear. In the final chapter of most world history textbooks in the United States, today's globalization frequently remains untethered, or as Sassen would have it, disconnected from a sense of "place" that might help to explain the specifics and dynamics of the contemporary era.

Even when they devote more time to precise explanations of economic globalization – an area in which Sassen's observations obviously might well apply – few of the reviewed texts define or explain the phenomenon in a way that engages or references the "global cities" debate or paradigm. For example, *Ways of the World* acknowledges the popular definition of globalization as "the immense acceleration in international economic transactions that took place in the second half of the twentieth century and has continued into the twenty-first".⁴⁵ It then discusses how the massive economic transformations of the twentieth century were fueled by the post-war "reglobalization" of the world economy, with the signing of the Bretton Woods agreements and the creation of institutions like the World Bank and International Monetary Fund. Technology, in the form of transport and communications revolutions, like containerized shipping and the internet, get their due. The text also nods toward the post-Cold War rise of neo-liberal economic policies promoting the reduction of state spending, regulations, tariffs and taxes as well as the privatization of state-owned industries. It focuses on the transnational corporations that shuttle their production capacities around the world in a search for the most advantageous labor and environmental climates. Another text, *The Heritage of World Civilizations*, notes how, in the post-Cold-War era, "the character of the world economy, including issues of trade, financial investments, and resource allocation, has led to new phases of economic, social and cultural independence, now usually termed globalization, that remain ill-defined and troublesome, whether they relate to automobile production, oil reserves, trade restrictions, currency failures or international debt".⁴⁶ A sophisticated third textbook, *Patterns of World History*, characterizes globalization as "the ongoing process of integrating the norms of market economies throughout the world and binding the economies of the world into a single uniform system".⁴⁷ It

⁴⁵ Strayer (2011), 1134-1135.

⁴⁶ Craig et al. (2009), 1092.

⁴⁷ Von Sivers et al. (2012), 1107

goes on to detail the rise of the dollar regime in the 1970s, the Clinton-era development of the American financial services sector and the promotion of more speculative financial instruments like derivatives, the rise of the Washington Consensus, the Mexican, Asian and Russian debt crises, IMF policies, and the international ramifications of consumerism. Thus, despite delving into some rather detailed and technocratic discussion of globalization's causation, in economic areas frequented by Sassen, all of these texts fail to discuss or reference "global cities" and their roles.

This is not to say that cities and urbanization writ large, though, are entirely absent from these texts. The approach of most textbook authors and their editors, however, has been to use cities as visual sources, usually as Janus-like illustrations of the contemporary era's contrasts, especially with regard to economic development and social polarization. For example, the last section of *World Civilizations: The Global Experience* includes a photo of skyscrapers in Dubai being built by migrant workers, while the accompanying text notes that in recent years the city has become "a world commercial center, with banking telecommunications, and other services. Many international corporations located regional offices there."⁴⁸ Other photos in this last section include a street scene from Hanoi dominated by a huge Pepsi can, a McDonald's in Moscow, the World Trade Center collapsing on 9/11, a beauty pageant protest in New Delhi, the celebration of the millennium in Sydney in 2000, and people passing a prostrate homeless man on a Hong Kong sidewalk.⁴⁹ Similar photos appear in the final sections of Felipe Fernández-Armesto's *The World*.⁵⁰ A photo of "pell-mell urbanization" of Lagos, Nigeria reinforces Fernández-Armesto's points regarding too-rapid urbanization and "overcrowding, gerry-building, a transport system that barely functions, unregulated trading, accumulating litter", while prominent maps detail world urbanization and the distribution of the world's cities of five million or more inhabitants.⁵¹ At first glance, *Worlds Together, Worlds Apart* seems to follow a similar approach. Here photos of cities convey unchecked urban growth in Lagos, pollution in smoggy Hong Kong and poverty through a wide-angle photo of the *favelas* of São Paulo, Brazil.⁵² Income disparities and social polarization

⁴⁸ Stearns et al. (2011), 1003.

⁴⁹ Stearns et al. (2011), 962, 970, 984, 989, 991 and 998,

⁵⁰ It should be noted that this text discusses urbanization and cities – "the main habitat of humans" – in far more detail than the others under consideration; Fernández-Armesto (2009), 1038-1040.

⁵¹ Fernández-Armesto (2009), 1054-1055.

⁵² Tignor et al. (2010), 796 and 832.

are brought out by the juxtaposition of a picture of a suburb of Santiago, Chile “where the well-heeled live and shop just as they do in Beverly Hills” with the sprawling shantytowns of Rio de Janeiro.⁵³

This last textbook, however, contains evidence that the authors of *Worlds Together, Worlds Apart* have gone a step further than most and have struggled to engage the “global cities” debate in a more nuanced manner. The text notes that globalization has “functioned through networks of investment, trade, and migration that operated relatively independently of nation states [...]. Members of societies now often identified more with local, subnational, or international movements or cultures, rather than with nation-states.”⁵⁴ The agents of globalization, the authors note, were international financiers and banks, based mainly in New York, London and Tokyo, as well as internet-connected networks of investors and traders. Globalization’s effects reach into cities around the world, including Calcutta (Kolkata), Jakarta, Sao Paulo, Mexico City and Tokyo; all of the largest cities in the world are now located outside the traditional “West”. The aspect of *Worlds Together, Worlds Apart* most evocative of “global cities” thinking, though, can be found in a two-page boxed feature on the transformation of Bombay/Mumbai since the 1980s. Clearly drawing on the Sassen-influenced work of Sujata Patel and Alice Thorner,⁵⁵ the feature discusses how globalization and economic liberalization have made the city a “strategic place in transnational geography”.⁵⁶ This place in the global economy is “evident in the increasing presence of financial institutions, trading organizations, insurance companies, telecommunications corporations and information technology enterprises with worldwide operations”. Moreover, the textbook’s authors note that these industries and corporate headquarters “generate profits and employee wages on a much richer scale than other sectors of the economy”, which exacerbates the city’s longstanding divide between rich and poor.⁵⁷ As a result, the city experiences globalization in diverging ways and these dislocations have allowed for an upsurge in Hindu nativist ideology and mobilization. *Worlds Together, Worlds Apart* thus engages Sassen

⁵³ Tignor et al. (2010), 841.

⁵⁴ Tignor et al. (2010)

⁵⁵ See, for example, Patel (2004). In an afterword to this collection, Sassen recognizes the contribution of Patel’s work in bringing out the political and cultural variables of global cities; Sassen (2004), 379.

⁵⁶ Tignor et al. (2010), 802. The 1997 volume, edited by Sujata Patel and Alice Thorner, entitled *Bombay: Metaphor for Modern India*, is noted in the “further reading” section of the 2008 edition of Tignor’s textbook.

⁵⁷ Tignor et al. (2010), 803.

indirectly and offers an example of how globalization can be “located” and tracked in and through a “global city” – though this is accomplished primarily through a boxed feature distinct from the main text.

Conclusion

These observations about the relative narrative silence of world history textbooks with regard to Sassen’s “global cities”, even in discussions of contemporary globalization, are of course preliminary and partial. One can always argue that such textbooks, aimed at a generalist audience of university students and constrained by the need to present a broad narrative and themes, are not the most conducive vehicle for bringing out the subtle and complicated “global cities” debate. But even in the bibliographies and suggestions for further reading that are featured in most U.S. textbooks, Sassen’s work and the wider “global cities” literature goes unacknowledged, as it does in other basic world history texts.⁵⁸

Indeed, this relative silence continues within the WHA’s flagship research journal, the *Journal of World History*. Virtually unmentioned until 2000, Sassen and the “global cities” model remain far from the center of the journal’s debates. Two exceptions help to prove the point. In 2007 the journal published a special forum on “Globalization and Global Cities”, including articles on Ottoman Salonica and global Shanghai in which Sassen’s work is noted.⁵⁹ These were followed, in 2010, by perhaps the most explicit effort to engage Sassen, a provocative examination of how the Reuters news service in London emerged as a significant nineteenth century provider of global producer services through a network of bureaus in distant cities – long before London’s supposed emergence as a “global city”.⁶⁰

Whether this kind of research heralds further consideration of Sassen’s analytics, or simply shuts some doors, is unclear. What this brief review does suggest, though, is

⁵⁸ See, for example, Von Sivers et al. (2012), R1-R12; Stearns et al (2011), 1006-1008; and the voluminous bibliography in Manning (2003), 379-413.

⁵⁹ Baer (2007), 165; Wasserstrom (2007), 221.

⁶⁰ Winder (2010), 295-296. Winder’s paper was a result of the 2008 World History Association Annual Meeting in London, one of whose themes was “Global Cities”. Many of the other papers treating this theme at the conference still tended to discuss the world historical significance of cities from a broader perspective distinct from contemporary “global cities” theory, though the conference’s discussions suggested promising new directions.

that the world history community has fallen short in not engaging a debate that generated tremendous interest for an extended period throughout and beyond the academy. If globalization is to remain a key part of the narrative, and part of the *raison d'être* of world history, this and future such debates will need to be considered more carefully.

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Bringing Economic Geography Back In: Global Cities and the Governance of Commodity Chain

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Introduction

This chapter departs from the observation that global city research has, 20 years after Sassen's "The Global City",¹ reached an impasse. Though scholars largely agree that global cities are places from where the world economy is managed and controlled, we have little empirical evidence showing how producer service firms in global cities help to link economies on different geographical scales. Even less of an effort was made to explore the extent to which the presence of sizeable clusters of globalized producer service firms contribute to making a city a command-and-control centre in the global economy. Hence, little is known about the actual practice of management and command, which undermines the strength of the global city argument.

¹ See Sassen (1991). In the literature, both the terms "global city" and "world city" are often used interchangeably. Sassen, however, coined the expression "global city" deliberately to emphasise that she is distancing herself from earlier notions of world cities as capitals of empires or as the top of the power hierarchy; see Derudder (2006) for a debate on the different concepts attached to the different terms. Since my work draws strongly on Sassen's, I will use her terminology, except in cases where I refer either to the general debate or to other authors' terminology.

The basic claim of this chapter is that in order to overcome this crisis, we must go back to the economic geography spirit inherent in Friedmann's and Sassen's approach to global cities. Moreover, I contend that for this purpose an integration of global city and global commodity chain research is appropriate. The paper argues that such integration is feasible because both literatures originated from the same source of ideas (namely world-system analysis) and therefore share key concerns and conceptual issues. I also claim that bringing global city and global commodity chain research together will help us overcome the limitations of both approaches. In particular, integrating the two accounts would allow us to scrutinize the making and the geographies of control capabilities for the world economy.

The Global City Paradigm

The global city paradigm, in its current understanding, became known in the 1980s through the writings of John Friedmann and Saskia Sassen,² whose principal interest was to theorize and to explore the new geography of the world economy, which has emerged in the process of globalization. As the key roles of global cities in the world economy, the paradigm denotes their articulation and governance functions: Housing clusters of producer service firms, global cities provide the means to connect and control geographically dispersed economic activities.

Thus the global city paradigm emerged from the concerns of economic geography. Friedmann and Wolff define "the spatial articulation of the emerging world system of production and markets through a global network of cities" as their prime interest and contend that management *and* power in the world economy are increasingly centralized in a number of world cities.³ They see these as "the basing points in the spatial organization and articulation of production and markets" with the task to "articulate larger regional, national, and international economies".⁴ In addition to this "articulation-function",⁵ Friedmann points to the "control functions of world cities", which are reflected in the clustering of corporate headquarters, international finance, transport and communication infrastructure for global business, high-level business

² Friedmann/Wolff (1982); Friedmann (1986); Sassen (1988); Sassen (1991)

³ Friedmann/Wolff (1982), 309.

⁴ Friedmann (1986), 71; Friedmann (1995), 22.

⁵ Friedmann (1986), 73.

services, and the production and dissemination of information and cultural artifacts. Friedmann and Wolff also emphasize that world cities are “[t]ightly interconnected with each other through decision-making and finance”,⁶ and thus constitute “a worldwide system of control over production and market expansion” – a notion that anticipates Taylor’s work on the “world city network”.⁷

Different terminology notwithstanding, Sassen adopts Friedmann’s key idea that global cities have basically two functions: They are places “from where the world economy is managed and served”,⁸ as well as “highly concentrated command points in the organization of the world economy”.⁹ Nevertheless, she sharpens these notions by shifting attention from formal command power (as expressed, for example, in the number of corporate headquarters in a city) to “the *practice* of global control” and hence to “the production of those inputs that constitute the capability for global control”.¹⁰ This capability for managing and controlling global corporate operations derives from the existence of sizeable clusters of (globalized) producer service firms that serve organizational needs of companies with global operations. Producer services are needed to connect a company’s globally dispersed economic activities, and they also help govern these activities. In sum, she contends that global cities have become central to the world economy because they function as “a space for the production of organizational commodities needed by firms and markets to operate globally and to shift national wealth to global circuits, and that this entails command functions that are distributed across those operations”.¹¹

Global city research is thus guided by two basic arguments: Producer service firms in global cities articulate local, regional and national economies into the world economy, and, by doing so, they also exercise control over economic activities at different geographical scales. Though both claims are widely accepted, we have very little empirical evidence about the management and the command functions of global cities. The reason for this void lies in the direction global city research has taken. The most extensive sub-body of scholarship deals with urban restructuring as a condition for, as well a consequence of, global city formation. In this field, key research focuses on

⁶ Friedmann/Wolff (1982), 310.

⁷ Taylor (2004).

⁸ Sassen (1988), 126-127.

⁹ Sassen (1991), 3.

¹⁰ Sassen (1991), 325 and 6 (emphasis in original).

¹¹ Sassen (2010), 158.

the reorganization of urban economies and societies (with particular attention to the ascent of producer services and the polarization of labor markets and incomes), socio-spatial transformations (with a specific focus on the real-estate economy and the built environment), new actor constellations, shifting scales and power relations in urban governance, increased and more diversified immigration, and culture and novel imaginaries of the urban in the global city. While these studies considerably deepen our knowledge of transformations in global cities, their contributions to our understanding of the role of these cities in the global economy is limited because they address the management and control functions of global cities at best indirectly.

The quantitative approach constitutes a second prominent field in global city research. Studies using (usually big) data sets to measure cross-border networks of cities have gained prominence since the “interlocking network model” (INM) was developed by Peter Taylor and colleagues from the *Globalization and World Cities* (GaWC) study group and research network.¹² In addition to the GaWC-related studies of the networks of producer service firms, some authors have applied the INM to study further inter-firm networks such as media, maritime services or scientific knowledge. Other sub-fields within the quantitative approach consist of studies on air travel and telecommunication infrastructures and on the inter-firm networks of transnational corporations. While the latter two fields are only at the margins of global city research because their focus is not on producer service firms and hence not on global cities as conceptualized by Sassen, the GaWC studies have greatly enhanced our comprehension of how the world city network is shaped, sustained and transformed. Nevertheless, the INM does not contribute to the analysis of the management and control functions of global cities. Due to its exclusive focus on the flow within the cross-border networks of producer service firms, the INM disregards service flows between producer service firms and other corporations operating in global commodity chains. This neglect has conceptual consequences because it implies that the INM has empirically turned away from the theoretical core of the global city paradigm, namely the notion that global cities are places from where the world economy is managed and controlled. The INM’s popularity thus

¹² The model’s basic idea is that globally organized producer service firms create a cross-border network of world cities through their intra-firm flows of information, capital, personnel, etc.; acting on the assumption that larger and more important offices generate more information and other flows, the GaWC group estimates service flows for each city, which are then expressed as their connectivity values; Taylor (2004); for the most recent results see Taylor et al. (2010); see also the project’s website at <http://www.lboro.ac.uk/gawc>.

entails the risk of narrowing the global city approach and of diverting research from the analytical focus (the function of specific firms in specific cities in globalization processes) to the mere description of inter-city networks or, worse, to city rankings.

Compared to the urban studies approach and to the quantification of inter-city flows, considerably fewer studies scrutinize the articulation and governance functions of global cities. Hoyler and Pain (2002) analyze London as Europe's interface to the world market, while Brown et al. (2002) show that Miami is the city through which Central America is connected to the world economy. Bassens et al. (2010) show that Manama, Tehran and Dubai are the main cities through which West Asia and North Africa connect with the world economy, while Rossi et al.'s study on São Paulo (2007) and Parnreiter's (2010) on Mexico City examine the gateway functions of global cities to huge national markets. All in all, however, little research has been devoted to showing how producer service firms in global cities help to link economies on different geographical scales. Even less of an effort was made to explore to what extent the presence of sizeable clusters of globalized producer service firms may lead to the qualification of a city as a command-and-control centre in the global economy. Hence, little is known about the actual practice of exercising management and command functions, which undermines the strength of the global city argument. Jon Beaverstock, one of the key proponents of GaWC, identified a "theoretical impasse"¹³ which global city studies had reached in the mid-2000s.

I contend that one possible way out of this crisis is returning to the economic geography spirit which originally guided Friedmann's and Sassen's reasoning on global cities. I suggest that we shift research away from studying the world city network (that is, connections within the global office network of producer service firms and thus between global cities) to examining the service flows between producer service firms and agricultural, manufacturing or service firms operating in global commodity chains. Such flows (and therefore also service links between the global and all those globalized cities, where production for the world market is carried out) have barely been studied, though they must exist if the global city paradigm is right. Consequently, I contend that in order to advance global city research, these cities have to be conceptualized theoretically and scrutinized empirically as critical nodes in commodity chains: because global cities provide core input necessary to manage and to

¹³ Beaverstock (2011), 216.

control (global) production, *all* commodity chains run through global cities. Put differently, these cities become essential nodes in numberless commodity chains. They obtain thereby their overall centrality in the world economy because all commodity chains necessarily include those core-formation processes (producer services), which are produced and traded in global cities.¹⁴ In order to consolidate this notion, I will argue in the next section that combining global city and global commodity chain research is feasible, because they originated from the same source (namely worldsystem analysis) and thus share key concerns.

Combining Global City and Global Commodity Chain Research

World-systems analysts have always been concerned about how uneven development is organized. It is therefore no surprise that two of the main approaches in globalization research that scrutinize the structures and the *modus operandi* of the world economy have come out of world-systems analysis: global commodity chain and global city research.¹⁵

Global commodity chains research derived from world-systems analysis in a straight line. Departing from the insight that the unit of analysis is a key strategic research decision, Hopkins and Wallerstein conceptualize the world economy as a series of cross-border, firm-based transactions rather than as inter-state transactions. They

“invented the term ‘commodity chains’ to underline a basic process of capitalism: that it involved linked production processes that had always crossed multiple frontiers and that had always contained within them multiple nodes of controlling labor. Furthermore, we believed that a close study of such chains would indicate how and why surplus-value was distributed among its appropriators, and hence explain how the system of ‘unequal exchange’ worked in practice.”¹⁶

Global city research also arose from world-systems analysis, but less directly, probably because the city has been ignored by many world-systems analysts. While early contributions to the global city debate embedded their research in world-systems

¹⁴ Brown et al. (2010); Parnreiter (2012).

¹⁵ I stick to these terms, though I am aware that the two schools use different terms (e.g. world cities, global production networks, global value chains) and that there are conceptual differences behind the different terminology. For the purpose of this chapter, however, these differences are less important.

¹⁶ Wallerstein (2000), 221.

analysis, Sassen's main work on that topic does not reference them.¹⁷ She nevertheless uses the argument made by world-systems analysts to reject the notion that the nation-state is the "naturally given" unit of analysis. This idea is also central to Taylor's examination of world city network formation; in addition, he builds his investigation on the arguments made by world-systems analysts about core-periphery relations.¹⁸

Due to their common roots, the literatures on global commodity chains and global cities share a number of conceptual issues: Both operate within a core-periphery framework, both reject the nation state as the central unit of analysis, both deal with spaces of flows, and both are concerned with the governance of global economic processes. Despite these commonalities, the two approaches have developed separately with little – if any – cross-referencing. Yet, the distance between them is unfortunate because only through integration can we overcome the limitations of each school of research.¹⁹ Let me exemplify this by considering the issue of governing uneven globalization, one of the most important concepts shared by scholars on both sides. Identifying producer services as key activities for both "the production of management *and* control operations",²⁰ Sassen focuses on the *practices* that make globalization feasible. Likewise, in global commodity chains research, governance – defined by Gereffi as the "authority and power relationships that determine how financial, material and human resources are allocated and flow within a chain" – has been explicitly related to the coordination of transnational production processes *and* to the ability of lead firms to control them.²¹

Both approaches to economic governance are, however, flawed. As regards global city research, I have already argued that both the urban studies and the quantifying networks approaches *empirically* pass over the paradigm's conceptual core. Governance functions in global cities have been studied indirectly (as clusters and networks of producer service firms), but not explicitly, *as service flows from producer service firms to agricultural, manufacturing or service firms operating in global commodity chains*. Although Sassen does not use the global commodity chain terminology, I

¹⁷ Sassen (1991).

¹⁸ See Taylor (2004).

¹⁹ Brown et al. (2010); Parnreiter (2010); Parnreiter (2012).

²⁰ Sassen (1991), 14 (emphasis added).

²¹ Gereffi (1994), 97.

derive my assertion that such flows must exist if the “governance claim” of the global city paradigm is right from her idea that a global city’s capacity to export producer services indicates the capabilities for managing and controlling cross-border operations of firms. However, we cannot wholly equate the management of the world economy with its control. Though Sassen frequently puts the capacity to manage global production on a level with the authority to control it, she does not explicitly describe how the provision of services for the *running* of global production networks actually translates into the capacity to *govern* them. As a consequence, both mechanisms are frequently conflated. However, though there is no doubt that core processes²² are involved in the management as well as in the command of commodity chains, we must question whether all high-wage, high-tech and high-profit services necessary for running global production are actually related to decision-making. This question is particularly relevant to global cities in non-core countries, which have a sizeable producer service sector but do not normally have decision-making capacities.²³ Thus, every argument about the geography of governance in production networks has to consider whether producer service firms actually exercise functions of command and control. In order to specify her contention, Sassen more recently asserts that she understands producer service firms’ governance as a “kind of embedded governance – embedded in the lawyering, the accounting and the investment choices of the firm”.²⁴

As regards the discussion of governance in global commodity chain research, the main focus is on the chains’ lead firms (commonly transnational corporations) and on their power relations to suppliers.²⁵ For the purpose of this paper, three objections are important. First, recent studies on the organizational structures of transnational corporations doubt that governance is that strongly centralized. Rather, they suggest a shift from vertical-control relationships to forms of governance based on internal

²² Simply spoken, core labor processes are high wage and high profit, while peripheral processes are the opposite.

²³ Parnreiter (2009).

²⁴ Sassen (2010), 158.

²⁵ See, however, Kaplinsky and Morris’ *Handbook for Value Chain Research* (2002), where they explicitly mention specialized service providers (p. 31) as parties external to commodity chains that nevertheless can exercise governance. In the Global Production Networks literature, Dicken et al. (2001) advocate a more network-oriented perspective on power, which implies less focus on the lead firm and its corporate power, to the benefit of a closer consideration of power, both institutional (wielded, for example, by the state, international institutions or private credit rating agencies) and collective (exercised, for example, by trade unions or small business organizations). The role of producer services in TNCs’ decision-making has, however, also received little attention.

and external networks of cooperative and lateral relationships.²⁶ However, those who embrace this approach have barely discussed what role producer service firms play in this shift away from the lead firm (except from studies that analyze the impact that the increasing financialization of non-finance firms has on the governance of production networks).²⁷ Second, global commodity chain research has often been criticized for disregarding service input and, in particular, for paying no attention to the critical role of producer services in setting up and sustaining global networks of production.²⁸ Third, global commodity chain research is less concerned with the geographies of governance probably because of its focus on the lead firms and thus on headquarter cities.

Integrating the two research approaches can overcome these limitations. Thinking of global cities not as abstract nodes of the world economy but as concrete intersections in concrete (though myriad) commodity chains will help us ground and operationalize the idea of command centers. Adding the term “global commodity chains” to Sassen’s quote, I assert that global cities become central in the world economy because they function as “a space for the production of organizational commodities needed by firms *in [global] commodity chains* [...] to operate globally and to shift national wealth to global circuits”.²⁹ If the global commodity chain researchers were to include global cities in their analysis, they would bring in producer services to correct the poor account of the geographies of governance. In sum, integrating the two strands of globalization research would allow us to scrutinize the making and the geographies of global control capabilities: from different types of corporate power (e.g. geographically centralized in the company’s headquarter or more decentralized in the cross-border network of its affiliates); to corporations’ decisions on which tasks are performed in-house and which are being outsourced, to the impact producer service firms have on rule-making and rule-keeping in commodity chains. In this context, it is also important to distinguish between different services and the scales on which they operate. A small office of a global law firm, for example, might have more impact on how resources are allocated within (specific segments of) a global commodity chain than a mid-sized office of an accounting firm doing the audit. Yet, the same global auditing firm might promote a worldwide synchronization

²⁶ Dicken (2007), 122; Dunning/Lundan (2008), 245.

²⁷ E.g. Milberg (2008); Palpacuer (2008).

²⁸ Rabach/Kim (1994); Brown et al. (2010).

²⁹ Sassen (2010), 158 (emphasize added).

of norms and thereby support a shift towards a stronger capital market orientation of companies, which ultimately favors shareholders at the cost of stakeholders.

Analyzing the making and the geographies of global economic governance would, however, not only advance global city and global commodity chain research but also world-systems analysis as such, particularly with respect to the geography of core-ness, an issue which so far has not received sufficient attention from world-systems analysts.

Specifying the Geographies of Core-ness

In world-systems analysis, core and periphery result from divisions of labor, which split up production processes into distinct segments that are assigned different values (expressed in a differentiated share in the overall profit). For Wallerstein, the decisive factor in this unequal distribution of the accumulated surplus is that some producers manage to “achieve various kinds of temporary monopolies”.³⁰ The important point here is that this social division of labor goes along with a geographical division of labor. Core and peripheral processes are neither evenly nor randomly distributed. Because producers in some places are more successful in establishing and defending monopolies than producers elsewhere, the geography of core-periphery relations is highly uneven, split into places where core activities dominate and places where peripheral activities dominate.³¹

Due to relative monopolization, core activities are scarce and highly demanded by producers in many different commodity chains. As a result, many commodity chains intersect in the places where core activities cluster, which allows us to conceptualize “center” in geographical terms:

“[S]ome areas appear as cores or centers, in virtue of the many relational sequences leading from or to them, while others appear as the hinterlands of these centers in virtue of the small number of relations leading from or to them and locating them as arenas of world-system activities.”³²

³⁰ Wallerstein (2000), 139-140.

³¹ Brown et al. (2010).

³² Hopkins/Wallerstein (1977), 114.

After having introduced the concept of commodity chains, Wallerstein specifies that

“commodity chains have not been random in their geographical directions. Were they all plotted on maps, we would notice that they have been centripetal in form. Their points of origin have been manifold, but their points of destination have tended to converge in a few areas. That is to say, they have tended to move from the peripheries of the capitalist world-economy to the centers or cores.”³³

Yet, Wallerstein does not elaborate what precisely he means by “zones” or “areas”. His sketchy diction is astonishing, particularly in the light of his plea that we must carefully consider the unit of analysis. The fact that Wallerstein does not expand on the role of cities in the organization of uneven development is particularly striking considering that, by the time when world-systems analysis was introduced, Andre Gunder Frank had already put forward a *spatialized* concept of the “development of underdevelopment”:

“Just as the colonial and national capital [...] become the satellite of the Iberian (and later of other) metropolises of the world economic system, this satellite immediately becomes a colonial and then a national metropolis with respect to the productive sectors and population of the interior. [...] Thus, a whole chain of constellations of metropolises and satellites relates all parts of the whole system from its metropolitan center in Europe or the United States to the farthest outpost in the Latin American countryside. [...] we find that each of the satellites [...] serves as an instrument to suck capital or economic surplus out of its own satellites and to channel part of this surplus to the world metropolis of which all are satellites.”³⁴

Unfortunately, this very lucid account of the role of cities in the making of uneven development found little resonance in world-systems analysis.³⁵ Nevertheless, we can easily see how well Frank’s hint at cities matches with key ideas of the global city paradigm developed two decades later. It is in this sense that Sassen’s work helps us understand the structure and the functioning of the world economy at large, though she scrutinizes only three major core cities. It is also obvious that Frank’s concept corresponds with Wallerstein’s notion that commodity chains come together at the centers of the world economy. Unfortunately without empirical backing, Frank suggests first, that the transfer of resources along commodity chains is organized in

³³ Wallerstein (1983), 30.

³⁴ Frank (1969) 6.

³⁵ See Smith (2003), 114, for this “short history of a promising perspective”.

cities; second, he evokes that this organization of uneven development is not accomplished from a limited number of core cities. Instead, Frank implies that the transfer of resources is based on innumerable connections between cities of different size, importance and reach. This is exactly what has been proposed by the global city paradigm and more expressly by Brown et al. (2010), who argue that the “creation and (unequal) distribution of value along commodity chains is organized in and governed from world cities”.³⁶ Put differently, uneven development is based on innumerable connections between cities with different functions in commodity chains. While in many places production for the world market is carried out by people who are by and large restricted to being rule-keepers, there are also places from which the rule-makers – or the “masters of the universe”, as Tom Wolfe has called the professionals of the finance industries in his novel *Bonfire of the Vanities* – operate. It is a key merit of the global city paradigm that it emphasizes this distinction rather than blurring it by suggesting a shift of attention to “how global economic processes affect all cities”.³⁷ Concerned with “the *practice* of global control”,³⁸ global city research provides insights into the geography of the *making* of power asymmetries. These insights allow us to understand uneven development beyond overgeneralized notions of the powerful global North vs. the powerless global South. Cities in poorer countries are not only affected by uneven globalization; they are involved in its production. Because it is host to many global producer service firms, Mexico City, for example, is a critical node for the functioning of myriad global commodity chains and thus a node from whence the “development of underdevelopment” is managed and governed.³⁹

Conclusion

In this chapter, I have argued in favor of an integration of global city and global commodity chain research. Although Sassen does not use the global commodity chain terminology, the notion that global cities are nodes in global commodity chains is derived from her idea that global cities are characterized by their ability to provide producer services, and by their consequent capability to manage and to control cross-

³⁶ Brown et al. (2010).

³⁷ Robinson (2006) 102.

³⁸ Sassen (1991), 6 (emphasis in original).

³⁹ Parnreiter (2010).

border economic activities. In sum, service flows must exist between producer service firms in global cities and firms operating in agricultural, manufacturing or service global commodity chains.

However, little research has been devoted to showing how producer service firms in global cities contribute to the articulation of economic activities on different geographical scales, and even fewer studies have scrutinized how and to which extent producer service firms are involved in the governance of cross-border economic activities. The challenge is to accumulate evidence on global city formation in order to verify the assumed articulation and governance functions exercised by producer service firms in global cities. To achieve this, a turn to qualitative methods seems appropriate. We can gain critical information on intercity relations (namely demand-supply relationships between firms and the associated knowledge flows) only if we undertake qualitative studies that focus on the firms' agencies. After years of gathering quantitative data, we can only meet the challenge of gathering evidence on global city formation if we accept "the qualitative approach as a means of collecting process-based findings on different inter-city attributes and relationalities, which can add significant originality and knowledge to understanding the dynamics of the world city network".⁴⁰

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⁴⁰ Beaverstock (2011) 217.

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The Phenomenon of Global Cities in the Ancient World

Brigitte Truschneegg

Introduction

This chapter looks at selected cities of the ancient world and asks if any of them could be defined as “global cities”, a term from contemporary urban research. Following introductory remarks concerning definitions, source materials, perspective and research, I will examine the similarities and differences of the well-known ancient cities of Alexandria, Carthage, Babylon, Athens and Rome to present day global cities.¹

What Makes a Global City, and What Conditions in Antiquity Require Special Consideration?

The organizers of the conference from which this book developed have described global cities as cities “where globalization takes place in much more pronounced ways than anywhere else: as economic exchange, migration, communication, technological development and political conflict, as cultures clashing and amalgamating, and also as a violent process”.²

¹ I have been researching the perception and the prestige of ancient cities in Greek and Latin literature for some time; therefore, I would like to thank the organizers for inviting me to the interdisciplinary conference on which this volume is based. For help in translation, I thank Kate Carabona!

² <http://www.uibk.ac.at/fakultaeten/vwl/forschung/wsg/symp11.html> (accessed 1 Jul 2012).

The term *global city* as it was introduced and understood by Saskia Sassen in 1991 has been expanded from its original strictly economic definition to include the economic, political and cultural importance of a global center.³ If global cities are currently understood to be centers of importance for large parts of the world,⁴ the definition of “global” when applied to ancient cities must refer to the world as it was then known. In addition to this restriction, we also must deal briefly with the term “city”.

What Defines a Global City from Today's Perspective and to What Extent Do Ancient Cities Meet These Criteria?

In classical studies and contemporary urban studies, statistically quantifiable terms (e.g. town, city, megacity), functional terms (i.e. capital city, residential city, diocesan city) or terms of settlement typology (e.g. rural town, seaside town) predominantly describe the scale, function, character and importance of an urban settlement.⁵

Classical scholars frequently ask what criteria define ancient cities, but their answers are either too general or extremely restricted due to the historically and culturally different forms of settlements. Historian and sociologist Max Weber (1864-1920) understood the ancient city to be a self-regulated market and/or a political-administrative center.⁶ Franz Kolb expanded this definition in 1984 to include typological and functional aspects of a settlement, describing a city as “a place where the material, intellectual accomplishments of human civilization appear in a compressed form and from which the political, social, economic and intellectual-cultural activities of a society are controlled”.⁷

In recent years, studies on the city as a field of human experiences have expanded to include social-psychological approaches, which put more emphasis on the self-perception of the urban population.⁸ The urban character of the cities discussed here includes several relevant aspects such as size, politics, culture, economic importance

³ Sassen (1991).

⁴ Like the GaWC (Globalization and World Cities Research Network), see <http://www.lboro.ac.uk/gawc> (accessed 1 Jul 2012).

⁵ Kolb (1984), 11-17.

⁶ Weber (2000[1922]), especially 1-34.

⁷ Kolb (1984), 11 (translation by the author). He added the following criteria: the unity of a settlement, a population of more than 1,000 inhabitants, central administrative and economic functions for the surrounding territory, diversity of architecture, division of labor and social stratification; Kolb (1984), 15.

⁸ Falk (2005), 1-24.

for the surrounding area etc.; nevertheless, we must acknowledge that we do not have a specific and all-embracing definition of a city.

Urban Research in Classical Studies

Contemporary research in the field exemplifies the diversity of urban research. In recent years, a large number of specific studies have appeared on various cities⁹, either covering the entire development of the city or a specific period of time.¹⁰ In addition, scholars have analyzed cities with regard to the different cultural spheres and the locations,¹¹ and they have examined cultural, geographical or periodic specifications.¹² They have done extensive research on urban life in general, home decor, working life etc. Still other scholars have focused on urban life as seen from the perspective of individual social groups such as slaves or local elites.¹³ When we try to integrate ancient cities, current issues¹⁴ and contemporary terminology – as I will in this chapter – we see interesting parallels. At the same time, this approach sharpens our understanding of the diversity of cities in different historical periods.

Source Material

We have basically two groups of sources for research on ancient cities: written sources (e.g. literature, inscriptions, coins, papyri) and archaeological sources (e.g. sacred and secular architecture, objects of art and everyday life, settlement structures). The archaeological materials provide information about the particular building structure and the settlement expansion, which, in turn, allow us to draw conclusions about the composition of the population and its density.

⁹ E.g. Habicht (1995) about Athens in the Hellenistic period; Mertens (2003) and Helas (2011) on Selinus/Sicily; Wenning (2002) on Petra/Jordan; Berges (2006) on Cnidus/Greece; Eck (2004) on Cologne/Germany; Kenzler (2007) on Ephesos/Turkey; Beard (2009) on Pompeji; Kolb (2002) and Ziemssen (2010) on Rome etc.

¹⁰ E.g. Krause/Witschel (2006) on cities in late antiquity; Matthai/Zimmermann (2009) on images of cities in Hellenistic period.

¹¹ Mertens/Schützenberger (2006) on the cities in the Magna Graecia to 400 BC; Schwertheim/Winter (2003) on urban development in Minor Asia.

¹² E.g. Erath (1997) on the presentation of cities in Greek pictorial art; Brands/Severin (2003) on the Christianization of the late antique city.

¹³ E.g. Weiß (2004) on the situation of slaves in the city; Panzram (2007) on the structural representation of local elites in cities of the Iberian Peninsula; Goodman (2007) on Rome and its periphery; Matthaei/Zimmermann (2009) on the way of life in a hellenistic polis.

¹⁴ E.g. Truschnegg (2011) on the role of the ancient city as a cultural asset; Freitag (2008) on the problem of shrinking cities in Ancient Greece.

Written sources, literary and non-literary, provide descriptions of physical urban structures and a variety of information on economic, political, social or cultural specifications of the city and its residents. Furthermore, they address the importance of the city and the expectations associated with it and, by comparing it to other cities, provide a larger historical context.

Our interpretation of these sources depends on several factors: state of preservation, fragmentation, tradition, subjectivity and cultural specificity of the original written sources, plus the situation and cultural interpretation of archaeological research.

Selection of Cities – A Matter of Perspective and Criteria

I chose the cities for this study (Alexandria, Carthage, Babylon, Athens and Rome) according to several criteria. Cities appropriate for such a comparison should have a certain density of population; they should be urban centers at the intersection of global networks in the world as it was known at that time. These cities' importance and impact extended, for varying lengths of time, far beyond their particular historical period.

Geographically, the cities are primarily located in the south and east of the Mediterranean region and in the Ancient Near East. Chronologically, they occupy about 1,000 years between the fifth century BC and the fifth century AD and include two fundamental features: an extended time period and a wide geographical range. These features caused great cultural diversity and have contributed to the development of different perspectives in and about ancient times. The diversity of cultural identities has been an important subject in recent studies.¹⁵

The cities covered in this chapter reflect a western perspective derived from the written and material culture of classical antiquity, Christianity and the scientific debate that has dominated the western world. From the perspective of Ancient Near Eastern written and archaeological sources or from an Islamic cultural background one could have included cities such as Assur, Nineveh, Seleucia/Ctesiphon on the Tigris, or Antioch on the Orontes.

¹⁵ On cultural identity in the Ancient Mediterranean, see Gruen (2011); fundamental on the diversity of the perception and cognition of space see Downs/David (1982).

My research is based on the perception of cities in Greek and Latin historiography and thus conveys a western perspective, of which I am well aware.¹⁶ Greek and Roman sources are marked by ethnocentrism and an accompanying pejorative description of the ‘Other’ and ‘strangers’, which is also reflected in the scientific debate.¹⁷ It is also important to point out the diachronic perspectives of ancient and contemporary urban perception. Aware of these special conditions, I will apply a contemporary framework of criteria to urban structures from the first millennium AD.

Ancient Cities of “Far-reaching Political, Economic and Cultural Significance”?

The following ancient cities have been examined to determine if they are examples of “far-reaching political, economic and cultural significance”: Alexandria/Egypt, Babylon/Mesopotamia, Athens/Greece, Carthage/Africa and Rome/Italy. All these cities were powerful political centers over differing periods of time. We now need to determine whether they were examples of economic and cultural centers as well, and, if they were, whether their importance and impact extended beyond their own time and territory. Were they “global” in ancient times in the way today’s global cities are? In order to answer that question, we need to look at a brief description of the cities and evaluate the importance and symbolic value of their urban design.¹⁸

Alexandria

Located in the Nile Delta of Egypt, near the Egyptian village of Rhakotis, the city of Alexandria was founded in 332/31 BC by Alexander the Great (356-323 BC) and designed by the Rhodian architect Deinocrates.¹⁹ A causeway connected the city with the Island of Pharos, which had an offshore lighthouse (destroyed in the fourteenth century) and two harbors. Since the time of Ptolemy I (367-283 BC), a great wall protected the city, which was divided into five districts. Orthogonal streets criss-

¹⁶ For his helpful advice and a critical reading of the manuscript, I thank Robert Rollinger.

¹⁷ Generally on guidelines in ancient ethnographic texts see Müller (1972); Harrison (2002), 1-8; Construction of the ‘Other’ see Nippel (2002); an example on the ‘decadence’ of the Persians in Greek sources see Briant (2002).

¹⁸ Cf. Döring/Thielmann (2008), 7-14; on the function and meaning of architecture, especially in the cultural exchange see Pirson/Wulf-Rheidt (2008), 312-319.

¹⁹ Specifically: Fraser (2001); Grimm (1998); generally: Jansen-Winkeln (1996); for the history of reception see Dally (1999), 13 and 63-71.

crossed the city, which, for ancient times, were quite large; the east-west street, used for processions, was 30 meters wide and 7 kilometers long and ran through the city center. An extensive palace was located at the eastern port.

Due to destruction, overbuilding and the natural change in water level, archaeological knowledge of the city is very incomplete; almost nothing recognizable remains of the ancient city. The city itself was both geographically and administratively a foreign city in its own country (one sector of the city was a Greek polis)²⁰ and was therefore referred to in ancient sources as “Alexandria near Egypt”.

Foundation with Far-ranging Consequences

The establishment of Alexandria marks the beginning of the Hellenistic period, which is considered the culmination of Greek urban culture.²¹ The Hellenistic kings following Alexander the Great played an important role in the founding of cities and in the building of architectural features; through this, they continued the policies of Alexander the Great. The settlements of the Greeks and Macedonians formed military and administrative bases and ‘islands of Greek civilization’. Usually, Greeks constituted the leading social group of these newly founded cities, and the Greek language became both the official language and the *lingua franca*. The Egyptian city Alexandria and the Syrian city Antioch on the Orontes were the end points of a major trade route leading from Central Asia to the Mediterranean. As centers of a large hinterland, they had greater opportunities for expansion than the major cities of Greece and those of the Aegean region. Alexandria served as a model of urban planning for other cities which were founded following Alexander the Great, for example Seleucia on the Tigris,²² built around 300 BC by Seleucus I (358-281 BC), or Antioch on the Orontes, the second capital of the Seleucid Empire.²³

²⁰ Kolb (1984), 84.

²¹ Cf. Kolb (1984), 121-126.

²² Seleucia had a turbulent history and is definitely an example of a city in ancient times with far-ranging importance in the ancient Near East. It was captured in the second century BC by the Parthians and destroyed in the middle of the second Century AD by the Romans. The Parthians developed Ctesiphon as a residence opposite Seleucia. The combined cities Seleucia/Ctesiphon probably had 500,000 inhabitants in the time of the Sassanids (Second Persian Empire 224-662 AD).

²³ Kolb (1984), 126.

Alexandria grew rapidly if the estimated population figures are correct.²⁴ In the beginning of the third century BC, the city had approximately 100,000 inhabitants; in the Roman Imperial period, it had almost 300,000 (Diodorus 17,52).²⁵ By comparison, approximately 100,000 inhabitants have been calculated for Antioch Carthage or Constantinople during the same period. A later source from the twelfth century that used ancient templates mentions 47,000 homes in Alexandria. The city obviously attracted people from different backgrounds. The largest population groups were Greeks, Macedonians, Jews, Egyptians and Syrians. In addition, Persians, Ethiopians, Arabs, Indians and Italians have been mentioned.

Politics – Economy – Science

Politically, Alexandria took over the role as a royal residence between 320 and 311 BC and replaced Memphis, which is unfavourably located south of the coast, in this function. From a structural perspective, the architecture of the Palace District (Brouchion) bears witness to the city's importance as a royal residence.

Economically, Alexandria became a far-ranging economic center by trading the Egyptian agricultural surplus and perfumes as well as raw-material from India and Arabia. Alexandria was the trading hub for cereals, handicrafts, textiles, glass, etc. for the entire Mediterranean region. Papyri report that, in the middle of the third century BC, so many foreign traders stayed in the town that currency exchange problems arose.²⁶

Culturally, Alexandria was a center of science and research for the entire Mediterranean region. The Museion of Alexandria included a library of 900,000 scrolls and employed teachers with fixed salaries, especially in the fields of natural sciences,

²⁴ Cf. Kolb (1984), 124.

²⁵ Determining exact population numbers poses several problems, which are indicated here briefly: (1) The almost total lack of statistical data and a lack of interest by ancient sources in these questions has resulted in a serious shortage of information. The existing sources often do not include all the inhabitants inside a city but concentrate on some social groups, e.g. citizens. (2) Using residential buildings as a source for residential density is difficult. Housing was often constructed from less durable materials and was not always the focus of archaeological research. (3) Numerical data from literary sources often seems to be problematic. This results in significant differences in the determination of specific population figures in the research literature. On difficulties and specific examples, see Oliver (2007), 74ff.; Freitag (2008), 2; comprehensive: Scheidel (2001); critically: Mathis (2011), 109-111. In contrast, other researchers suggest in the zenith of Alexandria up to one million people, see Jansen-Winkel (1996), 465.

²⁶ See generally to Alexandria: Clauss (2004); Kolb (1984), 124.

mathematics and literature (the Greek Septuagint translation of the bible originates in Alexandria).²⁷ During Roman times, as a pool of intellectual and political movements, Alexandria was also a center of (Anti-Roman) uprisings and ethnic clashes. Ancient sources reflect the impressive development of Alexandria. Diodorus of Sicily, an author from the first century BC, recorded the perception of Alexandria as follows in his 40 books on universal history:

“The city in general grew so much in later times that many considered it to be the first city of the civilized world, and it was certainly far ahead of all the rest in elegance and size and riches and luxury.”²⁸

As we have seen, it is possible to identify several aspects of Alexandria that allow comparing it to a *global city*.



Figure 1: City Map of the Ancient City of Alexandria²⁹

²⁷ Grimm (1998), 45-51.

²⁸ Diodorus 17,52,5.

²⁹ Ameling et al. (2006), 71 (picture: Peter Palm, Berlin).

Babylon

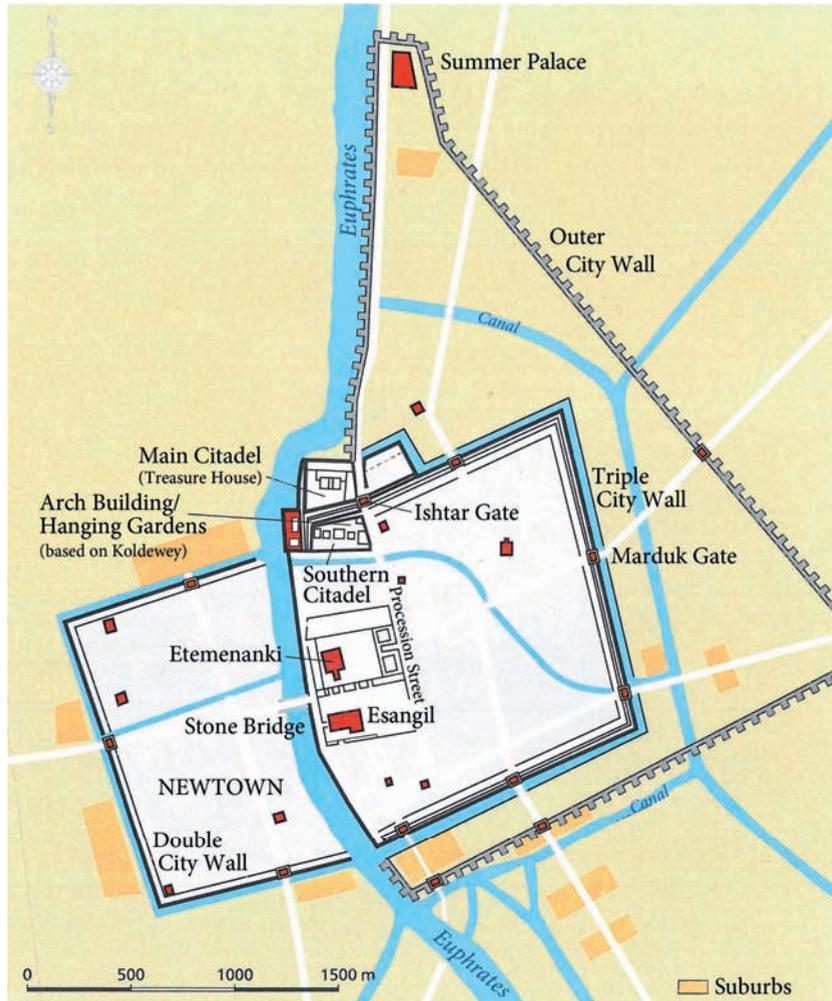


Figure 2: City Map of Babylon³⁰

The Mesopotamian city of Babylon plays a significant role in the perception of cities in antiquity. At the beginning of the second millennium BC, the city on the Euphrates

³⁰ Ameling et al. (2006), 21 (picture: Peter Palm, Berlin).

south of today's Baghdad was built as the capital of Babylonia by King Hammurabi (1792-1750 BC). Under his reign, Babylon expanded to become the political, cultural and religious center of the Ancient Near East. The city experienced a second boom after the destruction of the Assyrian Empire in the sixth century BC. The Neo-Babylonian King Nebuchadnezzar II (604-561 BC) made this city the commercial and intellectual capital of his empire. The Neo-Babylonian rulers built great palaces influenced by the Assyrian models. At the same time, they preserved the tradition of Mesopotamian temple structures. This period of urban development will be a strong focus for possible matches with a *global city*.

Babylon boasted important monuments,³¹ the most famous probably being the Etemenanki, a ziggurat (terraced tower) with a presumed height of 96 feet, better known as the so-called "Tower of Babel".³² An inner ring wall enclosed a rectangle with an area of 405 hectares, an outer ring wall an area of 1,000 hectares. The city itself was divided by the river Euphrates, and the temple of the city god Marduk (Esagil) stood east of the river next to the famous tower. Palaces and administrative buildings were located in the north. The famous royal processional way ran along the river and through the Ishtar Gate to the New Year's temple outside the city. The entire city formed a symmetrical grid with eight gates and main roads at right angles.

Political – Economic – Cultural

Politically, Babylon undoubtedly constituted an urban power center in terms of planning and demographics. The city was a political-administrative and cultic center from the Old-Babylonian through the Neo-Babylonian Empire. From the eighteenth century BC to the foundation of Seleucia in 300 BC, the city of Babylon was the leading and most important city in this area.³³ The political dominance of Babylon resulted in the rise of the city god Marduk to the top of the Mesopotamian pantheon. Political and ritual actions were closely linked, and the king of Babylon led the annual New Year celebration in honor of Marduk. This feast day demonstrated the far-ranging and long-term significance of Babylon because every king in power between 1300 and 224 BC, including Kassites, Babylonians, Assyrians, Persians, and Greeks, attempted to participate.

³¹ In the following: Van de Mierop (1999), 86-91.

³² *Genesis* 11,1-9.

³³ Cf. Van de Mierop (1999), 224-225.

Babylon was also an economic center that managed the temple economy (especially date plantations), the palace economy, surplus agricultural products (export) from the hinterland and significantly shaped the economy of the entire empire. Trade included the import of metals, wood, luxury goods, spices, lapis lazuli and incense, and the trading routes went from the Persian Gulf and Arabia to the Anatolian-Syrian-Palestinian area to Afghanistan.³⁴

Babylon was a center of science, especially in the field of astronomy and divination (i.e. the ability to read divine signs and practice rituals for favorable effect). In Assyrian times, a network of observation points was installed around the country to observe celestial signs. Between the middle of the seventh to the middle of the first century BC, the Astronomical Diaries effectively provided the basic materials for mathematical astronomy. The Roman author Pliny reported in the first century AD in his books on natural history that Babylon was in ruins, except for the temple of Jupiter Belus (corresponds to Marduk), where the astronomical school continued.³⁵ Van de Mieroop describes the importance of science in the context of the city's significance as follows: "Cosmogonic myths do not focus on the creation of natural phenomena and man's environment, but on the organization of the environment, especially the establishment of cities for man to live in."³⁶

In the Neo-Babylonian period, Babylon again became the cultural center of Mesopotamia as evidenced by a revival of Sumerian-Old Babylonian traditions, epic poetry, mathematical tradition, etc.³⁷ Science was closely linked with the temple and the royal ideology. The city played a fundamental role in the understanding of culture in general.

"The urban background had a strong impact on the culture in general. The outlook on the world centered on the city, which was regarded as the only habitat suitable for a cultured person. Anything outside the city walls was regarded with suspicion, or even fear."³⁸

In addition, after the Persian domination in sixth/fifth century BC, Babylonian culture lived on for another 500 years. The most recent Babylonian clay tablet dates from

³⁴ Jursa (2008), 39-78.

³⁵ Plinius, *Naturalis Historiae* 6, 30,121-123.

³⁶ Van de Mieroop (1999), 226.

³⁷ Generally on the cultural history of the ancient Near East see Klengel (1989), 394-403.

³⁸ Van de Mieroop (1999), 226.

the first century AD. Babylon's influence extended over parts of the Ancient Near East and Central Asia over a period of almost 2,000 years.

Global Repercussions

Undoubtedly, Babylon gained far-reaching *global* significance in the centuries that followed, if only in limited areas. Babylon is the most famous city of the Ancient Near East in western (Christian) culture although its importance as a center of political power steadily decreased after the fourth century BC.³⁹ On the one hand, the Biblical references to the Tower of Babel,⁴⁰ the visions of Daniel and the Apocalypse of John have all affected the way the city has been perceived. On the other hand, Greek and Latin descriptions depict Babylon as a negative symbol of an "oriental" city of immense size, luxury and wealth.⁴¹

"Babylon is the richest city in Asia", reports Xenophon, in *Cyropaedia* (7,2,11) in the fourth century BC, and his contemporary, Aristotle, emphasized the tremendous size of the city.⁴² Curtius Rufus (first century AD) mentions its beauty and antiquity in his report of Alexander the Great's conquest of the city in 331 BC: "But it was the city itself, with its beauty and antiquity that commanded the attention not only of the king, but of all the others."⁴³

An excerpt from the work of Cassius Dio, a Roman consul and historian from Bithynia, provides a striking example of Babylon's power over the centuries. He offers a glimpse of the city at the beginning of the second century AD, when its heyday had already passed, but its prestige still survived; it was important enough for a Roman emperor to visit it: "Trajan learned of this at Babylon; for he had gone there both because of its fame – though he saw nothing but mounds and stones and ruins to justify this – and because of Alexander [the "Great"], to whose spirit he offered sacrifice in the room where he had died."⁴⁴

³⁹ See in the following Rollinger (1999), 371-382; on the literary reception of Babylon to the present see for example Haas (1998), 524-552.

⁴⁰ *Genesis* 11,1-9.

⁴¹ See for example Herodot 1,178-187; Diodor 2,7-10; Strabon 16,1,5-7; Arrian, *Anabasis* 7,17.

⁴² Aristoteles, *Politik* 127a, 25-31.

⁴³ Curtius Rufus 5,1,24 (translation by the author).

⁴⁴ Cassius Dio 68,30,1.

Athens

Athens is – next to Sparta – the most famous city in Greece. Above all, images of the conserved buildings, such as the Acropolis, have left a lasting impression. Athens, without doubt, played a central political and cultural role in Greece, especially in fifth and fourth century BC. In fact, how far-ranging was its influence?

In Mycenaean times, a palace had already been built on the Acropolis with a polygonal ring wall, which became a central urban sanctuary in the Archaic period.⁴⁵ From the second half of the fifth century BC on, numerous new buildings arose in the center of Athens. On the three-hectare plateau of the Acropolis, a monumental temple to Athena Parthenos (the Parthenon), a market area with the temple of Hephaistos, as well as *porticus* and *palestrae*, were constructed. Athens was also connected to the port city of Piraeus by a wall eight kilometers long. Only a few ruins remain from the city wall erected under Themistocles after the destruction by the Persians (480 BC). Despite the favorable conditions for growth, Athens never developed into a major city in the modern sense. Also, despite the Periclean buildings of the fifth century BC, some contemporaries pointed out that the architectural features of the city did not show an ideal settlement pattern. The Greek writer Heraclides Kritikos reported at the end of the third Century BC that

“the city [(Athens) ... is] poorly designed, in the ancient manner, it is completely dry and has no good water conduit; the roads are narrow and angular, indeed the city is old. Most of the houses are poor, few are comfortable. At first glance strangers might doubt that this is the praised city of Athens.”⁴⁶

This reinforces once more how much our current perception of a city is based on the number and condition of preserved buildings (in contrast to other ancient sites) and on a city's lasting influence. A significant number of buildings currently perceived as representative date back to Hellenistic (e.g. Stoa of Eumenes) and Roman (e.g. Odeon, Nymphaeon, Roman Agora) expansion phases, and the structures preserved mainly from ancient Athens (Acropolis and temples) are not elements of urban features.⁴⁷

⁴⁵ See Goette (1997), 168-186;

⁴⁶ Herakleides Kritikos, *Fragment* I,1 (= Pseudo-Dikaiarchos, *Fragment* I,1), translation by the author following the edition of Arenz (2006).

⁴⁷ Kolb (1984), 129.

Policies – Trade – Culture

Politically, Athens defended itself successfully against the Persians in the first third of the fifth century BC, subsequently developed its supremacy in Greece and gradually expanded its hegemonic claims in the Attic-Delian-Confederacy (founded in 478/77 BC). This policy of aggrandizement led to the confrontation with Sparta and its allies in the Peloponnesian War (431-404 BC). This war damaged Greece for decades and limited the political power of Athens.⁴⁸

In economic terms, Athens became the largest Greek commercial center in the fifth century BC. The peninsula of Piraeus was extended to the port of Athens (a naval and commercial port). A large commercial district (*emporion*) with five columned halls and a number of ship sheds provided the appropriate framework.

The Athenian comedian Hermippus recorded a compilation of various products that were traded in Athens at that time:

“From Cyrene, silphium stalk and ox-hide, from Hellespont mackerel and preserved fish, of all kinds, from Italy groats and ribs of beef. From Sitalces [king of Thrace] a skin condition to make the Spartans itch, from Perdiccas [king of Macedon] a fleet-load of lies. Syracuse, providing pigs and cheese [...] from Egypt rigging of sails and papyrus, from Syria frankincense. Fair Crete supplies cypress-wood for the gods, Africa, much ivory to buy, and Rhodes, raisins and dried figs that dreams are made of. And from Euboea, pears and fleecy apples, from Phrygia, slaves, from Arcadia, soldiers for hire. Pagasae supplies servants and runaway rogues. Hazelnuts and glossy almonds Paphlagonians provide, for they are the feast’s embellishments. Phoenicia, the fruit of the palm and finest flour, Carthage, rugs and fancy-woven pillows.”⁴⁹

This list clearly documents the far-ranging significance of Athens as a commercial hub, and this was also reflected in the high customs duties. Exports included oil, wine and honey, as well as articles of art, and the impact of this was long-term.⁵⁰ In addition, agriculture – despite limited arable land – was an important factor in the Athenian economy. Small domestic businesses produced for the domestic market. The silver mines in Laurium guaranteed a veritable amount of this valuable metal.

⁴⁸ Schulz (2003); Funke (2003).

⁴⁹ Hermippus, *Fragment* 63,3, part of a play titled “Basket Carriers” which listed in context all the goods carried by ship. See Zimmermann (2011), 741, who points out the embedding of this passage in the contemporary debate on luxury goods in Athens.

⁵⁰ Funke (2003), 58-68.



Figure 3: Aerial view of the Acropolis of Athens⁵¹

⁵¹ Nollé/Schwarz (2005), 81.

These factors also had social consequences; during the fifth century BC, the total population of the Athenian polis increased rapidly. Because of a policy favorable for foreigners (everybody who was not an Athenian citizen), many of them lived in the polis of Athens. The total population of Attica is estimated at around 300,000 inhabitants, of whom only 15 % were Athenian citizens with political power. 40,000 are assumed to have been strangers (*métoikoi*), with families living in and closely around Athens.⁵²

The Cultural Role of Athens – Global Repercussions

The cultural role of Athens has been well attested, both in its self-perception and its lasting influence.⁵³ The increasingly important cultural role of the city is associated with its advancement in the era of the Peisistratids and its political rise after the victory over the Persians. The Athenians staged impressive plays, both tragedies and comedies, which processed socially and politically relevant issues. Athens was a magnet for artists, philosophers (Sophism) and intellectuals from all over the Greek world.

The Funeral Oration by the statesman Pericles (490-429 BC), commemorating the fallen troops in the Peloponnesian War, can be cited as an example of Athens' self-perception. It documents an idealized political self-understanding:

“Our constitution does not copy the laws of neighboring states. We are rather a pattern to others than imitators ourselves. Its administration favors the many instead of the few; this is why it is called a democracy. If we look to the laws, they afford equal justice to all in their private differences [...] nor again does poverty bar the way, if a man is able to serve the state, he is not hindered by the obscurity of his condition. The freedom which we enjoy in our government extends also to our ordinary life.”⁵⁴

Contemporaries soundly criticized the development of democracy in Athens, quite contrary to later-borns. However, they also noted that Athens was the “School of Hellas” and a model for the rest of the Greeks – in art, literature, philosophy and science. This view continued beyond the fourth century. Athens remained a center

⁵² Funke (2003), 60.

⁵³ See Eder (1999), 195-196; Näf (1999).

⁵⁴ Part of the Funeral Oration by the statesman Pericles commemorating the dead soldiers from the first year of the Peloponnesian War in 431 BC (Thukydides 2, 35-46).

of learning (in addition to Alexandria, Antioch, and Pergamum) and a traditional center of art and science until late antiquity.

The meaning of Athens to the Greek world has been addressed repeatedly. As the Swiss historian Beat Näf notes, the history of the city of Athens is quite impressive and global:

“Among the great places of antiquity that are of decisive importance for the culture and heritage of the western world, Athens plays a most important role. Nonetheless, it should be noted that the historical influence of Rome is greater. Since time immemorial Jerusalem, in particular, has been in competition with A[thens] with respect to the question of which city was the foundation of history and culture and which should be regarded as such. [...] The suggestive power of the symbol of A[thens] to provide historical, political, social or cultural orientation always depended on what could be ascertained with certainty about A[thens] based on the ancient sources and the information and images of A[thens] provided by them. Likewise, the essential classifications of the symbols associated with A. are already to be found in the ancient sources.”⁵⁵

The global role of Athens emerged later as scholars became aware of the city's origins. Raimund Schulz, for example, makes no secret of his enthusiasm: “never has a city in so short a time unharnessed so much tradition-building energy that even millenniums later people look upon it as a spiritual mother”.⁵⁶

Carthage

Located on the North African coast in what is now Tunisia, Carthage was founded by the Phoenician city of Tyre at the end of the ninth century BC.⁵⁷ Built directly on the sea, it was bound on the west and north by hills and slopes. Carthage defended its interests both passively and aggressively, as evidenced by wars against the Sicilian Greeks and their allies. Until 264 BC, there were several treaties and no major problems with the Romans. The growing competition among the leading powers in the western Mediterranean world erupted in the Punic Wars (264-241, 218-201, 149-146 BC), which ended with the destruction of Carthage. After reconstruction under

⁵⁵ Näf (1999), citet after: <http://referenceworks.brillonline.com/entries/brill-s-new-pauly/Athens-ct-e1303340#e1303350> (accessed 21 Aug 2012).

⁵⁶ Schulz (2006), 53 (translation by the author).

⁵⁷ See Huß (1995); archaeology: see Niemeyer (2000, 2007).

the Roman Empire, Carthage gained importance as a provincial capital and the center of Christianity in North Africa.

Carthage had a fixed grid of streets and an insulating building density. A seawall was built in the fifth century BC. The initially simple port facilities were expanded; Carthage possessed three harbor facilities in the third century BC. After its destruction in the third Punic War 146 BC, renewal plans were drawn up by the Romans, first by Sempronius Gracchus (122 BC), then later over by Caius Iulius Caesar. Beginning in the first century AD, Carthage grew into a lavish Roman provincial capital city (province of Africa Nova) with monumental buildings. In the second century AD, the city received particularly intensive support and again became one of the most important centers of the empire.

Economy – Politics

Carthage was a large city that played an important economic and political role in the western Phoenician colonies; it had trade links throughout the Mediterranean world. The city coordinated the Phoenician expansion movements in the West, which led to the establishment of western Phoenician bases under the protection of Carthage. As a mother city, Carthage founded numerous colonies in Africa, the Mediterranean islands and Spain. The urban population grew rapidly; approximately 200,000 residents are estimated for the third/second century BC.

Carthage was the most powerful force in the western Mediterranean for several centuries and was able to extend its dominion of the region. It was considered a political and military protecting power for the Phoenician colonies. This perception of Carthage is reflected in the famous conflicts of the Punic settlements with the Greeks in Sicily and the Romans, conflicts that ultimately affected the entire western Mediterranean – which at the time was at least half of the known world.

After its destruction and reconstruction, Carthage grew into a metropolis and contributed greatly to the urbanization of North Africa.⁵⁸ This evoked both praise for the country life in literature and criticism of a progressive urbanization. Tertullian (*De Anima* 30), around 200 AD, said the following about North Africa:

⁵⁸ Ameling (1993), 3.

“Everything is developed, everything is explored, everything is accessible to commerce and industry. Pleasant estates tread on notorious desert, farmland replaces virgin forest, cattle herds displace wild animals. Sandy deserts are sown, barren soil planted, swamps drained. There are so many cities (*urbes*), people are everywhere, communities are everywhere, life is everywhere”.

Perception and Lore

In the introduction to his study of Carthage, Walter Ameling argues that the influence of Carthage on the history and culture of the Mediterranean world was bigger than “the continued concentration on the ancient history of Greece and Rome indicates”.⁵⁹ He also points out that Carthage was often in conflict with Rome over many issues.⁶⁰

Again, tradition plays an important role in our knowledge and perception of a city. While we know that Punic literature existed, very little of it has survived in Greek or Latin versions. The same is true for architecture: few structures have survived from the Punic period (before the Roman conquest).⁶¹ Therefore, the lack of recorded material on Carthage makes judging its potential qualifications as a *global city* difficult. The term as used here refers primarily to the political and economic influence over the Carthaginian colonies throughout the western Mediterranean.

Rome

Rome concludes the examination of ancient cities and their qualifications as *global cities*. Rome influenced first the Western, then the Eastern Mediterranean, and ultimately much of the known ancient world; it was certainly one of the most important cities in antiquity for its great influence in many areas over a long period of time.

The archaeological findings date the first settlement on the Palatine and the Quirinal to the tenth century BC.⁶² With the successful expansion on the Italian peninsula from the fourth century BC on, the political elite (patricians, plebeians, nobility) accelerated

⁵⁹ Ameling (1993), 1.

⁶⁰ Ameling (1993), 3.

⁶¹ Huß (1995), 96-98.

⁶² The founding date (21 April 753 BC) is a literary fiction, which goes back to the Roman author Varro from the first century BC. It is based on a recalculation of the generations from the traditional end of the kingdom to its postulated beginnings. For a summary of the archaeology, see Heinzelmann (2001), 1083-1106.

the city's architectural design (i.e. the construction of temples, aqueducts, market systems). In the second half of the third century BC, a rural exodus occurred at the beginning of the Second Punic War, which led to a rapid population growth in Rome (high density, mixed-population). By the end of the second century BC, up to 300,000 people (including the rural proletariat that had moved there) lived in Rome.⁶³ From then on, Rome was the center of the western Mediterranean world. Using the resources of the Mediterranean, the city became a metropolis with cultural influence throughout the eastern Mediterranean. Already in the first century BC, the Greek author Dionysius of Halicarnassus remarks on the expanded *suburbium* of Rome:

“If anyone wishes to estimate the size of Rome by looking at these suburbs he will necessarily be misled for want of a definite clue by which to determine up to which point it is still the city and where it ceases to be the city; so closely is the city connected with the country, giving the beholder the impression of a city stretching out indefinitely.”⁶⁴

Eighty public construction projects have been identified during the period between 200-133 BC.⁶⁵ Previously, the architecture of Rome – when compared to major cities of the east, such as Alexandria – looked rather provincial.

Here are some examples of this building boom: In 184 BC, the Romans opened the first three-aisled basilica (designed for public and semi-public transactions), based on the Hellenistic model (*Basilica Porcia*) and built the *Pons Aemilia*, the first stone bridge over the Tiber. The expansion of the Tiber and the conversion of the former military colony of Ostia into a port city were important for the city's food supply. Securing the city's water supply via aqueducts was just as important.

Cnaeus Pompeius Magnus and Caius Iulius Caesar commissioned impressive monuments in the city center and the Field of Mars in the mid-first century. The Emperor Augustus later expanded the Roman Forum and made it a place of cultic worship of his family (*Forum Augusti*). The dynasties that followed him legitimized their rule with an ideologically imbued architectural program. The Baths of Titus, with their large garden, and a Latin and Greek library restored and strengthened local pride. After the fire of Rome in 64 AD, Nero built wider roads in the Hellenistic style.⁶⁶ The

⁶³ On the problem of determining the number of inhabitants, see Scheidel (2001), 1-82.

⁶⁴ Dionysios of Halicarnassos (4,13,4), cf. Kolb (2007), 44.

⁶⁵ Jongmann (2001a, 2001b).

⁶⁶ Most of the roads remained narrow and irregular, and the common people crowded into close quarters with apartment blocks up to 30 meters high.

Colosseum (72-79 AD), the largest amphitheater in Rome and the largest single construction in the ancient world, was built as well.

The *Forum Transitorium* from the Flavian period (last third of the first century AD) replaced the old food market. The most magnificent of the Roman Fori (*Forum Traiani*) was financed by the Dacian wars and built as a triumphal monument (including Trajan's column and *Basilica*). A pedestrian promenade led from the *Colosseum* to the Fields of Mars and Trajan built the then largest thermal baths (surpassed by the Baths of Caracalla in 220 AD and by the Baths of Diocletian in 300 AD). Triumphal arches as demonstrations of power commemorated victories: The Arch of Titus (conquest of Jerusalem in 70 AD), the Arch of Septimius Severus (victory over the Parthians 203 AD), and the Arch of Constantine (victory over Maxentius 312 AD). During the tetrarchy in the fourth century AD, Rome experienced another building boom with major construction projects, which made it the largest city in the Roman Empire.



Figure 4: Model of Imperial Rome in the fourth century AD⁶⁷

⁶⁷ Source: Ameling et al. (2006), 92 (picture: Corbis Images).

We know much about the architectural fabric of Rome, and literary sources offer a wealth of information as to the size of Rome.

Economic Hub

After successful expansion in the third and second centuries BC, Rome developed an efficient profit-oriented slavery system.⁶⁸ Inscriptions indicate that more than 200 different trades and professions, formed into almost 170 professional associations, supplied Rome and the surrounding area with goods. The extant sources we have (especially inscriptions) indicate a high degree of specialization. Evidence shows that many women were active in trade and crafts. The social elite funded factories, and inscriptions on tombs document the freedmen's ambitious entrepreneurship. The massive building program employed more than 10,000 workers, who lived with their families in Rome. The major economic challenge lay in the food supply. From the time of Augustus, about 200,000 subscribers received 5 bushels of grains per month, which demonstrates excellent administrative skills, appropriate logistics for the supply and the operation of large storage facilities. Rome had about 254 large bakeries in the fourth century AD.⁶⁹ The markets of Trajan had five tiered terraces to provide the necessary space for the business market. Rome was undoubtedly a transshipment point for goods; however, it was an import rather than an export center.⁷⁰

Cultural Metropolis

Rome became the cultural center of the Mediterranean world and attracted increasing numbers of Latin and Greek scholars. In order to provide the large number of administration officials that were required, the Romans encouraged the education of the common people.

The culturally diverse inhabitants of Rome came from different regions of the ancient world. There was also great diversity in religions, including the famous mystery cult of Mithras, which was established in Rome between the second and fourth century

⁶⁸ Kolb (2007), 75-80.

⁶⁹ Equally complex – according to late antique restoration directories – was the water supply for the city: Eleven aqueducts brought approximately 700,000 cubic meters of water daily to Rome. From there the water was conducted over 250 distribution houses to 1,300 public wells, 867 public baths (11 large thermal baths) and 1,352 water points. See Kolb (1984), 163.

⁷⁰ Jongmann (2001b), 1081.

and expanded from there into the Roman provinces. Judaism and, of course, Christianity experienced similar dissemination. Festival Calendars regulated leisure time, with games and events taking place on over 200 days a year. The data on population numbers at the time of Augustus vary between 250,000 and one million.⁷¹

Athenaeus, second century AD, wrote about Rome as the epitome of the civilized world (all cities of the world having established a colony there):

“Rome may fairly be called the nation of the world. And he will not be far out who pronounces the city of the Romans an epitome of the whole earth; for in it you may see every other city arranged collectively, and many also separately; for instance, there you may see the golden city of the Alexandrians, the beautiful metropolis of Antioch, the surpassing beauty of Nicomedia; and besides all these that most glorious of all the cities which Jupiter has ever displayed, I mean Athens. And not only one day, but all the days in an entire year, would be too short for a man who should attempt to enumerate all the cities which might be enumerated as discernible in that celestial city of the Romans, the city of Rome so numerous are they.”⁷²

Summary

Starting in the second millennium, several cities in the ancient world emerged that had far-ranging economic, political and cultural significance, all aspects of global cities when applied to ancient standards. A key factor, however, is duration; each of the cities meets the criteria of having far-reaching significance for shorter or longer periods. This, however, is a minor point when considering the question from the present.

The cities most in accord with modern terminology are probably Alexandria and Rome, both of which competed for preeminence between the first century BC and the first century AD. Alexandria’s key economic position between Central Asia and the

⁷¹ Similar figures are also given in Stambaugh (1988), 89-90; Kolb (2007), 79. Some evidence for the determination of population figures could be the number of beneficiaries for money and grain donations (men only), not included are women, children, slaves, soldiers and residents. The Aurelian wall (271/82 AD) included a settlement area of 1,373 hectares. Excluding the public land, one estimates approximately 1 million people could have lived in the offered space. Late Antiquity directories of the region name 46,602 *insulae* (residential units); however, the *insula* cannot necessarily be assumed to be of uniform size, see Kolb (1984), 162-163.

⁷² Athenaeus, *The Deipnosophists* 1,20b.

Mediterranean region and its political role as a royal city of the Ptolemies, who developed the city over the centuries into a great science metropolis, constitute the decisive arguments. The economic resources of the Mediterranean world allowed Rome to become a metropolis and thus a transmitter of Roman culture throughout the Roman Empire.

But also prestige, based on long-term and far-reaching reference, played an important role. Babylon, the former center of political power and cultural diversification in Mesopotamia, was very widely recognized in antiquity and beyond although this regard has been based on only a few specific aspects of the former metropolis (e.g. the luxury, the decadence and the Tower), derived from classical and Christian sources. Athens, whose economic and political importance is well attested within Greek ancient sources, draws its *global* significance from its legacy as a reference point for (Athenian) democracy, philosophy and art.

All observations depend on their sources, the transmission of these sources and their subsequent implementation into current research. The example of Carthage shows this very clearly. Its reputation as long-standing political and economic presence in the western Mediterranean region is based on relatively sparse archaeological and written sources and (in retrospect) a very Rome-oriented research position.

Despite all the restrictions (sources, research practice, perspectives) and the fundamental problem of transferring modern terminology to ancient conditions, the ancient cities presented in this chapter displayed qualities of *Global Cities* for certain periods of time in antiquity and beyond.

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New Orleans as a Global City: Contemporary Assessment and Past Glory

Robert Dupont

Introduction

In the early months of 1718, French explorer Jean-Batiste le Moyne de Bienville stood on the banks of the Mississippi River. According to the directions issued by the Company of the West, he had recently been granted a twenty-five year monopoly over the Louisiana colony and was to establish a settlement “thirty leagues” upriver from the mouth of the Mississippi. The company further directed that the settlement be called Nouvelle Orleans in honor of the Duc d’Orleans, regent to Louis XV. The eventual location, however, owed more to geography and the wisdom of Native Americans than it did to the directors of the company operating from thousands of miles away.¹

To those from such a distance, the idea of a settlement measured from the mouth of the river seemed straightforward. But nothing was straightforward about the geography of the lower Mississippi delta formation. Bienville faced a difficult choice. To meet the strategic requirements of the colony, New Orleans should be close to the mouth of the river. But the quality of the land improved only by going farther upriver than the directors had mandated. The solution grew from the knowledge of local Native Americans, who showed Bienville a possible compromise. By utilizing a series

¹ Campanella (2008), 109-110.

of bays and passes off of the Gulf of Mexico, one could reach the Mississippi River via a “back door”. Landing on the southern shore of Lake Pontchartrain and using Bayou St. John to travel inland, water transport could avoid the navigational challenges of the hazardous delta region and the long journey upstream. Bayou St. John would bring Bienville to a point only a short, two-mile journey from the banks of the river.

The land chosen for New Orleans and subsequently settled – on the northeast side of a large, crescent-shaped bend – was far from ideal. But frequent flooding and the subsequent silt deposits had for many years built up the land along the river and interior bayous. Hardwood trees had taken root, and an expanse several hundred yards back from the Mississippi River toward the lake was sufficiently well-drained to allow for the start of a primitive settlement. Bienville had made his choice. From the beginning, New Orleans would be a compromise between its hazardous site and its strategic situation.²

Among the drawbacks of Bienville’s site were poor soil (mostly organic material with an abnormally high water table), diseases (especially those carried by mosquitoes), semi-tropical weather, and lack of fresh water made up for only in part by frequent rain and storms. Even the location along the river – so important for subsequent transportation, commerce and strategic advantage – hampered the new settlement. Spring floods were common; the banks shifted often, and breaks in the natural levees could immobilize the settlement for weeks at a time. Gulf storms would arise with no warning and threaten the very existence of New Orleans. The young settlement suffered from hurricanes in 1719, 1722, 1732 and 1733.

An impressive array of advantages counterbalanced this depressing list of problems. First and foremost for the French, the new city constituted a crucial strategic linchpin in its effort to compete within the New World’s rush for empire. Forty years before the founding of the city, the king’s instructions to the explorer LaSalle mentioned the advantage Louisiana enjoyed as a “way to penetrate into Mexico.”³ To the south, west and east were the Spanish; to the northeast and north were the British. The funnel-shaped, French-claimed Mississippi Valley ended in Bienville’s small strip of semi-land precariously wedged between Spanish settlements. Whatever the eventual

² Lewis (1976).

³ Ugolini (2011), 1.

commercial possibilities, the city represented a geopolitical reality that gave France credibility and presence on the central Gulf coast. The colony avoided the worst of Gulf hurricanes by virtue of its location somewhat away from the coast. Communication and local commerce took advantage of multiple river, lakes and bayous. The climate, though uncomfortable, promoted verdant growth for consumption and, eventually, export. Neither the difficulties of site nor the advantages of situation would dominate the colonial period of the city's history. The two aspects remained in tension throughout the eighteenth century.

The French experience in New Orleans and the larger Louisiana colony must be judged a failure.⁴ The declining fortunes of the French in the New World and Europe and defeats in the colonial wars discouraged both overseas investment and regal ambitions, and in 1762, the French ceded the colony to the Spanish. The French rule of forty-four years, however, established long-lasting characteristics of the city's social, religious and economic structure.

- Colonists imported slaves within one year of its founding. French colonial attitudes moderated racial interactions as compared with Anglo practices elsewhere on the continent.
- German settlers joined in the colonial experiment and became part of the early ethnic mix in the city and its environs.
- Methodical importation of religious orders, especially the Ursuline nuns and Jesuits, reinforced Catholicism's influence on New Orleans.
- The French authorities began extensive public works, including fortifications at the corners of the Vieux Carré, and, most important, the construction of artificial levees.

By the time of the onset of Spanish rule New Orleans, had grown only modestly from its small beginning. In the late 1760s, the Spanish assumed responsibility for slightly over 2,500 residents, nearly one-third of whom were slaves. An attempt to characterize the city at this point in its history – was it a world city? global? – seems fruitless. New Orleans was a colonial outpost and important not so much because of its size but because of its strategic location and commercial potential. But the population numbers were low, and French ambitions for a great and orderly colonial city had

⁴ Dawdy (2008).

disappeared. However, the remainder of the colonial period resulted in more rapid growth and the establishment of New Orleans within a world system of cities.

The first concern of the Spanish was their ability to govern the disgruntled residents. A serious rebellion resulted in armed conflict and subsequent executions.⁵ The lengthy colonial experience of the Spanish produced a competent administration, and the city residents adjusted to the new rulers. Additional settlers came to the colony, including Spanish from other settlements and the *Islenos* – Canary Islanders – who settled along the lower part of the Mississippi River. Thus the diversity of population in the city received additional elements. The Spanish governor Carondelet supervised the construction of a navigation canal that brought the waters of Bayou St. John to the northern edge of the *Vieux Carré*.

World City Status

One of ironies that delight historians of New Orleans, that supposed quintessential French city, is that it was under the Spanish rule, especially in the last decade of the 1700s, that the future claim of New Orleans to “world” status began to take shape. During most of the 1700s, the immediate New Orleans hinterland – an area of population perhaps three to four times that of the city – raised tobacco and indigo for export in addition to providing crops and livestock for city consumption. But the nature of the hinterland changed dramatically in the 1790s, which raised the profile of New Orleans and strengthened the argument for its classification as a world city.

The first element of that transformation occurred as a result of the successful revolution of the American colonies. Freed from their constraints, the cities and former colonies along the eastern seaboard generated westward-bound settlers and a gradual but steady increase in trans-Appalachian migration. The difficult east-west journey inhibited continued commercial contact between the new settlers and their former homes. Once across the mountains, settlers found numerous rivers that fed into the Mississippi and, from there, downriver to New Orleans. The new American administrations pressed the Spanish and received permission to utilize the city as a depository for goods soon to be shipped abroad. Spain gained leverage with its neighbor,

⁵ Dawdy (2008), 220-222.

and New Orleans gained importance as a world systems participant. The city's hinterlands now extended from the Gulf of Mexico to the Great Lakes and eastward to the western slope of the Appalachians.

The second transformation of the city's hinterlands occurred closer to New Orleans. In 1793, Eli Whitney invented the cotton gin, which drastically reduced the labor necessary to process the fibers. The result transformed the American south, not least by making the slavery system immensely profitable. As cotton production spread south and west from the older southern colonies, that industry's center of gravity came closer and closer to New Orleans. The seaboard ports of Charleston and Savannah, over time, became secondary to New Orleans as transshipment points. The economic hinterlands of New Orleans now included the cotton-producing lands of the Deep South.

The third transformation of the New Orleans hinterlands occurred even closer to the city. In 1795, Jean Etienne de Boré perfected the granulation of sugar. Productive lands west of New Orleans and along the Mississippi cultivated sugar cane and further enriched the city. The sugar lands were not as extensive as the Mississippi Valley or the cotton lands of the Deep South. But the production increased agricultural productivity, located important economic functions within the city and added significantly to the growing role of New Orleans in the world economy. All three elements of the transformation of the hinterlands occurred during the last years of Spanish rule.

The growing commercial importance of New Orleans attracted the attention of the United States. Fearful of its ability to control the colony, the Spanish returned Louisiana to France in 1800. France's revived imperial pretensions coincided with growing Spanish weakness and, for a brief period, it seemed that New Orleans would return to its colonial roots. However, in the early 1790s, the French colony of Saint-Domingue experienced a slave revolt, which grew in intensity for over a decade. By 1802, Napoleon's weariness of overseas burdens coincided with American commercial interests, and the parties reached a historic agreement in 1803. Napoleon sold not only New Orleans but all of Louisiana to the United States. He received cash for his military adventures and created a bulwark against renewed British ambitions. For the United States, the purchase meant an enormous expansion of U.S. lands and the acquisition of the commercial, transportation, financial and strategic linchpin to the Mississippi Valley. The entry of New Orleans into the United States elevated the city to world status.

The subsequent process of assimilating the colonial population into the American culture proved very difficult. The largely Francophone culture resented the Americans, and the new administrators returned the feelings with interest. The territorial leadership expected immediate help in defending themselves against raids by Native Americans and in the possible conflict with the British in Florida. But New Orleanians, and to a lesser extent the residents of the colony outside of the city, resisted military service and the new Anglo-centric culture. It was not until the successful Battle of New Orleans in early 1815 that the city truly joined the U.S.

The ethnic bickering and cultural differences did not obscure the commercial possibilities. The city continued to transform without interruption from the time of the Louisiana Purchase until the American Civil War. Even before Louisiana became a state in 1812, New Orleans took its place among the largest cities of the U.S. – seventh in rank according to the 1810 census – with a population of over 17,000.⁶

The argument that the city achieved “world” status during this era refers not only to the modern criteria for world cities, but also to a more historical viewpoint based on the city’s role in both economic and political life during the period starting in the 1790s and continuing well into the twentieth century. During this period, New Orleans qualified as a world city. The arrival of the Americans in 1803 transformed the city from an outpost of the empire into a crucial cog in both the American western expansion and the American south’s economic growth. Its role as a world city flowed from the importance of cotton production and the international realignments of the textile trade.

Urban History and City Classification

When a bandwagon comes along, historians are often the last to jump aboard. The profession often resists the latest academic fads and fancies, content to utilize the well-proven paradigms. This tendency toward skepticism is partially explained by temperament. After years of looking for evidence and marshalling arguments, historians are reluctant to jettison the comfortable, to learn the new vocabulary and, perhaps, to engage in a new set of arguments. Particularly in the case of paradigms originating

⁶ Gibson (1998).

outside of their profession, historians are reticent to join discussions in which they may only be tangentially connected and, perhaps, only partially educated. To venture into the global cities debate is daunting. New acronyms, new statistics (capital flows, labor market analysis) and new jargon (globalization-urbanization nexus, e.g.) pose a challenge to scholars.

An additional, more serious, explanation involves avoidance of presentism. “Now” is not the same as “then”, and judgments formed in the present cannot be retroactively applied to the past. The term “global cities” is not only of recent vintage, but is fraught with methodological and value assumptions.

Through much of the Twentieth Century, the study of urbanism and urban development in America has been constrained by the view of cities in the U.S. in local or regional, as opposed to global, contexts. Geographic dispersion in the U.S. did not encourage the consideration of international trade and the growth of world systems. For many decades, there were only a few exceptions to this general observation. Cities on the Atlantic seaboard, of course, were part of the Atlantic trade patterns, and even elementary school children in the United States learned of the triangular trade. And for scholars of slavery, the trade in human beings necessarily drove the study of the larger Atlantic World to include Africa and the Caribbean.

European scholars of urban history and urban studies focused on urban developments according to their geographical realities and historical influences as well. The compressed European continent immediately drew scholars to questions of international trade, and studies that looked to the Third World almost invariably focused on issues of colonialism and former colonies. A measure of convergence between the two groups of scholars did not occur until the 1970s, a point at which American scholarship turned to a critique of the political economy, a byproduct of foreign policy revisionism and New Left enthusiasm.⁷

Diane Davis identifies other features dividing U.S. and European scholarship, worth quoting at length:

“Some of [the differences] may have to do with the anti-urban political culture [in the U.S.] and [...] the history of immigration/migration and the ways in which US urban research so readily morphed into ethnic and racial studies [...]. In Europe, in contrast, scholarship on urban dynamics seemed to have maintained a higher visibility and

⁷ Davis (2005), 92-94.

more sustained intellectual salience [...] the indisputable importance of cities in European politics and culture, [...] or possibly even the continued salience of Marxist scholarship in which the cities are identified as the site of capitalist accumulation and class dynamics.”⁸

American urban historians tend to focus their studies of urban history on issues of race, segregation, segregation of housing, ethnic groups, social history, etc.. The study of urban history in the U.S. is often the study of a city’s biography. Like the study of individual biography, this is often fascinating, sometimes valuable, but unfortunately incomplete. For these reasons and others, much of the scholarly conversation regarding world cities and global cities bypassed the history profession. Sociologists, urban planners, urban studies experts and economists have been at the forefront of the new concepts.

The decade of the 1980s was an important transitional period in urban scholarship. The seemingly intractable problems of Third-World poverty and the pathologies of urban areas in much of the post-colonial world focused attention on transnational trends and processes. Interest in particular cities waned – as did the interest in the operations of national, regional and local political and economic processes – as questions of globalization grew. The fall of the Berlin Wall accelerated the trend. Neo-Marxism was on the defensive, and in the years that followed, there were few to challenge the primacy of enhanced neoliberalism, the famous (or infamous) consensus of the mid-1990s. From academia to the International Monetary Fund to the World Bank to corporate media, investigations and scholarly research turned not only to globalization but also to what seemed to be the shining examples of global success.

The trend was not entirely new. Earlier urban research had focused on large cities and trading networks. More than 100 years ago, British writers used the term “world city” to refer to Liverpool and London. Patrick Geddes, mentor to Lewis Mumford, employed the same phrase in 1915.⁹ At about the same time, the phrase “imperial city” referred to a lesser number of metropolitan areas with more specific criteria. Andrew and Lynn Hollen Lees quote the Pall Mall Gazette’s 1886 coverage of Queen Victoria’s Jubilee Celebration and its self-satisfied designation of London as an “imperial city”. They suggest a four-part classification of imperial cities based on their research into nineteenth and early twentieth century Europe. Cities were imperial if they were

⁸ Davis (2005), 98.

⁹ Doel/Hubbard (2002), 352.

capitals of empires (London, Paris, Brussels, etc.), capitals of multinational territories (Vienna), or active centers in overseas trade (Liverpool, Hamburg, Rotterdam). The fourth criterion looked backward in time. A city was also imperial if it met none of the contemporary criteria, but qualified because of its “historic and symbolic importance”. Thus Rome, deficient in the other categories, merited the title imperial in a tribute to its span of control of many centuries ago. Thus, by the advent of the middle of the 1980s, the various scholarly professions had run through much of the possible vocabulary of urban taxonomy – world city, imperial city and primate city, a special case designating one dominant urban area within a country, often to the detriment of development elsewhere in that nation.¹⁰

The Golden Age of New Orleans

Can the development of the city be explained as a function of these designations? For example, was New Orleans a world city, and if so, when? Based on the evidence from the nineteenth century, the answer is yes. The trans-Appalachian expansion, the development of King Cotton and the rise of the sugar industry, combined with demographic and other commercial trends, do qualify New Orleans as a world city.

Bienville’s choice of location for New Orleans made more and more sense as shipping and techniques of navigation improved. Although the Lake Pontchartrain route remained useful for coastal trade, the river took on greater importance. At the time of the Louisiana Purchase, most trade to and from the port involved the U.S. eastern seaboard and totaled approximately \$2 million. By the mid-1830s, the majority of trade involved overseas ports and was valued at \$54 million.¹¹ Much of the increase mirrored the growth of the cotton trade. U.S. cotton production in 1800 totaled 36.5 million pounds. By 1840, that production had grown to over 670 million pounds, feeding the textile mills of the Industrial Revolution.¹² The colonial exports of tobacco, rice and indigo continued, but they were overtaken and eventually dwarfed by the sugar and cotton trade. Raw materials left the port to be shipped directly to Europe or to be transhipped from the eastern U.S.; returning ships brought manu-

¹⁰ Lees/Lees (2007), 248-250.

¹¹ World Port Source (2003-2011).

¹² West (2004).

factured goods to the newly enriched city and hinterlands. The early decades of the 1800s saw the development and exploitation of steamboats, crucial to the expansion of the river trade. Steamboat visits to New Orleans grew from twenty-one in 1814 to over 1,200 in 1834.¹³ One source suggests that New Orleans was the world's fourth busiest port in the year 1840.¹⁴

The new prosperity profoundly affected the development of the city. Intent on supplanting (or duplicating) the features of the Creole city, the new Anglo arrivals expanded upriver from the French Quarter into the American Sector and located places of business and townhomes on streets with Anglo-friendly names. The compact walking city of the Vieux Carré gave way to clusters of related businesses in the "sugar" or "cotton" district. Factors, shippers, lawyers, bankers and insurance salesmen – all of the middlemen of the growth industries – transformed the city. The new business elite replaced the obsolescent Carondelet Canal with the New Basin Canal, which ran from the shore of Lake Pontchartrain to the back of the Anglo business district. Anglo businessmen used Irish labor to build the canal rather than risk the valuable capital investment inherent in the slaves. The Irish remained and transformed a riverside working-class district into the Irish Channel. To mimic the elegant Place-d'Armes (Jackson Square) in the Vieux Carré, the American sector developed Lafayette Square with its own array of statuary, government buildings and surrounding churches. By 1820, the New Orleans population of over 27,000 ranked fifth in the U.S.; within twenty more years, the population of over 100,000 ranked the city third in the U.S. only a few hundred behind Baltimore.¹⁵

The city's growth transformed living patterns, spatial differentiation and transportation corridors – all according to standard U.S. urban models, yet within the geographical constraints peculiar to the city. Instead of concentric circles of development, for example, one finds vectors upriver along relatively high and well-drained ground. Similarly, during the mid-1800s, the city expanded downriver and along the Esplanade ridge and interior bayous north and east towards the lake. But the land toward the north of the great river crescent remained the province of the marginalized and poor.

¹³ U.S. Army Corps of Engineers (ca. 1985).

¹⁴ World Port Source (2003-2011).

¹⁵ Gibson (1998).



Figure 1: Map of New Orleans, 1863¹⁶

Railroads were an early feature of New Orleans. The Pontchartrain Railroad brought passengers and freight from the shore of Lake Pontchartrain down present-day

¹⁶ Source: http://commons.wikimedia.org/wiki/File:Approaches_to_New_Orleans_Gen_Banks_Map.jpg (accessed 30 Oct 2012). This map of New Orleans, entitled "Approaches to New Orleans", dated 14 February 1863, and "prepared by order of" Major General N. P. Banks, clearly shows the crescent shape of the Mississippi River at the site of the city. Note the built up areas along the high ground adjacent to the river. To the north, the wetlands between the city and Lake Pontchartrain were not suitable for building. Along the shore of the lake, one can see the north-south course of Bayou St. John, the route into the city from Lake Pontchartrain and coastal waters to the east of New Orleans.

Elysian Fields Avenue toward the French Quarter and the river. More typical of early commuter lines, the New Orleans and Carrollton Railroad serviced well-to-do New Orleanians seeking escape from the city. Uptown residential areas arose early in the 1830s and 1840s as the walking city slowly transitioned to a more familiar U.S. urban pattern.

A City's Decline

This picture of nineteenth century New Orleans as a world city, however, remains incomplete. In the midst of the prosperity and growth of what historians still refer to as the city's golden age, we can detect the onset of relative, though not absolute, decline. It is convenient to use the American Civil War as the watershed event between prosperity and subsequent impoverishment, but the story is more subtle and complex.

Early in the Crescent City's rise to world status, a signal event in the northeast U.S. marked a change in economic patterns of the greater hinterlands of New Orleans. In 1825, engineers completed the Erie Canal, which opened the Great Lakes and the upper midwest to New York and the East Coast. No longer would New Orleans enjoy exclusive access to the population and commerce of those lands. No dramatic shifts in business took place, and the volume of river trade obscured the new reality.

Furthermore, by the 1850s, U.S. population figures reveal a changing pattern. The commercial and shipping centers of the country were about to lose rank compared with the nascent manufacturing centers. As industrialization grew in the U.S., labor demand fueled population growth, which set the pattern of growth of urban centers well into the twentieth century. The thesis here is simple: New Orleans fell from the first rank of world cities due to its failure to develop manufacturing along with its commercial strengths. And as the city's comparative advantage in commerce declined, there was little to take its place. This was not immediately apparent to the business elites of the antebellum city, who still enjoyed significant growth in the 1840s and 1850s. Cotton exports from the U.S. tripled between 1840 and 1860, New Orleans accounting for perhaps one-third of the total.

The lack of industrial development in New Orleans is a subset of a larger historical investigation regarding the American south in general.

- Labor: The South's dependence on slave labor distorted the market and discouraged industrial investment. Under the Free soil Party, the working class whites agitated against slavery and formed an important component of the new Republican Party in the 1850s.
- Opportunity cost and investment strategies: The high profits available in cotton and the plantation system discouraged alternative investments. With few exceptions, both economic choice and racial ideology constrained the vast number of slaves to rural, agricultural pursuits. If the south was not anti-urban, there was at least a significant view that the urban setting destroyed discipline, encouraged slave education and independence and promoted dangerous multiracial notions of equality. New Orleans represented the epitome of the dangerous urban area in such arguments.
- Ideology: The dominant Old South ideology glorified rural life and agriculture. The Republic ideal of the yeoman farmer transformed from the Jeffersonian ideal became associated not only with slavery and racial superiority but also with landscape, density and occupation. The trauma of the American Civil War only partially undermined these attitudes and beliefs.

In the case of New Orleans, particular local conditions exacerbated the more general southern attitude toward industrialization. The city's prosperity masked the long-term trends, and only an extraordinarily prescient business class might have accurately predicted the dangers ahead. In addition, one can return to Bienville's selection of a city site. The swampy conditions in and around the city inhibited population growth and the city's potential as a possible site for large-scale manufacturing. Though the population continued to increase, the city's rank in the U.S. had fallen to tenth by 1880, the last time New Orleans found itself among the top ten U.S. cities.¹⁷

One other factor is important. The geographical advantages of New Orleans in the first half of the 1800s were connected to the river trade. As U.S. transportation shifted more heavily toward railroads, the city's advantages declined. Post-Civil-War river trade remained important. Engineering improvements at the mouth of the river and an extensive rebuilding of port facilities in the period from 1900 to 1920 has sus-

¹⁷ Gibson (1998).

tained commerce in the Crescent City even to the present day. But the great railroad expansion of the post-Civil-War era created new hubs of commerce to the detriment of New Orleans's relative position, e.g., Atlanta, Fort Worth/Dallas, and Houston.

The lack of industrialization and the rise of other commercial centers did not relegate New Orleans to backwater status. The discovery of oil in southwestern Louisiana at the turn of the century, the periodic expansion of the cotton trade, the exploitation of coastal hardwood forests and the development of the intracoastal canal system all contributed toward a modest level of growth into the mid-twentieth century. But the days of New Orleans as a world economic power were over.

The Global City Label

In the late twentieth century, New Orleans could not compete in the new category of global city. The term gained currency in the 1980s and early 1990s as the result of several trends: Interest in emerging economies in the developing world was strong, and the works of John Friedmann and Anthony King drew upon this research to present a discussion of world cities.¹⁸ But interest in global cities was not only the logical result of incremental research. In 1989, the fall of the Berlin Wall seemingly confirmed the victory of not only western political ideology, but also of the neoliberal economic system. In 1991, Saskia Sassen published *The Global City: New York, London, Tokyo*.¹⁹ The focus changed from the examination of Third World cities and the search for evolutionary processes that might explain urbanization. Instead, scholars now examined the winners in the new neoliberal world.

The new focus on global cities encompasses at least three problematic areas:

1. Criteria

Consider the following statement:

“But all cities are not created equal, and all cities do not grow to equal stature. Some are big but impoverished in both brains and money. Some once stood on the economic heights but today languish further down the slopes, their glory days behind them. Some

¹⁸ Friedmann (1986), 69-83.

¹⁹ Sassen (1991).

are the cities of the future, but not quite yet. Then there are global cities. These are the ports of the global age, the places that both run the global economy and influence its direction. The cities where decisions are made, where the world's movers and shakers come to exchange the latest news and information. They are the places that boast both old-fashioned power and new fashioned flair [...]. In a word, they have clout.”²⁰

The somewhat breathless description comes from a publication titled *The Urban Elite*, published by AT Kearney Consulting in cooperation with *Foreign Policy* magazine and the Chicago Council on Global Affairs. Their research ranks the top sixty-five global cities according to five criteria: business activity (30 %), human capital (30 %), information exchange (15 %), cultural experience (15 %), and political engagement (10 %).²¹

The Institute for Urban Strategies of the Mori Memorial Foundation in Japan published a similar listing titled *Global Power City Index 2010*. It uses similar criteria, including economy, research and development, cultural interaction, livability, ecology and natural environment and accessibility. Sir Peter Hall served as Principal Advisor to the study, and Saskia Sassen contributed as a member of the Steering Committee.²² Similarly, Friedmann's 1986 criteria are explicitly economic/financial: a global city must be a center of major financial activities; it must have headquarters of transnational corporations (TNCs), international institutions, a rapid growth of business services, a manufacturing center; it must be a transportation node and have a certain population size.²³

The individual data points involved in these analyses can be problematic. Much data is collected on a national basis and not disaggregated according to city. In addition, the collection of city-only data versus metropolitan area data can confuse the analysis. Specific data points include the number of transnational headquarters, the number of bank deposits and even the number of billionaires that reside in the city. This last statistic, curiously, skews some rankings toward Moscow, home to the world's greatest number of resident billionaires.²⁴ One other criterion for global status is the extent of airport facilities and national/international flight connections.²⁵

²⁰ Hales et al. (2010), 1.

²¹ Hales et al. (2010), 2.

²² Institute for Urban Strategies (2010), 1-4.

²³ Friedmann (1986), 69-83.

²⁴ Brennan (2011).

²⁵ Kasarda (2011).

2. Ideology

The rush of consultants and policy-makers toward classification of cities may obscure ideological assumptions that underpin the global cities debate. After all, which city does not want to be identified as “global”? But Friedmann’s hypothesis regarding world/global cities and Sassen’s thesis go beyond the incidentals of urban size, corporate headquarters and capital flows. Global cities, it seems, share characteristics that are less appealing. Social changes of a clearly non-egalitarian nature hide behind technocratic language. Such cities experience the restructuring of land prices, divisions of labor and increases in cost of living. Those not engaged in global producer services experience an expansion of informal labor (part time, without benefits, contracts) and a driving down of wages. This is clearly the picture of late twentieth century neoliberal doctrine. Historians need not participate in this debate, but they cannot ignore the loaded meaning of “global city” in an investigation of the usefulness of the term within the profession.

3. Dichotomous Labeling

Once subjected to the criteria of these new scholars, cities find themselves within the new elect or on the outside looking in. Cities can move up and down the list, but the effect seems clear. What can result is a scrambling on the part of the “non-global” cities to qualify for entrance to the club. Lists are not subtle instruments. A city is either on the list or not. Numerous articles argue for the inclusion of one city or another within the global sphere: Charlotte, North Carolina,²⁶ Lexington, Kentucky,²⁷ Birmingham, England,²⁸ and Miami, Florida.²⁹

Conclusion

So in what sense (if at all) is New Orleans a “global city”? It clearly does not qualify according to the criteria mentioned above. Its post-Hurricane Katrina population barely places it among the top fifty U.S. cities, though the greater metropolitan area

²⁶ Maunula (2011).

²⁷ McCann (2004).

²⁸ Henry et al. (2002).

²⁹ Sassen/Portes (1993).

exceeds one million. The city lacks corporate headquarters, and manufacturing remains weak. The concentration of higher education institutions is a plus on the human capital rankings, but general education levels remain low. New Orleans' exhibiting some of the unfortunate patterns of income inequality in global cities does not alone qualify the city as global. It does suggest, however, that such income disparities are not limited to the global city designees. The ports of New Orleans and adjacent jurisdictions are quite active, but their international ranking depends highly on bulk shipments of crude oil and petroleum products rather than on manufactured goods.

Perhaps there is an alternative set of criteria for a global city, one with a more historical point of view. Some cities – not just New Orleans – have sustained world, if not global, status through the sum of their history, through their cultural contributions and their place in memory. Can any sensible list of global cities composed by a historian ignore Florence? Or St. Petersburg? Or Venice? Any claim New Orleans maintains to status as a global city is based on its history and distinctiveness within the United States. It joins a number of other urban areas – Manchester, Athens, Lisbon, Quebec – which occupy a prominent place in popular imagination, but whose economies and political importance have declined. One can imagine an alternative set of criteria, some kind of historians' counterweight to the neoliberal ideals. In the historians' view, global cities should exhibit distinctive architecture and a persistent local culture that has made some contribution to the culture of the larger world. These are cities which once played a role in the world system and which preserve the evidence of their former status. These cities have distinctive cuisines, immigration patterns and languages. Above all, these cities have a past that is honored, celebrated and sustained.

The exploitation of memory and residual affection has, of course, become big business. Selling the past may seem cynical and manipulative, but there must be some basis in fact for the ploy to work at all. New Orleans is a city whose authentic economic and commercial world status has passed. The transfer of most oil company operations to Houston in the past twenty years is perhaps the final marker in that process. But New Orleans remains a world city in important cultural and historical ways. Its historical preservation is exemplary, especially in U.S. terms. The post-Katrina culture thrives – not only as a museum-like method of preserving the past, but also as a vibrant, evolving present. The city's role serves a cautionary function – in times of prosperity do not neglect development for the future. It is possible to enjoy

world status and then to decline. But the role of New Orleans is also celebratory – as it serves as an example of how to honor the past, preserve culture and remain vibrant. If the concept “global city” is to have meaning for historians, the profession must honor that past as well.

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Zanzibar: Imperialism, Proto-Globalization, and a Nineteenth Century Indian Ocean Boom Town

Erik Gilbert

Introduction

Zanzibar feels ancient. The Stone Town, as the older part of the city has come to be called, feels truly ancient. Its Swahili name, Mji Mkongwe, means roughly the “aged town”. Tourist literature treats the city as if it were a survivor of the medieval tradition of urbanism on the Swahili coast. The Stone Town is a UNESCO World Heritage site, and UNESCO’s official description of the city, while noting that its most recent architectural development began in the late nineteenth century, nonetheless traces the city’s antecedents to a purported “confederation of small coastal city-states known as Zenj bar (Black Empire), which operated in the eighth to tenth centuries”. Zanzibar, it says, is “[t]he best preserved of these towns [...]”.¹

Linking modern Zanzibar to the Swahili towns that flourished between AD 1000 and 1500, or even to the earlier and mostly mythical Zenj Empire, is historically unwarranted, but it is excusable. The city feels like no other city in East Africa. It has crumbling stone and coral rag buildings and streets too narrow for automobiles. During the clove harvest, the smell of cloves leaks out of the *godowns* or warehouses

¹ Quoted from: <http://whc.unesco.org/en/list/173> (accessed 25 Feb 2013).

near the port and reaches into the northern half of the city. The port itself is crowded with dhows, the traditional sailing ships of the western Indian Ocean. It is home to a unique style of music called *taarab*, which in stark contrast to most African pop, uses violins and zithers and is as popular in the Persian Gulf as it is in Zanzibar. The city looks and smells and sounds like an ancient, exotic spice-trading port.

But all this apparent antiquity is at odds with the reality of Zanzibar. Zanzibar is a new city; it is younger than Boston or Philadelphia and about contemporaneous with Washington D.C. The site of the city has been occupied for a long time, and there are some very ancient towns (now ruins) on the island of Zanzibar (more properly Unguja), but at the beginning of the nineteenth century Zanzibar town was little more than a fishing village. In fact, one neighborhood of the city is called Shangaani, which was the name of the village in question. There are a few tombs in the city that suggest that there may have been a town on the site in the distant past, and a few oblique references to Zanzibar in the works of Arab geographers and Portuguese accounts of the region, but it is always hard to tell whether they refer to the island or to a city. But if there was once a town on the site of modern Zanzibar, it was not even a distant memory when the modern city grew on the site in the early nineteenth century.²

Zanzibar came into being because of the global reach of the Industrial Revolution and British imperialism. Far from being timeless and exotic, Zanzibar was on the cutting edge of nineteenth century modernity and globalization. Its story embodies the larger changes that the Industrial Revolution wrought on the world and reminds us that Africans and people on the Indian Ocean rim participated in and even shaped this global and regional process. The development of this process in the Indian Ocean has been examined in the work of Jeremy Prestholdt and Thomas Metcalf.³ Taking their work as its point of departure, this chapter will argue that a particular type of globalization or proto-globalization occurred in the Indian Ocean that was shaped by British India and that port cities like Zanzibar played a crucial role in that process. The conditions that created Zanzibar were a consequence of the emergence of a peaceful but open regional system which allowed the unfettered movement of goods, capital, and labor (though the laborers themselves were more often than not in fetters). This period or phase of regional globalization came to an end in the post-war period as decolonization swept the region. Previously open colonial borders became closed

² For an overview of the city's history, see Sheriff (1994), 8-29.

³ Prestholdt (2004, 2008 and 2009); Metcalf (2007).

national borders, and the societies that had created commercial port cities like Zanzibar found themselves in the grip of nationalist movements, often with ethnic nationalist overtones. As that era of regional or proto-globalization ended, Zanzibar's importance waned. The city is still there, but the harbor is quiet; it now trades primarily on the touristic representation of its commercial heyday.

Zanzibar's nineteenth century history was not entirely unique. Other port cities around the Indian Ocean rim followed eerily similar trajectories. Both Aden and Singapore grew from fishing villages to thriving port cities in the nineteenth century. All three were creations of people who were connected with the East India Company. All three attracted labor, capital, and commodities from around the Indian Ocean and the emerging global economy. All three were founded before steamships came to dominate the sea lanes, but they proved capable of accommodating steamers and continued to prosper and grow as sail gave way to steam. All relied on recently arrived ethnic minorities for capital and commercial expertise: Indians in Zanzibar and Aden and Chinese in Singapore. Cities like these represent precursors to the urban centers that Saskia Sassen has dubbed "global cities".⁴ While cities like Zanzibar lacked the economic scale and reach of the global cities of the twentieth and twenty-first centuries, they did play a critical role in the incorporation of regional economies into the emerging global economy of the nineteenth century. As points of articulation between the regional and the global economies, they were multi-ethnic centers that provided financial services to merchants, served as labor recruitment centers, and concentrated commodities. Zanzibar and Singapore played central roles in the integration of their regions into the world economy, suggesting that some cities were as central to globalization in the nineteenth century as they are today.

Background

Commercial cities are nothing new on the East African coast. The Indian Ocean monsoon system, which produces winds out of the southwest from May through September followed by winds out of the northeast from November to March, has made travel in the Indian Ocean relatively easy compared to other major oceans. This is especially true if one considers travel within the three main basins of the

⁴ Sassen (1991, 2006).

ocean – the Arabian Sea, the Bay of Bengal and the South China Sea. Sailors could easily make trading voyages within these basins that took them from one side to another in a single year. Thus sailing ships might set out from the Persian Gulf or India for the East Africa coast in December and expect to arrive in four to eight weeks. They would then settle into their destination port until the monsoon changed in the summer. During that time, they would sell their cargoes, buy a return cargo and possibly make some short local trading voyages. Once the monsoons changed, they would head home, arriving in late summer or early autumn. Voyages that reached across multiple basins of the ocean usually took more than a single season and thus required traveling merchants to be away from home ports and markets for a long time. The result was a sort of economic and cultural segmentation of the Ocean.⁵ While trade goods passed through multiple basins, changing hands in the entrepôts that developed where trade systems of the various basins overlapped, sailors and migrants tended to stick to one basin. Thus Zanzibar ended up with a population of Gujaratis and Cutchis (both from western India), as well as Somalis, Malagasies, Comorians, Hadramis, Omanis, Baluchis, and Africans.⁶ But it had only a handful of Chinese inhabitants, who arrived in the early twentieth century. Aden had a similar mix. Singapore, by contrast, had a South Asian population that derived from the shores of the eastern Indian Ocean and from eastern India; it had a large and economically dominant Chinese population and, of course, a more local Malay element, too.

Merchants had used the monsoons to travel to East Africa as early as the first century AD, as evidenced by the *Periplus of the Erythrean Sea*, which describes a voyage to a town called Rhapta. By 1000 AD, accounts by Arab geographers and the discoveries of archaeologists (coastal East Africa is the most excavated part of the under-excavated African continent) show that there were towns on the East African coast that were engaged in trade (some of it indirect) with places as distant as West Asia, India, and China. The Swahili people of the East African coast, as we now call them, accepted Islam, began to build parts of their towns in stone and shifted from a diet of indigenous African millet to Asian rice. In some ways, the readiness with which they embraced Indian Ocean culture presages Zanzibar's nineteenth century cosmopolitanism. For the Swahili, Asian trade goods seem to have had an almost talismanic

⁵ Chaudhuri (1985), 41.

⁶ So diverse was the city that it took Richard Burton, who visited in the middle of the nineteenth century, three chapters and 156 pages to describe it; Burton (1872), 312-468.

quality. Chinese bowls, for example, were pressed into the plaster around the mihrabs of mosques and into tombs of prominent men. One mosque on the island of Pemba had 20 porcelain bowls displayed around the edge of its mihrab, demonstrating the wealth and cosmopolitanism of the patron who built it. Thus, from very early in the history of the coast, wealth and prestige have been tied to trade and to access to people, ideas, and goods from “away”.⁷

At the same time, the Swahili coast’s approach to cosmopolitanism was intensely local. Imported trade goods – clothing, ceramics, beads and such – all seem to have been used in ways that were imbedded in a local tradition of competitive feasting. The Swahili towns themselves seem to have been almost stage sets rather than economically functional towns. There is no evidence of markets in Swahili towns of the classic period (AD 1000 to 1500). Trade seems to have taken place at the household level, where Swahili patricians hosted foreign merchants in their homes, which actually contained apartments for visitors. Production of food and local manufactures also took place at the household level, even in places like Pemba that were known for exporting grain to the coast.⁸

By 1500, a couple of towns had grown rather larger than their peers. Kilwa, Mombasa and Mogadishu were bigger than the other towns of the coast, but none of them ever tried to expand their political scale beyond that of the city-state. The towns had kings, but the power of the kings seems to have been highly constrained; they were more *primus inter pares* than autocrats. The fact that towns often went for years without rulers hints at the relatively limited role kings played. Despite the presence of Asian rice on the coast (probably the only part of sub-Saharan Africa where Asian rice was cultivated at the time), nothing like the Southeast Asian “padi-state” emerged on the Swahili coast. None of these towns ever achieved the economic dominance of the coast that Zanzibar had in the nineteenth century. The Swahili towns of this era were functionally quite different from nineteenth century Zanzibar.

In the century after Vasco da Gama’s opening of the sea routes between Europe and Asia, the Swahili coast was subordinated to the Portuguese. The Portuguese sacked Kilwa in 1505, and the city never really recovered. Mombasa also came under attack, and there the Portuguese constructed a huge fortress, called Fort Jesus, to keep the

⁷ Wynne-Jones (2007).

⁸ Walshaw (2010); Fleisher (2010), 148-149.

city under control. The standard interpretation of these events is that the arrival of the Portuguese marked the end of the glory days of the Swahili coast.⁹ However, it is not clear that the Portuguese fundamentally changed the social and economic structure of coastal life. Swahili patricians continued to engage in trade, and while the importance of Kilwa faded, Mombasa continued to be an important commercial center despite or perhaps because of the looming presence of Fort Jesus. All through this period, Zanzibar was barely noticeable. The Portuguese sources briefly mention a queen in Zanzibar, and there is archeological evidence for a couple of Portuguese structures on the island. Ruins in various parts of the island indicate that it was part of the broader Swahili world, and the oldest still functioning mosque on the coast, which dates from the thirteenth century, is on the southern half of the island. But the site of the future city of Zanzibar was not part of this narrative. The Zanzibar that emerged in the nineteenth century belonged to a totally different world than the Swahili world of the medieval period or even the Portuguese era.

Muscat, the East India Company, and the Founding of Zanzibar

In the late seventeenth century, the rulers of Muscat in Oman began to assert themselves in the western Indian Ocean at the expense of the Portuguese. Interestingly, Muscat's expansion occurred at the same time that the Dutch Vereenigte Oost-indische Compagnie (VOC) and the British East India Company (EIC) were also marginalizing the Portuguese. The Omanis drove the Portuguese off the Swahili coast, capturing Fort Jesus in Mombasa and building forts of their own in many other Swahili towns, a strategy they also used in Oman, where carefully resorted forts all over the country are still symbolic of the state's reach.

Initially, Omani rule focused on Mombasa, but in the 1790s, a new family, the Busaids, came to power in Oman, replacing the Yarubis, who had established the Omani presence in East Africa. The Busaidis were merchant-princes with strong connections to India. The Busaid ruler most central in the story of Zanzibar was Seyyid Said bin Sultan al Busaid (1797-1856). Said came to power in Muscat at the time when the EIC had become concerned with events in the Persian Gulf. From the EIC's perspective, there were two central problems in the Gulf. These were Wahabism

⁹ The strongest proponent of this position is Kusimba (1999).

and piracy. Concern about piracy led to the first steps in the creation of the Trucial States in 1820. In Oman, the critical issue was Wahabism. The Omanis were Ibadis, which was a form of Islam that was neither Shia nor Sunni but derived from the Kharijite tradition. Because of this, there was no love lost between the ardently Sunni Wahabis and the Busaids. The Busaids came to depend heavily on the support of the EIC, which saw them as a bulwark against Wahbist expansion in the region. An EIC political agent in Muscat, Colonel Atkins Hammerton, had a close relationship with Said. Muscat was also home to large numbers of Indian merchants, who lived there under Seyyid Said's protection, but who were also subjects of British India.

In the early decades of the nineteenth century, East Africa became increasingly important to Said. Oman's main export was dates. Dates may seem commercially fairly insignificant, but they were important enough to become the standard unit of measurement for the capacity of a dhow, which was given in the number of bags of dates it can carry. The date plantations depended on access to slave labor from East Africa. Muscat's economic links to East Africa were deeply rooted in the structure of their economy. But Said's interest in the East African parts of his state grew in the early decades of the nineteenth century in response to changes in the world economy that created new levels of demand for East African products and that ultimately made East Africa a bigger source of wealth than Oman. These changes led him to remove the Mazrui rulers of Mombasa in 1839 and to move his capital to Zanzibar in 1840. Atkins Hammerton went with him.¹⁰

By 1840, Zanzibar had emerged as the dominant port in East Africa, partly because of Said's tax policies. In fact, the standard interpretation of Zanzibar's rise emphasizes the dual roles of differential taxation rates and economic geography to explain Zanzibar's meteoric rise.¹¹ While this may explain why Zanzibar became the dominant port city in the region, it does not explain why, in contrast to earlier periods in the coast's history, one city should totally overshadow all others. One possibility is that the concentration of services and expertise that makes a few cities globally dominant occurred on a regional scale in the nineteenth century, an idea I will explore in the next section.

¹⁰ Burton (1872), 295.

¹¹ Sheriff (1987), 125-126.

Zanzibar and the World Economy in the Early Nineteenth Century

Zanzibar in the early part of the nineteenth century produced little. Rather, it was a transit point for goods from the East African coast on their way to other parts of the Indian Ocean or, and this marks something of a change, to the industrializing economies of Europe and North America. In fact, when Said moved his capital in 1840, Zanzibar already had an American consul, who had held his office since 1838.

The staples of Zanzibar's trade were ivory, slaves, gum copal and hides. All of these, even the slaves, met the demands of the industrial world economy rather than being part of some sort of ancient or traditional trade. These trades were more tied to the world of industry in old and New England than to the world of the medieval Swahili.¹²

Ivory had been exported from East Africa since the time of the *Periplus*. But in the nineteenth century, the demand for ivory grew dramatically, driven by the development of new technologies that allowed ivory products to be manufactured on an industrial scale. Ivory was the plastic of the nineteenth century and was used for everything from billiard balls to combs to chop sticks. Above all, piano keys were made from ivory. The piano was an iconic symbol of middle class status in the nineteenth century, and as the industrial revolution brought more and more people into the middle class, more and more elephants died to furnish them with piano keys. Because East African ivory was softer and less brittle than that of Asian or West African elephants, it was more suitable for industrial uses and was preferred. The result was a dramatic expansion of the ivory trade in East Africa and the steady westward shift of the ivory frontier as the elephant populations near the coast were hunted into extinction. Ivory became a mainstay of Zanzibar's trade and triggered the creation of the first trade routes that reached all the way from the coast to the lakes of central Africa. By the 1850s, there were settlements of coastal merchants on the lakes and increasingly beyond them as Arabo-Swahili merchants moved into the interior in search of ivory.¹³

Gum copal is a plant resin produced by a tree that is common along the East African coast. It too saw demand rise in the nineteenth century for much the same reason as ivory. Gum copal, an ingredient of varnish, was used in carriage making. Like pianos,

¹² Gilbert (2004), 55-58.

¹³ Burton (1860); Rockel (2006), 49-61.

carriages were an increasingly affordable sign of middle class status in the nineteenth century, and demand for gum copal expanded along with the carriage business. Zanzibari gum copal was not used exclusively in the west; India too had a growing market for carriages and thus for gum copal.

References to hides are prominent in the records of American merchants in Zanzibar.¹⁴ Hides from the goats, sheep, cattle and occasionally East African antelopes adorned the hands and feet of New Englanders. Zanzibar, of course, produced little in the way of livestock, but it was a transshipment point for hides from parts of the coast where cattle were more abundant.

Finally, slaves were central to the creation of modern Zanzibar. When Seyyid Said and Colonel Hammerton moved to Zanzibar in 1840, the only restriction on the slave trade was that slaves were not to cross the so-called Moresby line that ran from Zanzibar to Cutch. This was meant to keep slaves from being imported to British India and the Mascarenes. Thus the trade to the Persian Gulf and Oman was a legal and significant part of Zanzibar's trade. However, the British had been grumbling about the Indian Ocean slave trade for some time, and Said seems to have perceived that it was only a matter of time before the British would force an end to the trade. As a sort of a hedge, he took a step that puts him in the company of the nineteenth century modernizer Muhammad Ali of Egypt. Seyyid Said introduced cloves to Zanzibar. Cloves are native to the islands of Southeast Asia, and the VOC had a carefully constructed and tended monopoly that limited clove production to just a few islands in the Sunda Sea. Early in the nineteenth century, a Frenchman had obtained a few cuttings and had attempted to grow them in Mauritius. In the 1830s, Said established his own plantations of clove trees and encouraged other Omanis to do likewise. Zanzibar's sister island of Pemba turned out to be so well-suited to clove growing that, by the middle of the century, Zanzibar was the world's leading producer of cloves. Cloves were exported to India, where they were used as a spice, to Indonesia, where they were mostly used in cigarettes, and to Europe, where they were used in the manufacture of clove oil. Clove oil was used as an oral anesthetic and, then as now, as the source for most of the world's supply of vanillin. So in 1844, when the EIC's Atkins Hammerton imposed a new treaty on Zanzibar that ended the slave trade to the Gulf but kept it legal within Said's East African possessions, the measure

¹⁴ Bennett (1973), 120.

was not an undue hardship. Slaves that might have been exported were sent to the clove plantations instead, and the cloves were exported. Eventually the slave trade was entirely outlawed, but labor for the plantations continued to come to the Islands. As late as the middle of the twentieth century, free laborers were recruited from the same areas of central Africa that once provided slaves to work on clove plantations in Zanzibar.¹⁵

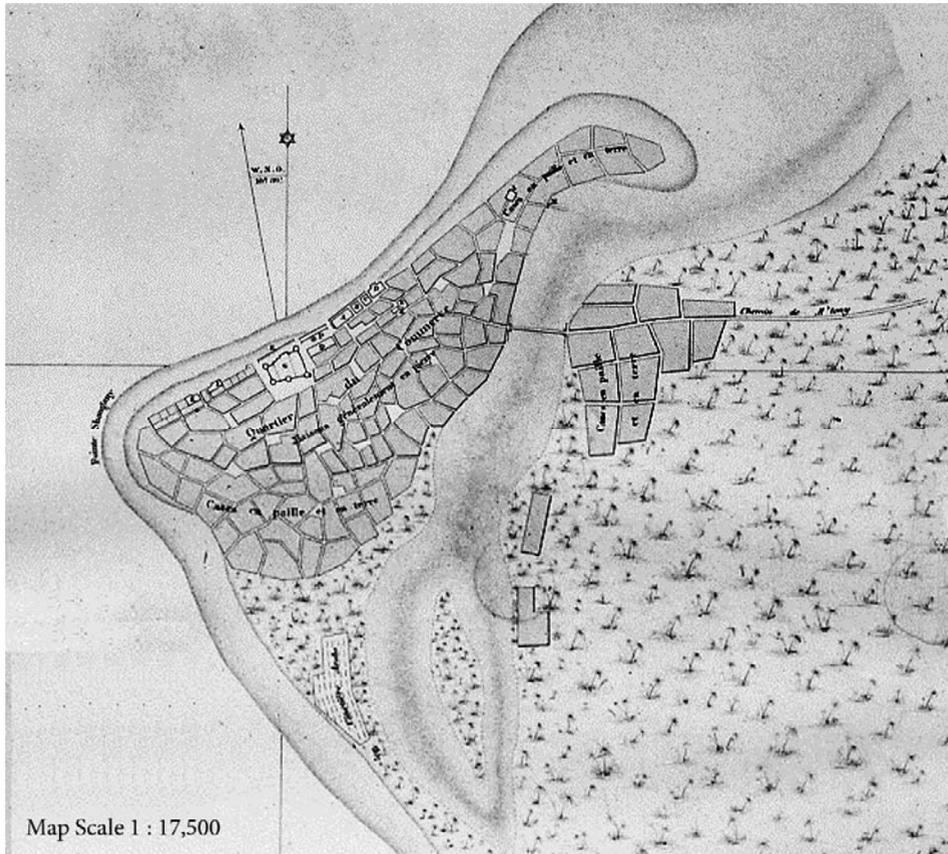


Figure 1: Map of Zanzibar Town in the 1850s¹⁶

¹⁵ Cooper (1980).

¹⁶ Source : Guillain, Charles (1856): *Documents sur l'histoire, la géographie et le commerce de l'Afrique Orientale* (Album). Paris: A. Bertrand, plate 9.

In exchange for these goods, Zanzibar imported cloth from industrial sources in New England, England and India. New England was so central to the cloth trade that a 30-yard bolt of brown sheeting, which was so ubiquitous that it served almost as a currency in the interior, was called *merikani*, Swahili for “American”.¹⁷

Like the built environment of the city, a list of Zanzibar’s trade goods in the nineteenth century looks, at first glance, like a window into the past. Ivory, copal, spices and slaves all have an exotic ring to them. However, there was nothing traditional about Zanzibar’s trade. Even goods like slaves and ivory, which had been part of the ancient Swahili world’s trade, were used in entirely novel ways. Both imports and exports were tied to industries that did not even exist a hundred years earlier. The rise of Zanzibar had everything to do with the arrival of the global economy in East Africa.

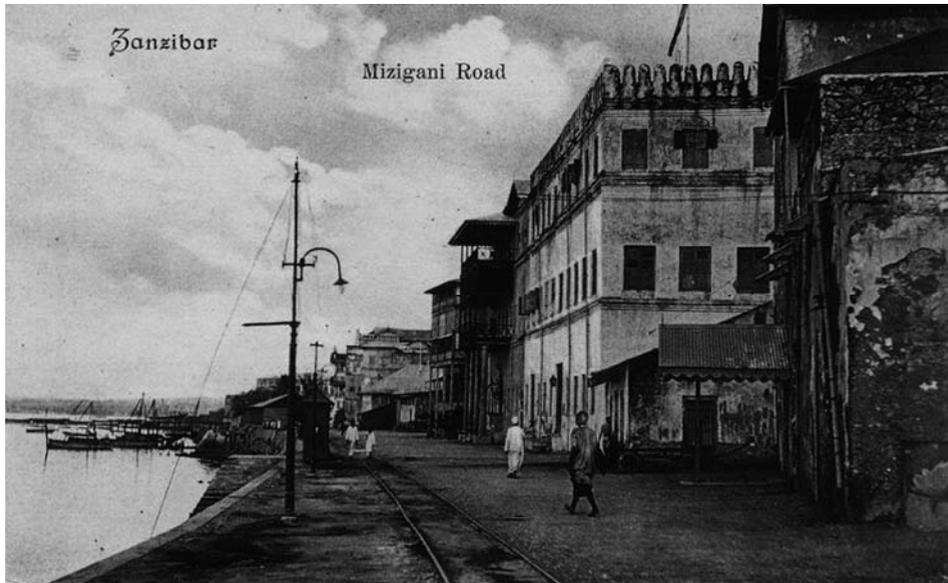
Zanzibar Town in the Nineteenth Century

The emerging city attracted an astonishing diversity of people. As is the case with boom towns everywhere, Zanzibar was a city of immigrants; there were almost no “native” Zanzibaris. As late as the 1890s, most Zanzibaris were born elsewhere. Zanzibar had communities of Omani Arabs, Hadhrami Arabs, Baluchis, Persians, Somalis, Malagasies, Comorians, and Indian Hindus and Muslims, Shiite and Sunni. There were Africans from a diverse range of communities in the interior, many of them enslaved, and some representatives of the older Swahili communities. There were also communities of European and American merchants. Indeed, many of the American merchant houses were established before some of the Indian merchant houses.¹⁸

The commercial high ground was in the hands of Indians. The clove plantations, which almost all belonged to Arabs, were chronically mortgaged and in debt. The debt was held by Indian clove merchants. Most of the merchant community was also in debt to Indian financiers. The Americans and Europeans were no exception and depended on Indian capital to keep their operations going. Even the Zanzibari state was dependent on Indian capital. The taxes were farmed first to Jairam Sewji and then, after his death, to Tharia Topan, both in their times the richest men in Zanzibar.

¹⁷ Sheriff (1987), 72.

¹⁸ Sheriff (1987), 94-101.



*Figure 2: Zanzibar waterfront in the early twentieth century*¹⁹

Zanzibar's ethnic diversity was staggering. In ways that parallel modern ideas about globalization, assimilation was not the rule of the day. Perhaps unsurprisingly, the Europeans resisted assimilation, but so did the Arabs and Indians. While there was some intermarriage among different Arab groups, huge differences in the social status of Omanis and Hadhramis, the former mostly landowners the latter mostly porters and coffee sellers, meant there was little common ground between the two. Indians, divided by religion and caste, also remained discrete groups. The exception to this was language. Swahili became Zanzibar's language. As early as the 1850s, some Indians spoke Swahili at home. By the twentieth century, Gujarati and Cutchi were used more to keep commercial correspondence private than as languages of daily use. The Arabs too mostly abandoned Arabic for Swahili while clinging to their Arab identity.²⁰

That this wildly mixed population was able to gravitate to Zanzibar over a 50-year period is intriguing. It says something about the ease with which people moved within the western Indian Ocean in the nineteenth century. This ease of movement is attributable in part to the British Empire. The end of the Napoleonic Wars and the British

¹⁹ Source: http://www.zanzibarhistory.org/a_p_delord_gallery.htm (accessed 25 Feb 2013).

²⁰ Burton (1872), 452.

suppression of piracy made the western Indian Ocean a safe place to travel. In the second half of the century, steamships made sea travel safer, more predictable and eventually cheaper.

Zanzibar's intensely modern built environment reflected the cultural diversity of its population. Not only had the entire city been constructed in the nineteenth century, Said's son Bargash, who ruled from 1870 to 1888, was an ardent modernizer. If Said were compared with Egypt's Muhammad Ali, Bargash would play the role of a Zanzibari Khedive Ismail. He was the one who built the city's water supply, created a police force, opened the first public schools, created the public parks that still grace the city, and most famously, built the Beit al-Ajab or House of Wonder.

The Beit al-Ajab is the dominant feature of the Zanzibar waterfront and antithesis to all things ancient or traditional. It has three stories, each with a huge wrap-around veranda, and it is topped by a cupola with a clock in it. The inside has an elevator, said to be the first in sub-Saharan Africa. Bargash also installed the first electrical power plant in Zanzibar in 1880 and used electric light to illuminate the Beit al-Ajab.

This fascination with the outward signs of modernity was not limited to the Sultans. Regular Zanzibaris also sought to obtain consumer goods that to them embodied the idea of modernity. For middle class families, this meant buying clocks. Clocks, often many clocks, were prominently displayed in the homes of well-to-do Zanzibaris. They preferred large pendulum-driven wall clocks. Antique shops in Zanzibar are still full of these clocks. Tourists typically show little interest in them because they do not seem authentically Zanzibari, but they were essential status symbols in the city's heyday.²¹ For less well-to-do Zanzibaris, especially former slaves, the essential status symbol was the English-style umbrella. Zanzibar men in the late nineteenth and early twentieth century often dressed in what was then a new style – the *kanzu*, *kofia* and umbrella.²² This use of imported goods as status symbols parallels the way the Swahili had used imported goods like ceramics earlier in their history, but it also shows that this was anything but a hidebound traditional society. Rather, Zanzibar was a newly formed, multiethnic, and dynamic society, creating new forms of social competition with newly acquired objects, and a consumer society *avant la lettre*.

²¹ Prestoldt (2009), 176.

²² Fair (1998).

British India and Regional Globalization

One of the more interesting books about the Indian Ocean published in the last couple of years is Thomas Metcalf's *Imperial Connections*, which traces the critical role that India, Indians and Anglo-Indians had in the making of empire in the Indian Ocean. Metcalf's analysis takes in topics that range from the use of the Indian Penal Code in new colonies to the role of Sikhs in colonial police and military forces, from the spread of Saracenic architecture to the movement of Anglo-Indians within the Empire. Although Metcalf's work is Indo-centric in that it concerns the movement of people, policy and ideas from India to British possessions on the Indian Ocean rim, much about Zanzibar can be understood once we look at it through his interpretive lens. The EIC's relationship with Seyyid Said was modeled on the EIC's relationship with princely states in India. The EIC claimed that Zanzibari Indians were its subjects and thus could not hold slaves because they were from parts of India that was controlled by the EIC. As the British exerted more control over Zanzibar in the decades after 1890, British officials began to build in the Saracenic style, as exemplified by a number of public buildings in the city (the High Court and the Museum, for example).

But the influence of British India was felt in other, less direct ways as well, especially in the ease with which people could move around the western Indian Ocean. Between 1840 and 1950, Indians steadily migrated to East Africa. Metcalfe refers to East Africa as the Indian version of America.²³ It was the destination for people looking for opportunity and the chance to better their lives. But people on the edges of the Empire also came to East Africa and to Zanzibar. For most of the nineteenth and twentieth centuries, South Arabia and the Persian Gulf were relatively poor compared to East Africa. Villiers, a British adventurer who traveled to East Africa on a dhow right before the Second World War, said that passengers on his vessel included a whole clan of Bedouins who joined the ship at Mukallah in South Arabia. Having lost their herds to drought, they were on their way to East Africa to start over. On his return voyage, he traveled with passengers bound from Zanzibar to the Gulf, among them three school teachers on their way to Oman for religious training. Religious scholars, businessmen, students and others moved easily through the region. Even during the Second World War, when a shortage of ships and fears about Japanese submarines

²³ Metcalf (2007), 166.

made people apprehensive about traveling in steamers, dhows carried passengers between Bombay and Zanzibar.

While this chapter has focused mostly on the nineteenth century, much of what I have said applies also to the first half of the twentieth century. During this period, the movement of goods, labor, and capital within the region had few constraints. A sort of sub-globalization took place within the western Indian Ocean, though with critical links to the world economy. This openness, which was overseen by the British Empire, made the creation of places like Zanzibar possible. Zanzibar rode the wave of nineteenth century capitalism and became wealthy and attractive to immigrants as it served the needs of the industrial economies of the west and India. This pattern is also visible in Aden and Singapore, both of which were founded by agents of the EIC and grew alongside the industrial West.

The demise of these cities (save for Singapore) coincided with the end of the Empire. For Zanzibar, the crucial break came in 1964 with a Marxist revolution (as always, Zanzibar was keeping up with the latest fashions) that got rid of the newly independent Arab government and also cut Zanzibar's commercial ties with the Gulf and sought to recreate the city and nation on an African and nationalist model. Central planning eventually ruined the clove industry, and the Islands lost their status as the world's leading supplier. Today, most of the clove crop is left to rot on the trees because the infrastructure needed to get it to market is gone. The transit trade that once made Zanzibar an important transshipment point has disappeared. The now sovereign states of the mainland prefer to collect their own taxes and have superior ports. The sovereignty of the former colonies of the Indian Ocean rim now means that the easy movement of people that once characterized the region is gone. Where once Arabs and Indians routinely migrated to East Africa, the pattern has now reversed and Zanzibaris are trying to get to the Gulf. Oman's jails are rumored to be full of young Zanzibari men caught trying to enter Oman illegally.

If anything, Zanzibar's past was more global than its present. The one exception to this is the tourist trade. While Zanzibar has always had a few tourists, the last 30 years have seen a dramatic expansion of tourists seeking sun and sand with a little oriental mystery on the side. Zanzibar's main stock in trade today is an imagined version of its past. All it has left to sell is the idea of itself as ancient and exotic.

Aden's history tells much the same story. While it thrived as a coaling port and then as bunkering port, the end of the British Empire and a Marxist revolution in 1967

left Aden even more forlorn than Zanzibar. A visit to Aden feels like a stroll through a post-apocalyptic environment. As of 1997, there were still three wars' worth of bullet holes and other war damage. The old British barracks, the Mallah Lines, are crumbling. Perhaps the most symbolic image of Aden is the one-third scale model of Big Ben that the British built. Two of the four clock faces have fallen out, and neither of the others functions. The port at Dubai, Jebel Ali, has taken over the role that Aden once had as an entrepôt for the region. Aden has even less reason to exist than Zanzibar. Its built environment is too overtly British to appeal to tourists; it has more sun than most people can manage, and it lacks even rudimentary political stability.

Only Singapore managed to survive the end of the regional sub-globalization and thrives in the current age of globalization. This may have to do with its location on one of the busiest sea lanes in the world. It also avoided the Marxist revolutions that isolated Zanzibar and Aden from the early stages of post-colonial globalization. Singapore has also recreated itself around finance and services and thus has moved away from the essentially nineteenth century economies of coal (Aden) and tropical raw materials for industry (Zanzibar). Zanzibar and Aden may belong to the past, but it is a recent and global past.

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The Evolution of a Global City: Vienna's Integration into the World City System

Robert Musil

Introduction

In a more recent work, Saskia Sassen warns against the “endogeneity trap”¹ when explaining globalization processes. According to her theory, a phenomenon – such as globalization – can be described, but not explained, by globalized processes. Consequently, although recent globalization has been dominated by global production networks and a global financial market, these processes cannot explain the rise of the global age. Furthermore, Sassen highlights that the process of globalization must be explained – in its historic origins – through structures that do not follow the logic of globalization. Instead, this logic is deeply rooted in the system of the nation state: its history, its urban system and its fiscal policy.² A study by a team around Peter Taylor supports this perspective. The authors explain the differences in the pattern of German, British and French global cities through their historical evolution: “This is a classic example of historical path dependence: for all the upheaval of globalization these two national primate city structures [France and Britain] continue to feature very strongly locally within the world city network.”³

¹ Sassen (2006), 4.

² Flora (2000).

³ Taylor et al. (2011), 127.

Sassen's statement is remarkable because of her seminal study 15 years before – *The Global City* – which influenced scientific debates worldwide and initiated a new field of urban research. In this work, she addresses the interdependence of global and local aspects of the city.⁴ Although Sassen does not neglect the role of the state, she identifies the integration of a city into the flow networks of capital, people, goods and information as the crucial factor for urban development – not for all cities, but definitively for global cities.

This chapter picks up the argument of the “endogeneity trap” and aims to explain the integration of today's global cities, not by focusing on recent processes on a global scale, but by examining the structures based on the historical evolution of nation states, their territorial structure and their institutions. In doing so, this chapter follows an evolutionary approach in that it analyzes historical developments and trajectories to explain recent patterns of urban development.⁵

Vienna, the case study in this chapter, is not near the top of European cities in global terms: according to a recent ranking, it holds the fifteenth position, between Prague (14) und Budapest (16).⁶ However, it makes sense to focus on Vienna when we try to explain the formation of global cities from a historical perspective. As the political and economic center of the former Austro-Hungarian monarchy, the city looks back on a long and eventful history, which was affected by severe geopolitical changes during the twentieth century. In addition, compared to other Western European cities, Vienna's internationalization was delayed; this process began in the early 1990s with the transformation of communist countries behind the former Iron Curtain, countries with which the city has always been strongly connected. Vienna's delayed internationalization must be seen in this context.

The chapter is structured into four sections. The first section gives a brief overview of the global city debate – its main arguments, its empirical improvements and some critical perspectives. The next section introduces the concept of path dependence and discusses it as an explanation for the global city network. The third section focuses on the case study of Vienna: first I will give a brief overview of recent patterns of internationalization, primarily based on foreign direct investments (FDIs). Secondly, I

⁴ Sassen (1991).

⁵ Grote (2003); Frenken/Boschma (2007); Boschma/Martin (2010).

⁶ Taylor et al. (2011), 116.

will focus on the historical origins of the city's recent internationalization. In the fourth section, I trace the paths of historical development and examine if they can explain recent spatial and structural patterns of Vienna's global integration.

The Global City: Urban Development beyond the National Scale

Theoretical Foundations

As a result of the fundamental crisis of the Keynesian welfare state and the break-up of the Fordist production structure due to increasing economic integration, the state "container space" lost its significance as a frame of reference for social science research.⁷ Scholars saw the state-centered perspective as a "territorial trap"⁸, which compelled them to come up with new explanations; these new approaches took into account those "disparate social activities" that were linked outside or below the state level.⁹ This change of perspective also influenced the research on urban development and urban systems. During the 1980s and 1990s, a number of "de-territorialization" theories¹⁰ were developed that focused on the relationship between global processes and local urban development. Thus, the network of global interactions, not the territorial scale, became the basic theoretical and methodological frame of reference.¹¹

In his world city hypothesis, John Friedmann conceptualizes cities as "basing points" of global capital control.¹² His theory is based on the assumption that the integration of a city into the global economy is the most relevant factor of urban development. Not the position within a national economy, but rather the form, intensity and duration of economic relations between the urban and the global economy affect socio-structural changes in the city, as well as the city's position within the global urban network. Within the capitalist world system¹³ and its spatial division of labor between center, periphery and semi-periphery, world cities hold specific functions – as head-

⁷ Taylor (1994); Taylor (1995).

⁸ Angew (1994).

⁹ Taylor (1994), 157.

¹⁰ E.g. Manuel Castells "space of flows" or John Ruggi "postmodern political space"; for an overview see Keil/Brenner (2003).

¹¹ Keil/Brenner (2003), 253.

¹² Friedmann (1986), 69.

¹³ Wallerstein (1986).

quarters, financial markets or as mediators between regional markets and the global economy. Although Friedmann acknowledges the impact of history and national policies, the most relevant factor of explanation the functional integration of a city in the global urban system.¹⁴

Some years later, Saskia Sassen published the global city theory¹⁵, which influenced urban research worldwide. Taking the world city hypothesis and other conceptual frameworks – such as Manuel Castell’s “space of flow theory” – as her point of departure, she develops a comprehensive approach that links together two theoretical approaches, one of which focuses on global processes, and the other on local urban development:

- **The global approach.** This approach rests on the assumption that globalization gave rise to a new geography in which global cities function as places that provide specific knowledge for multinational enterprises to manage globalization. Because of the high degree of non-routine work and the need for face-to-face contacts, these services are immobile and therefore concentrated in a limited number of locations: in global cities. Thus, the worldwide expansion and decentralization of production go hand in hand with a spatial concentration of command power and of knowledge, which is provided by highly specialized producer service firms, e.g. finance, insurance, accounting, law firms or management consultancy firms.¹⁶ By providing their knowledge to multinational firms, these firms play a crucial role in the formation of the centrality of the global city. Sassen states: “My focus is not on power, but on production: the production of those inputs that constitute the capability for global control [...]”.¹⁷
- **The local approach.** The global integration of global cities has brought about a new geography on the local level, which is characterized by social and spatial fragmentation. While high-value service industries produce new jobs in the city centers and financial districts, traditional production and consumer-oriented services depreciate.¹⁸ This dualism of the social structure,¹⁹ which is

¹⁴ Friedmann (1986), 69.

¹⁵ Sassen (1991).

¹⁶ Taylor (2003), 35.

¹⁷ Sassen (1991), 6.

¹⁸ Sassen (2003), 17-18.

¹⁹ Sassen (1991), 9.

enforced by international migration of high and low-skilled workers, brings together elements of the first and third world – a crucial characteristic of the global city.

Empirical Implications: How Can the Global City Be Analyzed?

If taken seriously, the theoretical assumptions of the global city theory require high-quality data: to analyze the position of a global city, we must measure the degree of its integration into the global network. For a long time, the existing gap between a broad theoretical concept and the lack of valuable data was called the “dirty little secret of global city research”.²⁰ To compensate for this shortage of global relational data, rankings with attribute data – e.g. the number of headquarters or passenger numbers on international business flights – were used to indicate the global relevance of cities in question.²¹

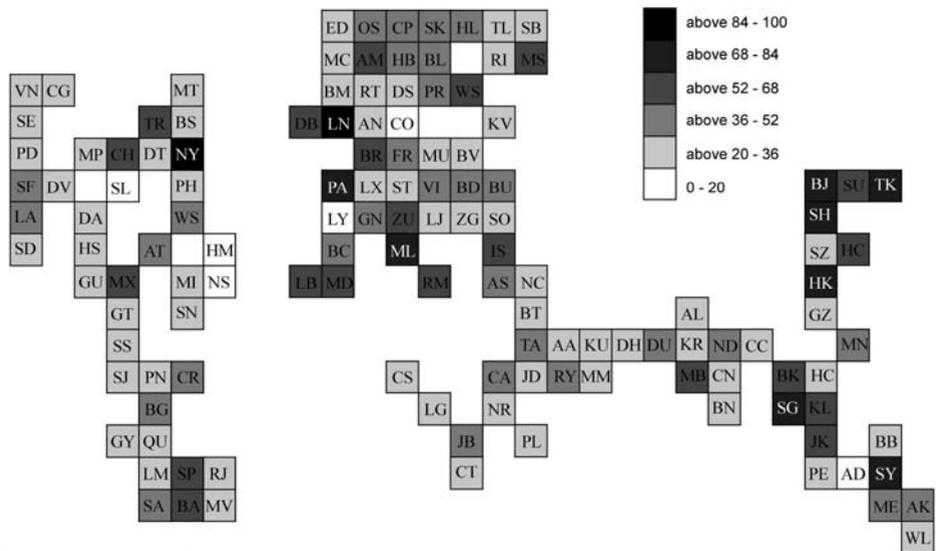


Figure 1: Connectivity in the global city network for 132 cities in 2008²²

²⁰ Short et al. (1996).

²¹ See Keeling (1995) for flight statistics; Meyer (1986) and Goudfrey/Zhou (1999) for the number of headquarters.

²² Source: Derudder et al. (2010).

This lack of useful data ended when the Globalization and World City study group (GaWC)²³ elevated the worldwide firm-subsidary networks in the year 2000 for 100 (175 in 2008) producer-oriented service firms in five areas (accounting, advertising, law, management consultancy and finance).²⁴ The group evaluated the relationships between these 100 networks, each of which connects headquarters and subsidiary organizations, according to the relevance of each firm in a city. The examination of these firm networks produced a list of 316 cities (525 in 2008), which could be compared with regard to their network integration on a global scale. Figure 1 shows the outcome of this analysis, the network integration for 132 cities in 2008.

A New Type of City?

The popularity of the global city theory and its impact on numerous theoretical and empirical studies notwithstanding, it provoked criticism in various respects: First, critics pointed out that a small number of firms and employees provided the basis for the global benchmark, while the largest part of the urban economy was not taken into account.²⁵ Besides empirical aspects, critics objected to the explanation of social polarization in cities. In contrast to Sassen's concept, not only global processes but, above all, the welfare state's distribution mechanisms as well as the quality of social security systems, determine the degree of social unevenness. Hamnett, in his study of the Dutch urban system, observes: "The globalization thesis tends to neglect issues of 'social regulation' by nation states".²⁶

The second aspect of criticism is relevant to the focus of this chapter and requires further elaboration. Sassen, like many other de-territorialization theorists, stresses the global scale as the dominant factor for urban development. As a consequence of their global importance, cities become more equal around the world: "Thus a new type of city has appeared. It is the global city".²⁷ It is quite easy to disprove this assumption – as Chris Hamnett has done – by examining the social structure of continental European cities and their welfare systems. As a result, some scholars criticize Sassen's disregard of a number of non-economic factors that affect the significance,

²³ See <http://www.lboro.ac.uk/gawc> (accessed 15 Mar 2012).

²⁴ Taylor (2003), 34-39; Derudder et al. (2010).

²⁵ Gerhard (2004), 6; Krätke (2001), 17.

²⁶ Hamnett (1996), 109.

²⁷ Sassen (1991), 4.

or rather, the worldwide centrality of a global city. In this context, the nation state and its institutions, as well as their historical evolution, must be considered.

Numerous examples could be given to demonstrate the role national institutions play in urban agglomeration and the formation of global cities: the “big bang”, the deregulation of Britain’s financial market under Prime Minister Margaret Thatcher, re-consolidated London’s financial center and became an important basis for its role as Europe’s leading global city.²⁸ Similarly, Frankfurt’s role as a leading financial center in Europe goes back to the 1945 decision of the United States military administration to locate Germany’s federal bank there.²⁹ Keil and Brenner³⁰ use numerous examples to emphasize the role of the state in the formation of a global city. They question whether proponents of de-territorialization theories, with their bias toward the network space, are “throwing the baby out with the bathwater”.³¹ Furthermore, we must take into account the preconditions – such as the welfare regime of the state, the spatial organization of the state (centralism versus federalism) and the spatial redistribution through the tax system – and examine the roots of global-city development, which lie in the nation states and their historical evolution. Although the relevance of historical structures – such as national urban systems – has been mentioned, hardly any effort has been made to develop this concept as an explanation for the global city network.³² In the spirit of Sassen and Taylor, I use the case study of Vienna to argue that the global integration of a city cannot be explained without examining the state and its historical preconditions.

Path Dependence – A Useful Approach to Explaining the Spatial Structure of the Global City Network?

In recent years, evolutionary economic geography has become a field of intense debate and has influenced numerous studies. This approach is heterogeneous rather than a fully articulated, general theory; it focuses on historical processes and historical structures of firms, industries or cities and their influence on current spatial patterns.

²⁸ Zehner (2011), 42.

²⁹ Schamp (2011); Grote (2003).

³⁰ Keil/Brenner (2003).

³¹ Keil/Brenner (2003), 256.

³² Taylor (2003); Taylor/Hoyler (2000).

In short, “an evolutionary approach centers on historical processes that have produced these patterns”.³³

The theory of path dependence stresses the self-enforcing aspect of historical and economic decisions or processes, all of which occur in “historic time”, which means that processes or economic decisions (like investments in a technology) are irreversible; furthermore, we must consider “historic accidents”. As a consequence, the concept of path dependence is non-deterministic; dominant pathways can end or transform into one another. The debate about evolutionary processes revolves around three main arguments for the explanation of dominant development paths:³⁴

- First, path dependence can be based on a “lock-in”, which describes the dominance of a technology, even in the presence of alternatives (including possibly more efficient ones).
- Second, increasing returns, resulting from externalities and learning mechanisms, can cause self-reinforcing processes.
- Finally, formal or informal institutions can stabilize or even strengthen existing pathways but reduce the openness of a system; “positive lock-in” can revert into a “negative lock-in” if strong embeddedness produces inflexibility and obviates the adoption of external knowledge.³⁵

In recent years, several empirical studies have shed light on the evolutionary processes in a regional context.³⁶ For instance, Grote analyzes the evolution and development of Frankfurt’s financial center. This study is relevant in two aspects: first, it has the flexibility to consider “historic accidents” in a growth model, e.g. the decision of the United States military administration to locate the German Federal Bank in Frankfurt.³⁷ Second, this study shows a limitation of this approach: based on Arthur’s location decision model³⁸, Grote identifies a dominant pathway for Frankfurt in the German financial system between 1967 and 1998. In this period, Frankfurt dominated the newly located foreign banks.³⁹ However, Grote’s paper makes it clear that

³³ Frenken/Boschma (2007), 636.

³⁴ Martin/Sunley (2006), 400 and 416.

³⁵ Martin/Sunley (2006), 416.

³⁶ E.g. Grote (2003) or Glückler (2010).

³⁷ Grote (2003), 203.

³⁸ Arthur (1994).

³⁹ Grote (2003), 211.

an approach based on Arthur's location decision model is not sensitive enough to identify other – less dominant – pathways.

Other authors discuss the deficient differentiation between different types and degrees of path dependence;⁴⁰ for instance, Liebowitz and Margolis differentiate three degrees of path dependence;⁴¹ similarly, David differentiates between three varieties of history: weak, moderate and strong.⁴² For him, only the “strong history” – analogous to the third degree of path dependence – can be considered a development path. Concerning the development of financial centers, David finds it difficult to identify feasible pathways of other regional financial centers in Germany which are outshined by Frankfurt's dominant development path.⁴³

Global city research attributes only a minor role to the impact historical structures and processes have on the function and status of a global city. To overcome this deficiency, this chapter will examine the link between evolutionary economic geography and global city research. Global cities are defined as places where the knowledge of the management of globalization is concentrated, i.e. places that abound in multinational enterprises.⁴⁴ In other words, highly specialized – and therefore spatially concentrated – producer service firms produce a global centrality that make the presence on these places inevitable for globally active enterprises. Therefore, we assume that the status of a global city is a result of its development path; similar to the case study of Frankfurt as a dominant international financial center, the spatial pattern of producer service firms⁴⁵ originates in a dominant development path.

Two problems arise from the understanding of a global city from the perspective of a development path. First, global producer service firms are a recent, not a historic phenomenon, which makes it impossible to redraw pathways based on this indicator. For this reason, alternative indicators, which describe the evolution of a global city, must be considered. Second, the historical view might be clear for those cities that are at the top of the global city network and look back on a long tradition as cities with global relevance, such as London, Paris or Amsterdam. But how can we analyze

⁴⁰ Martin/Sunley (2006), 405.

⁴¹ Liebowitz/Margolis (2001).

⁴² David (2001).

⁴³ David (2001).

⁴⁴ Sassen (1991), 4.

⁴⁵ See the pattern of the “GaWC-100” - respectively “GaWC-175”-firms.

the consequences of a city's "weak history", which might explain the rise and the function of second-tier global cities?

The Historic Pathway toward the Global City of Vienna

This section gives a short overview of Vienna's position in the global city network and describes its internationalization during the 1990s. This period is defined by a development path that created and influenced Vienna's function as a global city. I will also address the historic preconditions of this recent development.

Vienna since 1989: Delayed Internationalization

Generally speaking, the internationalization of an economy occurs in two ways: first, via the export of goods and services, and secondly via active and passive FDIs.⁴⁶ In the 1980s, Austria was far below the level of Western European countries in both regards.⁴⁷ Vienna found itself in a very similar position; it was perhaps even less internationalized than the western part of Austria, which had connections to the southern German and the northern Italian markets. During the 1990s, the situation in Vienna changed dramatically.⁴⁸ Between 1989 and 2005, the capital invested by Viennese firms in foreign locations rose from 1.3 to 33.2 billion euros. Furthermore, the number of employees in foreign subsidiaries grew from 11,100 to 250,500. However, the development of passive FDIs in Vienna was ambiguous; while the stock of equity capital increased continuously (from 5.6 to 36.2 billion Euro from 1991 to 2005), the number of employees slightly decreased, from 128,200 to 114,200. In general, during this *longue durée*, Vienna's home market economy transformed radically, which made the city an attractive location for international headquarters.

The spatial patterns of FDIs from Vienna reveal two facts: First, Vienna's internationalization more closely resembles "Europeanization", as regions outside Europe control only a small share of employees (4.9 %) and invested equity capital (7.9 %) in the year 2005. Furthermore, a large number of Viennese FDIs are located close to

⁴⁶ From the perspective of a region *i*, "active" FDI is invested in a foreign region *j*, "passive" FDI originates from a foreign region *j* and is invested in the own region *i*.

⁴⁷ Musil (2011), 35.

⁴⁸ Because regional data for foreign trade does not exist, the internationalization of Vienna will be shown by FDI.

the Austrian border; from 127 FDI locations in Europe, 26 can be found less than 100 kilometers from the border, 59 locations are within 250 kilometers, and 91 are located in one of Austria's neighbor countries.⁴⁹ Secondly, apart from proximity, Vienna's FDIs very clearly reflect the divide between eastern and western Europe. Within this period, active FDIs in Vienna showed a clear spatial shift toward the transformation markets in eastern Europe: in 2005, about 82.9 % of all employees on foreign subsidiaries and 52.2 % of invested capital were invested in eastern Europe. On the contrary, 85.3 % of passive FDIs originated in western Europe and overseas, primarily North America (see table 1). In short, the geography of Vienna's internationalization is characterized by a capital inflow from (north-)western Europe and North America and an outflow toward the markets in eastern Europe.

		active				passive			
		1990	1995	2000	2005	1991	1995	2000	2005
employees	origin/target								
	western Europe	54.9	26.1	11.7	13.1	82.6	83.0	83.0	85.4
	eastern Europe	33.0	67.2	80.7	82.1	0.8	0.7	0.4	0.6
	overseas	12.2	6.8	7.6	4.9	16.6	16.3	16.6	14.1
total		100	100	100	100	100	100	100	100
invested capital	western Europe	76.5	62.3	49.6	39.9	74.4	77.3	86.9	78.0
	eastern Europe	11.3	27.0	31.3	52.2	1.6	2.4	1.7	1.5
	overseas	12.2	10.7	19.1	7.9	24.0	20.3	11.4	20.5
	total		100	100	100	100	100	100	100

Table 1: Regional distribution of active and passive FDIs from and in Vienna (number of employees and invested capital, per cent), 1990-2005⁵⁰

The sector structure of active FDIs might lead the observer to expect a concentration of highly valued services in western Europe and – due to low labor costs – more industry-oriented investments in eastern Europe. Surprisingly, the opposite is true: While in eastern Europe about 55.9 % of FDI capital is related to banking and finance, the reference value for western Europe is just about 15.2 %. In absolute numbers, Viennese banks and their engagement in eastern Europe have been a crucial part of Viennese internationalization since 1989. It is remarkable that the three largest

⁴⁹ Musil (2012), 182.

⁵⁰ Musil (2012) and OeNB, own calculation.

foreign banks in the Czech Republic, Slovakia, Poland, Hungary and Slovenia are all located in Vienna: Erste Bank, Raiffeisen Bank and Bank Austria – although the latter has become a subsidiary of the Italian UniCredit.⁵¹ This is all the more remarkable as these banks do not otherwise play a significant role in the international finance system.⁵² In the following section, I will try to shed light on the historical preconditions that gave those banks significant advantages in competing in the transformation markets.

In addition, the establishment of regional (bridgehead) headquarters of multinational enterprises has contributed to Vienna’s internationalization. Several studies emphasize the increasing relevance of foreign subsidiaries based in Vienna, which have significantly expanded their areas of responsibility and have become regional headquarters for the region.⁵³ Although these studies doubt the future role of Vienna as regional headquarters, FDI statistics give Vienna considerable importance. Indirect FDIs⁵⁴ from Western European firms in eastern Europe are the most relevant, but it is surprising that firms from eastern Europe – on a smaller scale – also profit from Vienna as a gateway to western Europe (see table 2).

Target Region	Source Region			
	western Europe	eastern Europe	overseas	total
western Europe	5,306	no data	2,714	8,020
eastern Europe	5,617	256	1,477	7,350
overseas	1,627	no data	-42	1,585
total	12,550	483	4,149	17,182

Table 2: Source-target-matrix of indirect FDIs from and in Vienna (equity capital, € millions)⁵⁵

In sum, we cannot comprehend Vienna’s role as a global city without examining its close connection to the transformation countries of eastern Europe and the engagement of Viennese firms (especially banks) and their foreign subsidiaries in this region.

⁵¹ Karremann (2009).

⁵² Musil (2011), 40.

⁵³ Mayerhofer/Wolfmayer-Schmitzer (1996); BCG (2005); Knoll (2004).

⁵⁴ Indirect FDIs are investments from a firm, which is itself a subsidiary of a foreign corporation. For instance, this is the case if a Viennese firm, which is a subsidiary of a Munich firm, opens a subsidiary in Budapest.

⁵⁵ Musil (2012) and OeNB, own calculation. Remarks: “no data” is caused by data protection; negative values are caused by de-investments.

GaWC data provides very little information about these aspects.⁵⁶ Between 2000 and 2008, Vienna's relevance as a global city rose slightly, which could either be interpreted as merely a statistical effect or as a consequence of the opening towards eastern Europe and the city's function as a bridgehead between the center and the periphery of Europe. The following section will address the historical preconditions that help explain the "long decade" of the 1990s and Vienna's function as a gateway between East and West in the global city network. For this reason, the focus will be on the city's relationship to central and eastern Europe.

Historic Preconditions: Changing Pathways in the Connection to Central and Eastern Europe

Period 1: Vienna as the Center of the Austro-Hungarian Monarchy

At the end of the nineteenth century, Vienna was the political, administrative and economic center of the third-largest European state in terms of population. The city's financial center played a crucial role in the Austro-Hungarian monarchy, whereby the stock market crash of 1873 ("*Börsenkrach*") had a severe impact on the city in several aspects. First, the crisis led to an abrupt end of the boom period of the first "*Gründerzeit*"; secondly, since that time, a small number of large banks have dominated the financial center while a big number of small, primarily speculative investment banks did not survive the crash.⁵⁷ Finally, during the 1880s, these large Viennese banks established a new geography of the Monarchy's financial system, which was characterized by a new spatial division of labor.

Viennese banks established extensive branch networks across the Austro-Hungarian territory, which enabled them to invest capital from the wealthy and industrialized north-western regions towards the agrarian and less developed east and south-east of the country. The center-periphery structure of the country and the uneven capital flow played a crucial part in overcoming the crisis of 1873; investment capital favored stable, "conservative" investments, which were offered in the periphery of the Austro-Hungarian monarchy in the form of low labor costs, a superior growth

⁵⁶ Taylor/Derudder (2004), 535.

⁵⁷ Eigner/Resch (2003); Resch (2006).

potential and a weak infrastructure. This investment boom had a number of important consequences: First, it established a railway system, which was as developed as that in Western European countries, even in the most rural regions.⁵⁸ Secondly, Vienna, due to its large banks, became the dominant financial center of the country: the 12 largest Viennese banks held an increasing share of the total bank capital in the Austro-Hungarian monarchy. Furthermore, Vienna was the sole market and gateway for incoming foreign investment capital.⁵⁹ Consequently, the peripheral parts of the country were permeated by western European investment capital.⁶⁰

In short, on the eve of the First World War, Vienna functioned as a relay city for investment capital between the north-west and the south-east of Europe and as a semi-peripheral center for international capital. A Hungarian historian described it as follows: “It is at all possible to speak of a constant structural principle pertaining to this hybrid construction [namely the Austro-Hungarian monarchy], then it [...] consisted of this: the Habsburgs aspired to establish within their realm, a reduced, ‘East-Central European’ replica of the division of labor which had created the modern world economy.”⁶¹ From the point of view of evolutionary economic geography, Vienna established a dominant development path based on its functional role as a relay between the center (industrialized regions in the Austro-Hungarian monarchy as well as north-western Europe) and the periphery (agrarian regions).

Period 2: The Collapse of Vienna’s Pathway in the Interwar Period

The end of the First World War and the collapse of the Austro-Hungarian monarchy caused the decline of Vienna’s role as a relay within the center-periphery division of labor in Central and Eastern Europe. The banking and finance sector in Vienna was affected by these severe geopolitical changes in several ways: First, much of the banks’ branch network was now located abroad; second, the hyperinflation of the 1920s and losses caused by the war led to a massive increase of total assets. To counter this decline, the banks tried to establish Vienna as an international center of excellence for the Danube region; by doing so, foreign investors held an increasing share of the

⁵⁸ Schmit (2003).

⁵⁹ Between 1904 and 1913, the share of these 12 large banks rose from 57.2 % to 64.7 %; Resch (2006).

⁶⁰ A large part of the Cisleithanian investment capital flowed to the Transleithanian regions; see Baltzarek (2005).

⁶¹ Szücs (1990), 80.

capital stock of Viennese banks.⁶² However, disadvantageous circumstances, such as operating in six different currencies and legal systems, hindered these efforts. Furthermore, the national accreditation policy of the new states promoted their own banking systems, and Viennese banks were pressured to sell their foreign subsidiaries or to focus on less profitable investments.⁶³ In sum, Viennese banks had only very limited success. The 1931 collapse of Austria's largest bank, Creditanstalt, and the disengagement of most foreign capital mark the failure of the attempt to re-establish Vienna as a financial center and its decline as a relay city for the Danube region.

Period 3: Preconditions of a New Development Path: Vienna as a Gateway toward COMECON (Council of Mutual Economic Assistance) Countries

The Second World War and the Allied occupation from 1945 to 1955 led to a significant East-West divide in Austria. During the war, western Austria experienced a much higher degree of industrialization and integration into the German war economy than Vienna and eastern Austria. This pattern was reinforced in the first post-war decade, when the western regions benefited from generous Marshall Plan funds (ERP loans); in addition, the so-called "German assets" were rapidly transferred to public ownership. In contrast, eastern Austria received few loans, and many companies were incorporated into a Soviet-owned holding firm called the "Administration for Soviet Property in Austria" (USIA).⁶⁴

Beyond reinforcing the East-West divide, the ten years of occupation had an additional impact: In this period, contacts of Viennese firms with Central and Eastern Europe were re-established; some of these contracts dated back to the interwar period, and some resulted from the USIA network. It is remarkable that in the late 1940s, about one fifth of Austria's exports went to states in the COMECON. Even during the U.S. embargo measures in the early 1950s against the COMECON, the USIA network was able to circumvent this obstacle and continue trade relations.⁶⁵

⁶² For instance, the foreign capital stock of Creditanstalt increased between 1913 and 1923 from 3.9 % to 20.2 %; Resch (2006), 112.

⁶³ Butschek (2009), 67.

⁶⁴ Komlosy (2006), 82-83.

⁶⁵ Komlosy (2006).

During the 1960s, the East-West trade experienced an increase under the term of “outward processing arrangements”,⁶⁶ whereby raw materials and preliminary products were exported to COMECON countries and then re-imported after labor-intensive production.⁶⁷ For the integration of production plants (extended workbenches) in these countries, nationalized industries – many of those that had been USIA companies until 1955 – and Viennese banks played a crucial role in the management of this trading system. Nationalized companies and banks alike specialized in trading with the East.⁶⁸ This trade across an economic border required specific knowledge, which was also offered to foreign companies. It is remarkable that, for instance, Creditanstalt installed a foreign representative in Budapest in 1975; the first official branch opened in London in 1980.⁶⁹

In the late 1970s and 1980s, more and more COMECON countries were integrated in the GATT (General Agreement on Tariffs and Trade) system, and market-based trade increasingly became the rule.⁷⁰ For Vienna, the 1980s were a complicated decade: The concentration of many firms on the national market, a lack of innovation and poor competitiveness compared to the western European standards led to significant job losses.⁷¹ However, this structural weakness has not hindered the successful expansion of Viennese companies since 1989. Instead, good contacts and knowledge about institutions and market structures beyond the Iron Curtain gave Viennese businesses crucial advantages over competitors from western Europe.

Conclusion: A Hundred Years Are But a Day

In January 1990, just a few months after the Austrian Minister of Foreign Affairs, Alois Mock, and his Hungarian colleague, Gulay Horn, cut the Iron Curtain in a symbolic event, the first official subsidiary of a Viennese bank in eastern Europe was established.⁷² A look back to the late nineteenth century shows that Vienna’s inter-

⁶⁶ In German: “*passiver Veredelungsverkehr*”, which would translate into English as “passive upgrading trade”.

⁶⁷ Stankovsky (1994).

⁶⁸ Komlosy (2006), 88-89.

⁶⁹ Hampel (2005).

⁷⁰ Komlosy (2006), 93.

⁷¹ Fritz/Mayerhofer (2002).

⁷² Hampel (2005).

nationalization must be understood as an evolutionary process. The same is true for Vienna's relevance and function within the global city network. It is remarkable that Vienna's position, once again, is that of a semi-peripheral center between East and West, with a capital inflow from north-western Europe and an outflow towards central and eastern Europe. Figure 2 visualizes this "new" function of Vienna in the European urban system: the black dots symbolize cities, which are target of active FDIs from Vienna or source of passive FDIs in Vienna; the grey areas denote the interpolation of the balance of profits between Vienna and those cities, weighted by the volume of active and passive FDIs; thereby, the light areas show the strongest dominance of FDIs in Vienna-based companies, the dark areas the dominance of foreign firms over Vienna. It is remarkable that the light areas overlap with the territory of Austro-Hungarian monarchy.

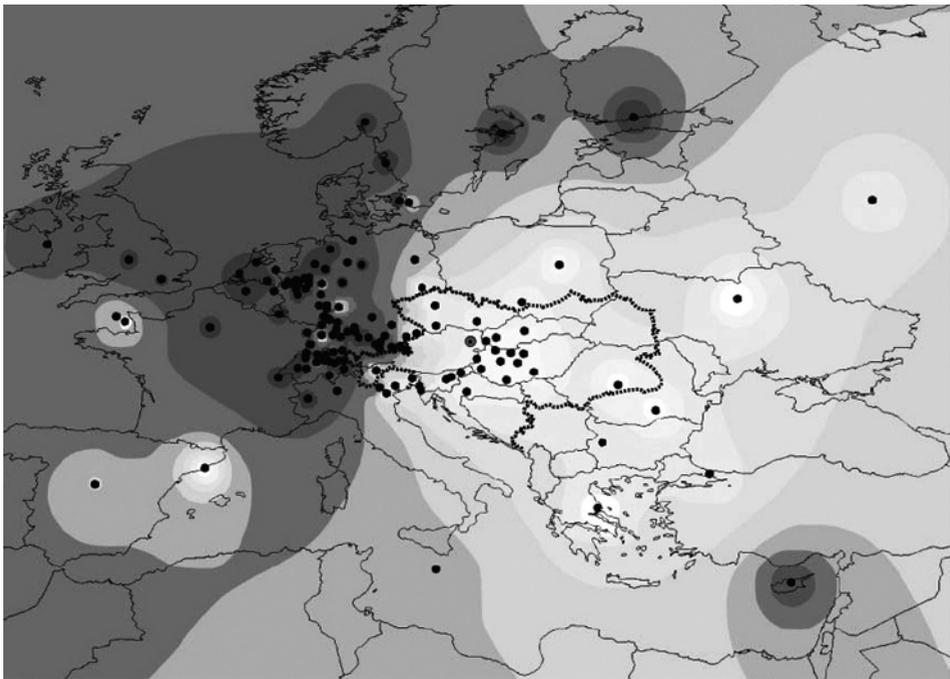


Figure 2: Geography of the balance of active and passive FDI from and in Vienna⁷³

⁷³ Source: Musil (2012), cartography: F. Partl (interpolation of the most important investment locations according to the balance of profits, weighted by the volume of active and passive FDIs).

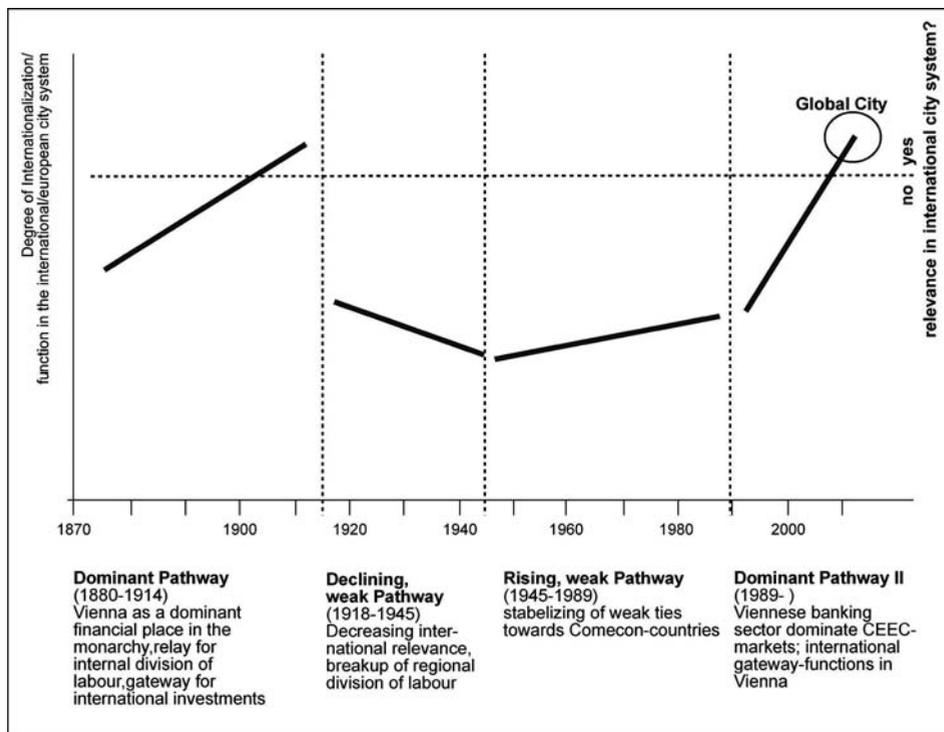


Figure 3: Pathways of Vienna's functional integration toward a global city system

As a semi-peripheral relay-city, Vienna displays various pathways, as drawn in Figure 3; the historic view shows two dominant pathways: The earlier one lasted from the late 1870s until 1914. The second began with the transformation in eastern Europe from 1989 onwards. Will the current financial crisis bring the recent pathway to an end? In any case, we can redraw these two dominant pathways through empirical data (such as the share of investments in Transleithania or FDIs in this region). Between these pathways – which might be characterized as a third degree of path dependence, as a “strong history” – two non-dominant pathways exist: one of decline, from 1918 to 1934, and a second from 1945 to 1989. Both were crucial insofar as they preserved the weak ties of formal and informal contacts of corporate and personal networks until 1989. In addition, the three changes between the four trajectories were all caused not by the invention of new technologies or structural economic transformations, but by severe geopolitical changes; these “historic accidents” lie outside the explanatory power of global city theory.

If Vienna's global city status is the outcome of a dominant pathway, two periods can be identified when this city functioned on the global or European scale (see Figure 3). Thus, the following question arises: Which global cities can be traced back to a historical pathway and which are global cities "without history"? This chapter has demonstrated that Vienna belongs to the former category.

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São Paulo: Big, Bigger, Global? The Development of a Megacity in the Global South

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Introduction

São Paulo is the biggest city in Brazil and, with its metropolitan region, one of the largest agglomerations worldwide. Economically speaking, being responsible for 12 % of the national Brazilian GDP and double the GDP per capita of Brazil, it is the leading national metropolis.¹ However, if we look at the city from an international viewpoint, will the classification be the same? In order to answer this question, we will first consider the two terms “global city” and “megacity”, the first of which has strong economic connotations, whereas the latter is mainly defined by population size. Although the question of how to classify São Paulo depends on current indicators, a brief look at the (economic) history of the city will help us understand its present state. Obviously, demographic and economic developments have correlated for a long time. By analyzing the position of São Paulo in the worldwide city network with the help of demographic and economic indicators, we can find evidence for its being both a megacity and a global city. However, scholars do not necessarily agree, especially with regard to the classification of São Paulo as a global city. Due to the high degree

¹ See <http://infocidade.prefeitura.sp.gov.br/index.php?cat=13&titulo=Economia> (accessed 1 Apr 2012) and <http://www.ibge.gov.br/home/estatistica/economia/contasnacionais/2009/defaulttab.shtm> (accessed 1 Apr 2012).

of fragmentation in the urban structure, we must apply more comprehensive concepts to describe the city of São Paulo.

Global City Versus Megacity – Some Theoretical Remarks

While terms like “global city” and “megacity” are used frequently, they are not new concepts in the scientific discourse. Urban planner Peter Hall anticipated the discussion in his 1966 publication *The World Cities*. He starts with the question: “By what characteristics do we distinguish the world cities from other great centers of population and wealth?”² He already observed the need for characteristics other than population size. In the course of his analysis, Hall identifies potential characterizing features, such as national governments and/or international authorities localized in these metropolises and extraordinary trade activities, a leading finance and banking industry, as well as important social and cultural services as indicators of world cities.³

The end of the 1980s marks the beginning of a broader discussion about the question of what a global city is and how it should be characterized. Whereas Hall still stresses the *cosmopolitical* character as a central feature of world cities, the more recent approaches focus mainly on globally important economic features. In 1986, another urban planner, John Friedmann, presents the “World City Hypothesis”, which is all “about the spatial organization of the new international division of labor. [...] It helps us to understand what happens in the major global cities of the world economy and what much political conflict in these cities is about.”⁴ Although focusing on economic criteria in the first hypothesis, he follows it with the hypothesis concerning social and demographic characteristics. Other scholars reduce the main criterion to define global cities to their significance in the global economy. However, within this framework, the focus has shifted from the secondary sector towards the service sector and more precisely to business-oriented services.⁵ This modification is central to understanding sociologist Saskia Sassen’s approach to the global city. She considers global cities “sites for the advanced services and telecommunications facilities necessary for the implementation and management of global economic operations. They also

² Hall (1977), 1.

³ Hall (1977), 1-2.

⁴ Friedmann (2006), 67-68.

⁵ Wood (2011), 898.

tend to concentrate the headquarters of firms, especially firms that operate in more than one country. [...] Rather than becoming obsolete because of the dispersal made possible by information technologies, cities instead concentrate command functions. To this role I have added two additional functions: (1) cities are postindustrial production sites for the leading industries of this period, finance and specialized services; and (2) cities are transnational marketplaces where firms and governments can buy financial instruments and specialized services.”⁶

So-called transnational marketplaces and their related activities mark the importance of global cities as nodes in a worldwide network. The interactions between global and other cities are at least as important as their significance as locations for service firms.⁷ This assumption complicates the empirical analysis of global cities even more, an aspect hardly dealt with in the above approaches. The so called Globalization and World Cities Research Network (GaWC), directed by Peter Taylor at the University of Loughborough, is dedicated to identifying inter-city relations and connectivity in the network empirically. Taking Sassen’s approach as their point of departure, Taylor and his colleagues elaborate on the complex interlocking network model to measure the inter-office working flow of service firms in the areas of accounting, advertising, law and financial services. Assuming that the firms are the crucial network makers rather than the cities themselves, these areas define global cities and classify them in three groups: Alpha, Beta and Gamma.⁸

Although the most common criteria for global cities are the economic ones mentioned above, certain scholars include some social characteristics in their definition of global cities. The sixth point of Friedmann’s “World City Hypothesis” deals with “the major contradictions of industrial capitalism – among them spatial and class polarization”⁹ caused by the city’s formation. Sassen stresses the growth of the informal sector and a general splitting of the labor market between the low-paid workers in the support services and the high-paid employees in the advanced service economy.¹⁰ The members of the latter group interact with each other primarily at the global level, whereas the mass of the population has more local roots.¹¹

⁶ Sassen (1994), 19-20.

⁷ Wehrhahn (2004), 40-41.

⁸ Taylor (2010).

⁹ Friedmann (2006), 67-68.

¹⁰ Sassen (1994), 100-113.

¹¹ Parnreiter (2006).

Unlike the relatively broad variety of possible definitions – and their attendant empirical analyses – of global cities, the dominant criterion to define megacities is their concentration of population. However, scholars do not agree on the number of inhabitants necessary to constitute a megacity. Bronger considers cities with more than 5 million inhabitants as megacities, but he also highlights the problem of minimum size, especially when evaluating size over time.¹² The United Nations raised the threshold as a result of these developments. During the 1980s and early 1990s, the series “Population Growth and Policies in Megacities” established that a minimum of 8 million inhabitants makes a city a megacity,¹³ while scholars today define megacities as agglomerations of more than 10 million inhabitants.¹⁴ Besides population size, other quantitative criteria, such as a monocentric agglomeration and a density of population above 2,000 inhabitants per square kilometer, are used to define a megacity.¹⁵

The geographer Frauke Kraas adds characteristics other than demographics to her description of megacities: “intensive expansion, suburbanization and densification processes, often high functional dominance as primate city, ecological overload phenomena, infrastructural deficits, diversification of intra-urban center structures, as well as the emergence of polarized and fragmentized societies with a high proportion of informal processes”.¹⁶ Kraas considers these criteria more meaningful than the exclusive use of population numbers, an argument answering Parnreiter’s critique of approaches that tend to draw qualitative conclusions from mere quantitative criteria. Nevertheless, according to Parnreiter, “[t]he critical point is, however, that it is nowhere explicitly discussed and justified, a) why a purely quantitative term is charged with (mostly) negative connotations, and b) why, after this change of meaning, the term ‘megacity’ is applied mainly with reference to big cities in poorer countries”.¹⁷

Approaches that define the global city in mostly economic terms have received their share of criticism as well. Robinson questions whether it is appropriate, in the light of

¹² Bronger (2004), 14 and 78.

¹³ For example, UN-DESA (1991) and <http://www.un.org/esa/population/pubsarchive/catalogue/catsst3.htm> (accessed 1 Apr 2012).

¹⁴ UNPD (2010).

¹⁵ Bronger (2004), 20.

¹⁶ Kraas (2011), 880 (translation by the author).

¹⁷ Parnreiter (2009), 372.

globalizations' many facets, to focus mainly on finance and producer services and on whether analyzing these factors can reliably determine a city's position in the global network. Scholars who do so neglect national and local processes, as well as their politics.¹⁸ Nevertheless, both approaches to defining global and megacities are still en vogue and apply to São Paulo.

São Paulo – Development of a Metropolis

To contextualize the position of São Paulo in the city network, we need to look at its history and development. São Paulo, today a metropolis with 11.2 million inhabitants living in the municipality and 19.7 million in the metropolitan region¹⁹, was founded in 1554 by Jesuits with the objective to Christianize the indigenous local population. As a result, São Paulo is located in the hinterland – approximately 70 kilometers from the coast – on the plateau Planalto Atlântico Brasileiro, roughly 750 meters above sea level, separated by a steep slope from the coastal area.²⁰ In 1560, it was declared as *vila*, and in the early eighteenth century, São Paulo received the town charter. However, nothing changed: São Paulo remained a village. In the seventeenth century, it served as jumping-off point for the so-called *bandeirantes*, conquerors who participated in slave and gold-hunting expeditions, which contributed to the expansion of the Portuguese sphere of influence beyond the Tordesillas line. Additionally, during this period, the *bandeirantes* and São Paulo played a certain role in the Brazilian economy at the time, providing indigenous slaves for the sugar plantations.²¹ During the gold rush in the eighteenth century, São Paulo served as a transfer site for mules and food to supply the mining regions in Minas Gerais. The coffee boom that followed, still export-oriented, influenced the development of São Paulo significantly. In the mid-1830s, Brazil became the world's leading coffee producer, and a few years later, the dominating exporter, too. In the first decades of this economic cycle, the province of Rio de Janeiro dominated production, and the port of Rio de Janeiro controlled the coffee export. Due to problems with soil exhaustion and

¹⁸ Robinson (2005), 757-760.

¹⁹ Census of 2010, online at: <http://www.censo2010.ibge.gov.br/sinopse/index.php?uf=35&dados=1> (accessed 1 Apr 2012).

²⁰ Ab'Sáber (2004), 30, 78 and 97.

²¹ Porto (1992), 9-22; Bernecker et al. (2000), 54.

erosion, the cultivation soon shifted towards the province of São Paulo, which became the major coffee producer. Given the distance to the port of Rio de Janeiro, the port of Santos gained more and more significance, not least because the new railroad connections between the hinterland and the port facilitated transportation.²² The city of São Paulo served as the central transfer site. Coffee was transported by train, and the railway-network was centralized in São Paulo. Additionally, the city functioned as a trading center for the distribution of imported goods.²³ São Paulo, and especially the so-called coffee barons with their mansions in the city, gained wealth. At the turn of the twentieth century, unlike the landowners in other regions of Brazil, they started to invest their profits in a budding industry. Besides, increased import taxes – an early form of import-substitution – stimulated industrialization. Industries that produced food and consumer goods emerged first, but the economy soon diversified to include a capital goods industry, e. g. smaller cement and steel works²⁴. Paper and chemical industries followed, and automotive production began with the first car factory in 1959. In the 1960s, São Paulo became the national leading center of automotive, electrical and pharmaceutical industries. Industrial production started to decentralize from the 1970s and 1980s, but still the important control functions remained in São Paulo, and so its economy shifted from a predominantly industrial model to providing commercial, financial and other services. Nevertheless, the agglomeration of São Paulo and its hinterland remain the dominant industrial region in South America.²⁵

This brief sketch of São Paulo's history reveals no compelling historical evidence to assume that São Paulo would become a megacity or global city. Up to the late nineteenth century, it had none of the classical prerequisites, such as strategic localization (e. g. port), cultural significance, prominent position in the world economy or political power. A first relevant indicator for megacities – population size – emerges at the end of the nineteenth century.

The strong population growth that accompanied the coffee boom can be divided into three phases, according to dominant causes: immigration, internal migration and natural population growth. Up until the 1870s, the population growth of the city

²² Bernecker et al. (2000), 180-184.

²³ Novy (2001), 171-172.

²⁴ Novy (2001), 174-176.

²⁵ Novy (2001), 184-186; Deák/Schiffer (2007), 106-107; Coy/Schmitt (2007), 33.

remained very modest. In the early years of this decade, the city counted around 30,000 inhabitants.²⁶ Immigration started in the 1870s, caused by the need for workers in coffee cultivation connected with the abolition of slavery (finally in 1888). Shortly afterwards, the emerging industry needed an increasing number of workers. The largest immigrant group came from Italy, followed by Portuguese, Spanish and other Europeans.²⁷ Two other important groups came from Japan and West Asia. The immigrants contributed to the most rapid relative growth of São Paulo at the end of the nineteenth century: Between 1890 and 1900, the city's population grew 14 % annually. In 1930, the "law of the two third" changed migration patterns as it obligated the industry to limit foreign workers to one third of the total workforce. This law stimulated internal migration mainly from the northeast of the country and hindered immigration.²⁸ Up to the 1970s, the share of migration in total population growth remained higher than 50 %, ²⁹ while the annual growth rate remained during these decades at about 5 %, resulting in a significant population increase. The third and still ongoing phase is dominated by a relatively modest population development, caused mainly by natural population growth. The annual growth rate dropped to 0.75 % in the first decade of the twenty-first century. The development of population in the metropolitan region was similar, and according to the UN prospects, the growth rate will still decrease moderately in the future, time-delayed mirroring the development in the municipality.³⁰

São Paulo as a Megacity

Although growth rates are dropping both in the municipality and in the metropolitan region, population numbers are very high. By the mid-1930s, the municipality exceeded 1 million inhabitants. The city passed the lowest threshold for megacities, 5 million inhabitants, in the 1960s; it reached the current UN threshold (10 million) the late 1990s.³¹ The metropolitan region of São Paulo, consisting of 39 municipalities,

²⁶ Souza (2004), 40.

²⁷ Bernecker et al. (2000), 191-192.

²⁸ Novy (2001), 179.

²⁹ Kohlhepp (1994), 57.

³⁰ UNPD (2010); UN-DESA (2013).

³¹ Souza (2004), 40, and <http://www.ibge.gov.br/cidadesat/topwindow.htm?1> (accessed 1 Apr 2012).

had more than 17 million inhabitants in 2000.³² According to the UN, in 2009, the metropolitan region of São Paulo is the third largest urban agglomeration worldwide.³³ The metropolitan region is dominated by the municipality of São Paulo, which makes its structure monocentric. In 2010, the population density was around 7,400 inhabitants per square kilometer in the municipality and still 2,480 in the whole agglomeration.³⁴ So, in terms of numbers, there is no doubt that São Paulo is a megacity. However, as mentioned before, the classification does not solely depend on quantitative features but rests on qualitative characteristics as well.

Polarization and fragmentation are nothing new in Brazilian cities; socioeconomic disparities are deeply rooted in Brazilian society. The Gini coefficient,³⁵ a measurement of such disparities, is 0.58 for all Brazilian cities and still 0.50 for São Paulo (2007). Although the latter coefficient decreased by 11 % from 1990 to 2007, it is still considered very high by the UN.³⁶ These disparities are reflected in the city's socio-spatial polarization on the level of the municipality. High-income families live mainly in the districts bordering the city center in the south-southwest. While they are still close to the city center, the current location of the city's affluent neighborhoods resulted from a continuous shift of the upper class residential area, a process that began in the 1920s and has accelerated since the 1950s. The districts dominated by low-income households are located mainly at the northern, southern, and eastern periphery of the city and far away from the city center.³⁷ While the city's macro-structure is polarized, as result of fragmentation the urban fabric consists of a micro-structure of small citadels and ghettos. The citadels may be gated communities, *condomínios verticais*, and sophisticated shopping centers, equipped with fences, walls, watchtowers and security staff. The ghettos may consist of *favelas*, informal shanty towns especially in the suburbs, and *cortiços*, inner-city slums. All these urban fragments are characterized by a quite homogeneous internal socio-economic structure and sharp disruption to their neighborhoods.³⁸ Besides the lack of adequate

³² See <http://esa.un.org/unpd/wup/unup/p2k0data.asp> (accessed 1 Apr 2012).

³³ UNPD (2010); São Paulo is third largest after Tokyo and Delhi.

³⁴ See <http://www.ibge.gov.br/cidadesat/topwindow.htm?1> (accessed 1 Apr 2012).

³⁵ The Gini coefficient is a measure for the income inequality in a population of a determined territory. A value of 1 means the maximum unequal distribution and the value 0 the perfect equal distribution between all members of a given population; UN-HABITAT (2010a), 62.

³⁶ UN-HABITAT (2010a), 64 and 77.

³⁷ SEMPLA (2007), 51; Coy (2007), 59-60; Wehrhahn (2009), 103.

³⁸ Coy (2007), 62-63; Borsdorf/Coy (2009), 346-348.

housing and the related infrastructure, such as water supply and sewerage maintenance, these areas do not have a sufficient transportation infrastructure.³⁹ The subway network is still very small and does not service the heavily populated east zone of the city sufficiently. In contrast, the new lines have been constructed in the wealthier districts in the southwest, although people there usually prefer private cars to public transport. The steadily increasing number of vehicles causes traffic jams and contributes to severe air pollution, which is a constant problem especially during the dry winter months. In the summer, heavy rains, coupled with soil sealing, often cause floods and landslides.⁴⁰

Furthermore, informality does not only concern housing the urban poor but also employing them. Due to structural changes in the economy, the demand for a diversely skilled labor force has been satisfied for some time; a significant proportion of the population depends on opportunities in the informal sector for their survival. Low-skilled workers with little formal education are affected more than others; they earn a living in commerce and repair, followed by construction and manufacturing.⁴¹

São Paulo as a Global City

The distribution of informal workers among the economic sectors parallels the distribution of formal employees in the city of São Paulo. In 2010, most of the formal jobholders work in the service sector (64.5 %) and in commerce (17.8 %). Only 17.5 % work in the secondary sector, industry and construction.⁴² This relationship between the three economic sectors shows São Paulo's shift from an industrial city to a service city. The service sector employs both low skilled workers and highly qualified professionals. The latter may work in the FIRE-sector (finance, insurance, real estate) and other corporate-oriented services such as information technology and R&D, as well as in one of the many headquarters of national companies in the city. However, these headquarters and companies that offer sophisticated services are located exclusively

³⁹ Deák/Schiffer (2007), 102-103; Rolnik/Klintowitz (2011), 89-105.

⁴⁰ Ross (2004), 203-216.

⁴¹ UN-HABITAT (2010b), 51 and 53.

⁴² The remaining 0.2 % fall upon mining and agriculture; all this data is taken from: http://infocidade.prefeitura.sp.gov.br/htmls/18_estabelecimentos_e_empregos_por_setor_de_2000_470.html (accessed 1 Apr 2012).

in the aforementioned area southwest of the city center.⁴³ As a result, several new centralities have emerged in this region. Office towers with their typical, internationally-known architecture characterize these often mono-functional areas. This tendency already started in the 1960s with the transformation of Paulista Avenue from an aristocratic residential area, characterized by the mansions of the coffee barons, to a commercial/banking district and the site of the first office towers. During the last few decades, new commercial administration centers arose in the Brigadeiro Faria Lima Avenue, Engenheiro Luis Carlos Berrini Avenue and currently near the Pinheiros River. In terms of real estate, this area is the most expensive and the most profitable neighborhood in the city. Fragments such as these house the steering and control section of the national economy and are strongly integrated in the world economy. Nevertheless, they are not much integrated in the local structures and do not represent the diversity of urban centers.⁴⁴

These urban fragments house not only the headquarters of national enterprises but also the branch offices of international companies. These corporations conduct national and international business from these locations. Parnreiter uses the location of “Fortune Global 500” companies (those with the largest revenue) as an investigation tool to measure the global significance of a city and its power to control worldwide economic activities. By mapping these company headquarters and by eliminating all companies with less than 0.5 % of revenues and profits from the list for the year 2008, Parnreiter reveals a strong concentration in the cities of the triad (the U.S., Europe, and Japan). The only mapped headquarter in Latin America belongs to the parastatal oil company Petrobras in Rio de Janeiro.⁴⁵ If we go by the 2011 list and do not eliminate any company, the map modifies slightly, showing three companies with headquarters within the municipality of São Paulo and one more in the metropolitan area. Two of them are banks, one produces and sells food and the fourth trades in fuels.⁴⁶ Another way to analyze global connectivity – especially from a financial point of view – is considering the stock exchange. Parnreiter uses the capitalization at the major stock exchanges as a share of the capitalization worldwide to determine the global position of the local stock exchange. He considers the locations of stock exchanges with more than 0.5 % of the worldwide capitalization in 1990 and 2009. The

⁴³ Villaça (2011), 49-51.

⁴⁴ Coy (2007), 60.

⁴⁵ Parnreiter (2009), 375-376.

⁴⁶ See <http://money.cnn.com/magazines/fortune/global500/2011> (accessed 1 Apr 2012).

stock exchange of São Paulo, the BM&F Bovespa, appears with a share of 2.4 % of the worldwide capitalization – a substantial increase compared to the value of 0.1 % in 1990. This value is quite low compared to the stock exchanges of New York, Tokyo and London – and even Mumbai and Shanghai. Nevertheless, the São Paulo stock exchange is the most important in Latin America in terms of capitalization.⁴⁷ Furthermore, Parnreiter also considers GaWC results of inter-office working flows of large service companies such as accounting, advertising, banking, law, and management consultants. According to the most recent results of 2010,⁴⁸ São Paulo is classified as Alpha, i.e. as a “very important world city that links major economic regions and states into the world economy”.⁴⁹ São Paulo’s classification has been stable since the first comparable study (2000: Alpha; 2004: Alpha; 2008: Alpha–; 2010: Alpha).⁵⁰ Overall, the three indicators presented here, all of which describe typical economic characteristics that define global cities, suggest that São Paulo is a global city.

Discussion

Because the most frequently used indicator to define a city as a megacity is its population size, there is little debate about the evaluation of São Paulo as a megacity. Things are different when we ask whether the city should be classified as a global city. From the beginning, the theoretical discussion presented here has included attempts to categorize individual cities. For São Paulo, the Spanish urban planner Jordi Borja postulates in 1994 that “São Paulo has the vocation to become global”.⁵¹ In the same year, Sassen considers São Paulo a “major international financial and business center [...]”.⁵² Ten years later, the sociologist Mark Abrahamson emphasizes that São Paulo “moved further than any other urban area from the periphery toward the center of the world economy. São Paulo became a notable, if not leading global city”. But immediately he adds to his statement: “However, its economic gains were accompanied by a stretching of the already large differences between the city’s rich and powerful resi-

⁴⁷ Parnreiter (2009), 373-375.

⁴⁸ Taylor (2010).

⁴⁹ Quoted from: <http://www.lboro.ac.uk/gawc/gawcworlds.html> (accessed 1 Apr 2012).

⁵⁰ In 2010, two cities (New York and London) were categorized Alpha++, eight Alpha+, 18 Alpha and 19 Alpha–; see <http://www.lboro.ac.uk/gawc/gawcworlds.html> (accessed 1 Apr 2012).

⁵¹ Borja (1994), cited in: Fix (2007), 162 (translation by the author).

⁵² Sassen (1994), 4 and 5.

dents and its poor and powerless ones.”⁵³ In the same year, Wehrhahn, analyzing the Latin American metropolises including São Paulo, refrains from a clear statement: “The question whether Latin American metropolises may already be called global cities needs a differentiated answer.” Even more limiting than Abrahamson, he concludes: “However, a power position, which would allow exercising steering functions with effects on other (global) cities, cannot be seen in Latin American metropolises.”⁵⁴ In 2009, Borsdorf and Coy assess the situation quite similarly: “Inclusion in this ‘exclusive club’ of the global cities has not been uncontroversial for any of the megacities of the South, but there are several candidates, including Singapore, Mumbai, São Paulo, Mexico City and some of the Chinese megacities.”⁵⁵

The urban planner Mariana Fix goes beyond simply classifying São Paulo as a global city, attempts which started generally in the 1990s, and investigates the reasons behind a local global-city-discourse. She concludes that this discourse mainly serves to defend the status of the city in a globalized world and to endure in competition with other cities. She sees São Paulo as a globalized enclave, an expanded central area rather than a global city as a whole.⁵⁶ Jacobi links aspects of a global city with aspects of a megacity when he focuses on the correlations: “[...] [I]n the developing countries the myth of the global city may work as an instrument to impose the logic of the urban market on realities, thereby exacerbating social inequality, the precariousness of jobs and social segregation.”⁵⁷

At least the two last assumptions agree on an observed tendency in cities like São Paulo: local fragmentation. The city’s structure consists of little fragments that form a heterogeneous city and parallel processes contribute to the formation of such fragments. The geographer Fred Scholz explains these structures and processes in his article “Theory of Fragmenting Development”.⁵⁸ The present fragmenting develop-

⁵³ Abrahamson (2004), 105.

⁵⁴ Wehrhahn (2004), 45 and 46 (translation by the author).

⁵⁵ Borsdorf/Coy (2009), 342.

⁵⁶ Fix (2007), 161-168.

⁵⁷ Jacobi (2007), 292.

⁵⁸ Scholz (2005), 4-11. The often observable and empirically supported contradictions caused by globalization are the starting point of the theory. They cause prosperity and integration on the one hand and poverty and exclusion on the other. According to the principles of global competition and neo-liberalism, the present socio-economic development will benefit only special groups in limited regions who gain wealth and succeed in maintaining this situation for a certain time. This kind of development will neither contribute to the development of entire countries, nor do so permanently, as the theory of “catch up development” said it would.

ment leads to the spatial pattern of global fragmentation. This concept structures the spatial units into three general categories: acting global places, affected global or globalized places and the new periphery. According to Scholz, the first two categories can be described as islands and the latter as the ocean surrounding them. Scholz also adapts this model to the case of the global or globalized cities, arguing that the fragmentation does not only affect spatial units on a macro but also on a micro level. A globalized city thus consists of globally integrated fragments and a large periphery.⁵⁹ These patterns can be observed in São Paulo as well. If we consider just the globally integrated quadrant southwest of the city center, it becomes obvious that it does not only consist of office towers and exclusive residential areas or fortified residential enclaves⁶⁰, but also of service providers like shopping centers, as well as *favelas*, where the socioeconomic disadvantaged groups live. Exclusive gated communities (e. g. Alphaville), mass production zones (e.g. automotive plants in the ABCD-Cities southeast of São Paulo) and leisure enclaves (e. g. Jockey and country clubs) are other globalized fragments in the city. However, the so-called new periphery, with its *favelas*, *cortiços* and large social housing projects, constitutes a big part of the city.

Like Scholz, Jorge Wilhelm, urban planner and former secretary of the municipal planning department, focuses on the population of the different fragments: “Globalization did enhance a global urban network: a ‘virtual archipelago’ of islands on which modern urban consumers share similar habits and behaviors, consume similar products and services, communicate in computer-English, live an accelerated life of speedy decisions, and have a sufficient family income to thrive in this life-style. These islands of modern consumerism are surrounded by oceans of excluded ‘swimmers’ or ‘drowned’ people, that is, the realm of excluded people. In New York or Berlin, the islands might be large and the ocean small; in Mumbai and Lagos, the islands are small and the ocean large. Tiny Zurich is a global city, while huge Lagos is not. São Paulo might be considered half the way between Mumbai and New York. Somehow a little nearer to this latter [...]”⁶¹

As we have seen, the question of whether São Paulo is a global city or not is not easy to answer. Some parameters like the results of the World City Network analysis or the city’s modest but growing integration in the finance market suggest an affirmative

⁵⁹ Scholz (2004), 225-229.

⁶⁰ Caldeira (2000).

⁶¹ Wilhelm (2007), 331-332.

answer. However, this approach disregards other aspects of the city or the agglomeration as a whole. We cannot draw conclusions about the entire city from its economic characteristics or from the characteristics of certain areas alone. So it is appropriate to call São Paulo a megacity with globally integrated fragments. But if we consider Scholz's and Wilhelm's assumptions, the term "global city" applies to very few cities wholesale. Future research may analyze in more detail the existing concepts of global city and megacity and examine how they are related to each other and we will certainly gain a more precise understanding of a city's spatial structures, when we combine these different approaches.

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The Reach of the Continental Blockade – The Case of Toulouse

Andreas Dibiasi

Introduction

Finding a definition of globalization feels like finding a description for a phenomenon that can only be defined by itself. A definition for globalization is like a fraction that tries to approach π . In the same way the approximation gets closer and closer to the true value of π , but never reaches it, definitions for globalization describe the concept better and better but fail to define it exactly. Although it is impossible to find a precise definition, a close approximation can still help us out, and we have plenty of those.

For Saskia Sassen, globalization is an epochal transformation, which “consists of an enormous variety of micro-processes that begin to denationalize what had been constructed as national – whether politics, capital, political subjectivities, urban spaces, temporal frames, or any other of a variety of dynamics and domains”.¹ The World Bank describes globalization as “the observation that in the recent years a quickly rising share of economic activity in the world seems to be taking place between people who live in different countries (rather than in the same country)”.² And for O’Rourke and Williamson, globalization is simply the integration of commodity markets.³

¹ Sassen (2006), 1.

² World Bank (2000).

³ O’Rourke/Williamson (2002).

However, the purpose of this chapter is not to define globalization but to determine whether Toulouse was already a global city at the beginning of the nineteenth century. In order to come to a meaningful conclusion, I chose an indirect way. In the first part of this chapter, I will describe the most important historical events that are relevant when analyzing Toulouse. I hope to build up a historical framework for a deeper analysis of certain historical events and their influence on the city. The second part touches on the history of Toulouse in order to illuminate the position and importance of the city around 1800. The fourth part presents calculations of commodity price integration for Toulouse from 1772 to 1830.

When defining Toulouse as a global city, we need to look not at the commodity price integration during those years but at the correlation between the commodity price integration of Toulouse and the commodity price integration of France. In addition, we need to estimate the influence of major historic events on the commodity price integration of Toulouse in order to see how much Toulouse was connected with the rest of the world. If commodity price integration in Toulouse correlates with that of France and if it reacts to historical events as expected my calculations will provide evidence that the city of Toulouse was actually integrated in the world system and thus globalized. However, the conclusion is ultimately based on a particular definition of globalization and thus merely an approximation of the truth.

Europe in the Late Eighteenth Century

On the eve of the French Revolution, the world saw a well-developed international trading system that included all continents. Europe was the direct link between the American and Asian markets. The Atlantic had become a bridge rather than a barrier, linking Africa, America and Europe. Africa supplied slaves, which were brought to America in order to work in European colonies. These colonies supplied Europe with raw materials and goods, such as cotton, coffee, sugar, tobacco and silver. Transatlantic trade did not diminish the importance of the traditional Euro-Asian trade, with companies like the British East India Trade Company and the Dutch Vereenigde Oost-Indische Compagnie holding trade monopolies on entire countries.⁴

⁴ Findlay/O'Rourke (2007), 365-366.

Although the era of mercantilism was a period of increasing world trade, we have to understand that this trade involved primarily the European empires and their colonies. During this period, individual empires were isolated from each other because each of them sought to increase its own exports while preventing the other empires from increasing theirs – the essence of a mercantilist spirit. The strategy of maximizing their own exports and minimizing those of other empires reduced trade between the countries to a minimum. The goal of this strategy was to accumulate gold and silver. Trading partners paid for exported goods with precious metals, which led to an influx of silver and gold. A positive external balance improved a nation's silver and gold balance, and the surplus could be reinvested in the country's military and infrastructure. In the first place, a stronger military further stabilized the empire by providing additional protection and, in the second place, helped to expand its territory in the overseas colonies. Bigger and more stable colonies increased the import of colonial goods, which could then be re-exported in order to accumulate even more gold and silver.⁵

The first attempts at abandoning mercantilism and lowering tariffs in order to enhance international trade go back to 1786. France and Britain signed the Anglo-French commercial treaty, better known as the Eden Treaty. The agreement abolished all import prohibitions and dropped existing custom duties to 10 or 15 per cent. However, the initial achievements gradually relaxed, and tariffs again increased significantly over the next few years. By the end of 1792, the relationship between France and Britain had become very tense, which resulted in the termination of the Eden Treaty.⁶

The same year, France went to war with Prussia and Austria, and on 1 February 1793, France declared war on Great Britain. The conflict, known as the French Revolutionary and Napoleonic Wars, lasted until 1815, with the Peace of Amiens (1802) as the only considerable pause. The wars caused a profound backlash in international market integration.⁷ According to Findlay and O'Rourke, the French Revolution and the Napoleonic Wars that followed delayed Britain's switch to free trade by more than twenty years.⁸

⁵ Findlay/O'Rourke (2007), 366.

⁶ Heckscher (1922), 18-22.

⁷ O'Rourke (2006), 125.

⁸ Findlay/O'Rourke (2007), 402.

Immediately after France and Britain went to war, they returned to the philosophy of mercantilism. France imposed import prohibitions on all manufactured goods coming from Britain; the English reacted by establishing a blockade along the French coast. Already in the early years of the conflict, England and France took measures against neutral countries. They boycotted or even seized ships from neutral countries, which carried enemy goods. However, the conflict reached a multilateral scope only with the introduction of the League of Armed Neutrality, a coalition of Denmark, Sweden, Russia and Prussia that tried to ensure safe shipping by escorting their cargo ships with armed naval vessels. As Britain had dominion over the sea, the English interpreted the League of Armed Neutrality as a direct measure against them and extended the sea blockade to the countries participating in the League.⁹

After France defeated the Austrian Empire in 1805 and Prussia in 1806, Napoleon controlled nearly all of Europe, and after the victory over Russia in 1807, the remaining independent countries Russia, Portugal and Denmark were forced to comply with policies introduced by the French. The Berlin Decree of 1806 declared that Britain was under blockade, meaning that British goods were prohibited and ships coming from Britain or its colonies were not allowed to stop in any continental port. As Napoleon was not able to harm the British on the sea, these measures practically resulted in a self-blockade of continental Europe. During the following years, the blockade was gradually extended to include neutral countries as well. By then, one of the most important neutral countries was the United States of America, which closed its ports for trade to and from Europe in 1807 as a reaction to the many vessels that were seized on their way to Europe.¹⁰

The entrance of the United States gave the blockading system a truly global extension. From the declaration of the Berlin Decree (1806) and the entrance of the United States (1807) until Russia's break with France in 1810, it was impossible to officially trade over sea. Vessels on their way to British ports risked being seized by the French; vessels bound for France had to put in a British port first, according to British law, but once a vessel stopped in a British port, French law demanded that it be seized and its cargo sold for fair price. As the Embargo Act by the United States prohibited its vessels to leave for European ports, official trade on the sea stopped. In 1810, Russia

⁹ O'Rourke (2006), 125.

¹⁰ O'Rourke (2006), 125-126.

broke with France, and the system gradually fell apart until it finally collapsed in 1813.¹¹

From the termination of the Eden Treaty in 1792 until the break-up of the blockades in 1813, the international markets disintegrated continually. Official trade between Britain and continental Europe was reduced to practically zero. According to the Heckscher-Ohlin framework of international trade,¹² such a trade disruption should have increased the prices of manufactured goods but decreased the price of agricultural goods in France, because the blockade prevented the import of manufactured goods from industrializing Britain and the export of agricultural goods in still primarily agrarian France, resulting in an undersupply of the former and an oversupply of the latter.¹³

When measuring trade integration during this period, we need to focus on prices instead of trade volumes because the data we have for prices include illegal merchandise that was not entered into any official books. The disadvantage of price data, especially time series price data, is that inflation and deflation drive price fluctuation more than supply and demand. However, price fluctuation caused by inflation or deflation can be corrected by expressing the importable price in terms of the exportable price, hence creating a relative price ratio (RPR):

$$RPR = \frac{p_M}{p_X} \quad (1)$$

In equation (1), p_M is the price of the importable good while p_X is the price of the exportable good. Commodity market disintegration will be expressed by an increase of the relative price ratio and integration by a decrease.¹⁴

Toulouse Around 1800

Toulouse is a city in the South of France, exactly halfway between the Atlantic Ocean and the Mediterranean Sea. During the Napoleonic Wars, the city had a population

¹¹ O'Rourke (2006), 126.

¹² Van Marrewijk et al. (2007), 130-146.

¹³ O'Rourke (2006), 132.

¹⁴ O'Rourke (2006), 132.

of approximately 50,000 inhabitants.¹⁵ In 1799, the First Battle of Toulouse took place; the Spanish and the British armies tried to conquer the city, but Toulouse was able to resist an invasion. Toulouse became the most important city in the region during Napoleon’s regime. In 1814, when the Second Battle of Toulouse took place, Wellington’s army did not encounter any resistance and easily conquered the city that had already been abandoned by the French army.¹⁶

Toulouse is located at a great distance from the sea. In those days, the further a city was away from the coast, the less integrated it was in the global system as most goods were shipped by sea. International market integration should therefore have impacted Toulouse less than coastal cities. However, Toulouse was connected to both the Mediterranean and the Atlantic by the man-made Canal du Midi, while the Pyrenees south of the city acted as a natural trade barrier and complicated large-scale trade with Spain. Table 1 shows the approximate distance between Toulouse and the most important cities and areas during that time.

City/Region	Distance (in km)
Amiens	700
Bayonne	290
Bordeaux	250
English Channel	750
Etang de Thau (at the Mediterranean Sea)	240
Lille	950
Lyon	500
Paris	700

Table 1: Approximate Distances from Toulouse to the Rest of France¹⁷

It would stand to reason that the historical events mentioned above have had little or no influence on a city like Toulouse. In order to investigate whether Toulouse was a commercially globalized city in 1800, I will now analyze price data by applying the relative price approach described above. The analysis will allow us to measure the

¹⁵ BonjourLaFrance (2008).

¹⁶ BonjourLaFrance (2008).

¹⁷ The reported numbers are taken from Google Maps, which provides the option to avoid highways; consequently, these numbers may not accurately reflect the actual distances in 1800, but they suffice to demonstrate that Toulouse is remote with respect to any important commercial places in the rest of France.

degree to which Toulouse was integrated in the commodity market during the period of the French Revolutionary and the Napoleonic Wars. This will enable to draw conclusions about how far Toulouse was actually globalized.

Price Data Analysis

Theoretically, the easiest way to investigate commodity market integration is to observe the relative price ratio over a period of time, in our case from 1780 to 1820, and analyze the reaction of the ratio to certain historical events. Around 1810, France was land-abundant and produced a surplus of exportable agricultural products. On the other hand, capital-abundant Britain exported manufactured goods to France and other continental countries. By looking at the price ratio from a French point of view, we would expect the values of the price ratio to be higher during the period between 1792 and 1815 as war generally increases transportation costs and consequently makes exporting and importing more expensive, which would lead to higher prices for importable goods and lower prices for exportable goods, which translates into a higher price ratio. During the period of the Eden Treaty, we would expect to have higher international commodity market integration and consequently a lower price ratio. We would expect the same for the Peace of Amiens. For the period from 1806 to 1810, covering the time from the declaration of the Berlin Decree (1806) to the break of Russia with Napoleon (1810), we would expect to have high commodity market disintegration and consequently a high price ratio.

This method works fine as long as the analysis covers whole countries. Kevin O'Rourke calculates relative price ratios for France, Britain, Germany, Holland, Sweden and overseas countries such as United States and Peru.¹⁸ However, the application of this method soon reaches its limits when applied on small geographical areas such as cities. We have only extremely limited data for the time before 1850. In the case of Toulouse, regular price data could only be found for agricultural products such as wheat, rye, millet, oat, barley, peas, beans, vicia and vicia faba. The weekly data for these exportables cover a period from 1772 to 1830,¹⁹ while it was impossible to find regular price data for importable goods for Toulouse.

¹⁸ O'Rourke (2006), 132-142.

¹⁹ Frêche/Frêche (1967).

Because all we have is data for exportable goods, we must adjust the way we calculate commodity price integration. We cannot compute a traditional price ratio because we just have information about its denominator. A possible way to compute market price integration is to compare the extracted price data with the actual price ratio of France. O'Rourke provides the actual price ratio for France for the years from 1798 to 1830; the data supports the expectation described above. Thus markets experienced general disintegration during the period of the French Revolutionary and the Napoleonic Wars and high disintegration during the period from 1806 and 1810, the time when the blockades were especially effective. If Toulouse had been a global city, it would have been affected by the historical events at least the same way France was affected. In this case, a hypothetical price ratio for Toulouse would have a one-to-one correlation with the actual price ratio for France. However, as it is impossible to compute a relative price ratio for Toulouse, the relative price ratio for France can be compared with the agricultural prices of Toulouse, and if Toulouse was integrated in the world system, we would expect to see a negative correlation. The reason for this is that if market integration increased, the price for exportable goods would rise and the price for importable goods would decrease; the relative price ratio would consequently decrease. As a result, in the case of market integration, the relative price ratio would decrease and the price for exportable goods would increase; thus we have negative correlation.

When comparing the exportable prices for Toulouse with the relative price ratio of France, we do not expect to have a negative one-to-one correlation, even if Toulouse had been integrated in the world system to the same degree that France was. The reason for this lies in the definition of the relative price ratio, which is driven by the exportable and importable prices.

Before we can compare the relative price ratio of France with the exportable prices of Toulouse, two more problems have to be solved. It would not make much sense to just bundle the existing agricultural prices and compare them to the relative price ratio because not all of the products were subject to trade, especially not to long-distance trade. The prices were further driven by inflation. Before comparing export prices in Toulouse with the relative price ratio of France, which is already free from inflationary or deflationary influences, we have to correct the exportable price data for Toulouse for inflation. Fortunately, not all agricultural products are suitable for long-distance transportation. Peas, beans, vicia and vicia faba were not traded over long distances, and their price fluctuations were consequently driven by changes in

the local supply and demand as much as they were driven by inflation. Furthermore, wheat, rye and millet were the main exportable goods from the region of Toulouse. To create an inflation-adjusted price for exportable goods, I calculated the difference between the average of wheat, rye and millet and the average of peas, beans, vicia and vicia faba. This difference resembles the relative price ratio and is not influenced by inflation or deflation.

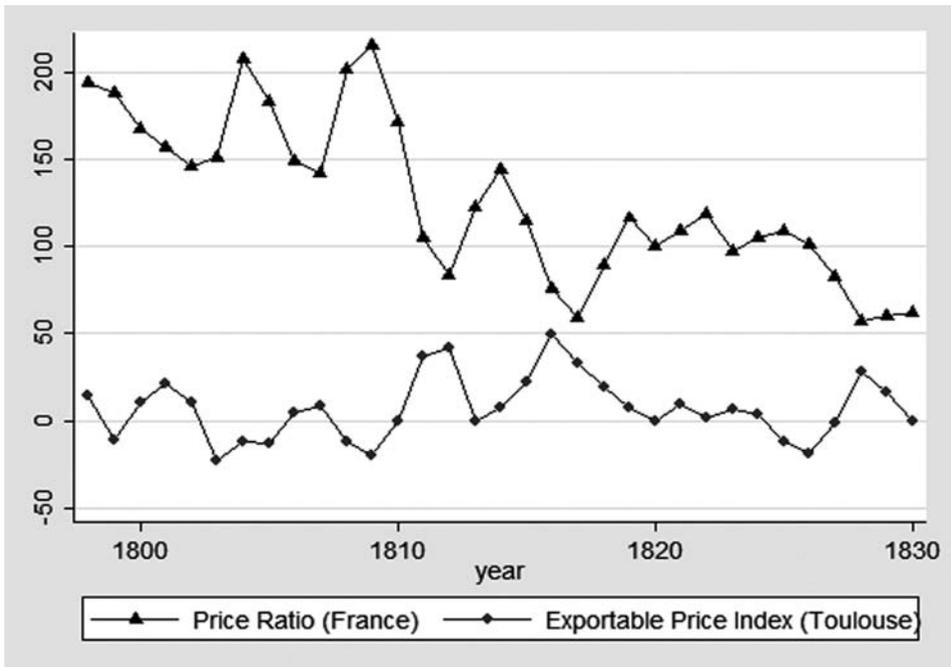


Figure 1: National and Local Price Levels Compared, 1798-1830²⁰

Figure 1 plots the inflation-adjusted prices for exportable goods (*infav*) against the relative price ratio for France. The correlation between the two lines is -0.538, which corresponds with our expectations. Comparing the two data series, we find evidence that Toulouse was actually connected with the French market despite its rather isolated location.

²⁰ The price ratio for France is taken from O'Rourke (2006) and calculated according to equation (1), the local price level for Toulouse refers to the inflation-adjusted price index for exportable goods calculated as mentioned in the text and based on data from Frêche/Frêche (1967).

What remains is to compute the extent to which historic events were able to influence prices in Toulouse. In order to exactly calculate the change of the exportable prices, I used a log-log regression. This allows us to interpret the coefficients as a percentage change. The regression itself runs the inflation-adjusted price for exportable goods against the historic events, which enter the regression in the form of dummy variables.

$$PIG = \beta_0 year + \beta_1 year^2 + \beta_2 war + \beta_3 period_{1772} + \beta_4 period_{1815} + \beta_5 eden + \beta_6 amiens + \beta_7 blockade_{1806} \quad (2)$$

Equation (2)²¹ shows the relationship with the dependent variable *PIG*, representing the inflation-adjusted prices for exportable goods in Toulouse. In order to adjust for time effects, year and squared years are included. The variable *war* covers the period from 1792 until 1815; the variable *period*₁₇₇₂ covers the pre-war period, and the variable *period*₁₈₁₅ covers the post-war period. The variable *eden* and *amiens* represent the Treaty of Eden and the Peace of Amiens, and the variable *blockade*₁₈₀₆ stands for the time from the declaration of the Berlin Decree to the break with Russia in 1810 and represents the period where the blockades were most effective.

	(1)	(2)	(3)	(4)
constant	-76.2 *	-78.1 *	-66.8	-7.1
<i>Year</i>	0.086 *	0.088 *	0.075	0.009
<i>Year</i> ²	-0.00002 *	-0.00002 **	-0.00002	0.00002
<i>War</i>	-0.016 **	-0.025 ***	-0.023 **	
<i>period</i> ₁₇₇₂		-0.020		
<i>period</i> ₁₈₁₅			-0.014	
<i>eden</i>				0.016 **
<i>amiens</i>				0.006
<i>blockade</i> ₁₈₀₆				-0.020 **
R ²	0.03	0.04	0.04	0.07
no. of obs.	171	171	171	171

Table 2: Factors Influencing Grain Prices in Toulouse, 1772-1830²²

²¹ Equation (2) depicts the idea of the underlying theoretical model, but was not subject to any estimation. The estimated equations are summarized in Table 2.

²² Dependent variable: price index of grain (log); for other variables and sources see text; *, ** and *** represent statistical significance on the 10%-, 5%- and 1%-level.

Table 2 shows the coefficients of four different regression lines. All of the variables have the expected sign; however, not all of them are significant at the 10%-level. During the war, prices for grain, the exportable good of Toulouse, were on average and *ceteris paribus* two to three per cent lower than in the period before and after the war. This corresponds to what one would expect because during a war, long-distance trade is more expensive and fewer goods are traded, which leads to an oversupply and a decrease in prices. During the Treaty of Eden, prices were significantly higher, and during the time when the blockades were most effective, prices were on average two per cent lower; in both cases, prices moved in the expected direction.

Conclusion

After I provided a historical framework, the calculations show that Toulouse was connected to the rest of France and that major historical events impacted the city in a similar way they did France and the rest of the world. The negative correlation of the national price ratio and the local inflation-adjusted exportable price index as well as the regression results provide empirical evidence for the connections and the influence of major historical events.

When it comes to answering the question if Toulouse was a global city around 1800, we face the same kinds of difficulties I described in the introduction. As long as globalization is defined as connectivity between markets, which means that markets react to each other as they should according to standard economic theory, we can call Toulouse a global city. However, as soon as we leave the narrow bounds of this definition, a different type of analysis is necessary, which may lead to different conclusions.

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Designing a Global City: Tokyo

Beate Löffler

Thinking about New York, probably the only undisputed global city, brings images to mind: high-rise buildings, streets bustling with people from diverse ethnical backgrounds and understandings of fashion, roads jammed with cars and buses, railroad tracks below and above and advertisement all over. And one knows that, somewhere in the middle of all this, there are trade facilities and businesses, the stock exchange and company headquarters. Is that what makes a global city?

In fact, the usual standards to define a global city draw on financial data and statistics. Seen from a humanist perspective, this definition misses the point by ignoring parameters like cultural heritage, tourism or education, parameters expressed in textual media or pieces of art. And seen with the eyes of an architectural historian, it misses yet another point: images that serve as visual media but also indicate and shape a city's self-perception.

The interdisciplinary approach of this publication allows us to add some thoughts about the possibility to construct a city's image in visual terms. This chapter will focus on what had to happen in terms of architecture to make Tokyo a modern city and on how the Japanese government, local authorities and the Tokyoites created a global image along the way.

Initially named Edo, Tokyo started out as a fishing settlement that got a castle in 1457. It gained in importance when Tokugawa Ieyasu seized the Kanto region in 1590. After he received the title of *shogun* in 1603, Edo served as Japan's de-facto capital for more

than 250 years. Around 1850, the western nations tried to end the isolationistic Japanese foreign policy in order to establish supply stations for the China trade and provide support for castaways. By exercising military pressure, they got the Japanese government to sign international treaties, which led to a few extraterritorial settlements for foreign residents on Japanese soil. The foreign interference resulted in two decades of political change that left Japan without a *shogun* in 1868 and made Edo – now renamed Tokyo – the real and only Japanese capital with a resident emperor.

By the end of the eighteenth century, Tokyo had at least one million inhabitants, most of them in densely populated quarters while nearly 70 % of the area was taken up by the spacious residences of the members of the Tokugawa shogunate or other *daimyo* and their entourages.¹ An engraving from the nineteenth century displays a walled castle with moats and watchtowers in the back, with buildings scattered loosely between the trees. In contrast, the highly populated harbor area in the front is characterized by small *kura* storehouses and dense rows of wooden houses. Figure 1, a panorama photograph taken by Felice Beato (1832-1909) in 1865/66, shows the clutter of samurai residences in another part of the city. Almost identical in shape and size, with their low and uniform roof lines, these buildings form a seemingly unstructured cityscape almost devoid of landmarks like temples or shrines. It is difficult to imagine the highly diversified urban society living beneath these roofs.



Figure 1: Panorama view of Edo (detail), 1865/66

Source: Yokohama Kaiko Shiryokan, ed. (2006): *Felice Beato shashinshu 2: Gaikokujin kameraman ga totta bakumatsu Nihon*. Tokyo: Akashi Shoten, 24.

¹ Löffler (2011), 229-231.

This situation was bound to change. After 1868, the Meiji government initiated a rapid modernization in order to create a competitive Japanese nation state. Next to enforcing a new family law, compulsory education and military service, the government reorganized property to reshape social relationships; it also contracted foreign experts to import western knowledge. Soon civil engineers and architects arrived from Britain, the United States, Germany and France to plan and supervise the construction of factories, government buildings, railway stations, barracks and the like, using brick, cast iron and some concrete.



Figure 2: Ginza Street, 1874

Source: Mainichi Shimbun (1960), 11.



*Figure 3: Horse drawn streetcar
in Ginza, 1880s*

Source: Mainichi Shimbun (1960), 31.

The downtown area around Ginza and Marunouchi became an early and lasting advertisement for the modern Tokyo. It burned down in 1872 and was rebuilt according to western standards with avenues and brick houses; it finally became one of the most popular sites for photographs. Figure 2, a newspaper image from 1874, published by

Mainichi Shimbun, shows the wide Ginza Street lined with trees and two-story buildings that resemble the traditional *kura* store houses but were now embellished with western balconies and terraces. A photograph from the 1880s features a continuous colonnade with standardized street lighting. Figure 3, a photograph from 1894, shows a horse-drawn streetcar and telegraph poles.

In addition to the photographs taken by explorers and newspaper correspondents, picture postcards were the most important medium that shaped the visual image of modern Tokyo. On the one hand, Japanese postcards featured often “exotic” motives like geishas, shrines or temples and festivals of traditional Japan, but on the other hand, they showed the westernized street life of the cities. For decades that meant in the case of Ginza street views with streetcars, buses and automobiles, framed by electric cable and western-style business premises with promenaders on the sidewalks, like the card from the late Meiji years (Figure 4). The bilingual inscriptions are very important if we want to understand the postcards’ purpose.

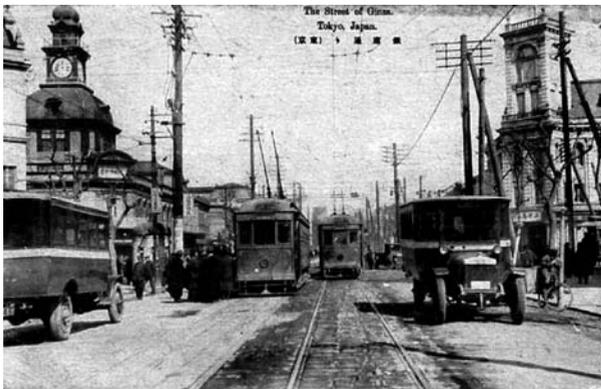


Figure 4: “The Street of Ginza. Tokyo, Japan”, Picture postcard, late Meiji-Era (after 1903)

Source: <http://www.geocities.jp/a1115b/sub33.htm.htm> (accessed 15 Feb 2012).

The commercial area of Ginza and Marunouchi was not the only one that underwent transformation after 1868. All of central Tokyo changed: The inner castle retained its function as the royal residence when the emperor’s household moved into the former *shogun*’s palace. But the reorganization of the Japanese social structure led to the abandonment of the *sankinkotai*, the compulsory presence of the *daimyo*’s families at the *shogun*’s court. The former *daimyo*’s real estate surrounding the castle was rebuilt as a residential area with public institutions like diverse ministries, diplomatic missions and the National Diet Building. This reuse of urban space influenced the structure of the downtown areas when the new facilities were out of proportion, as

can be seen in Aizu-Wakamatsu (Figure 5). The map of a smaller castle town about 200 kilometers north of Tokyo exemplifies how former samurai settlements were replaced by expansive schools and hospitals.



Figure 5: Aizu-Wakamatsu, change of spatial use in former samurai settlements owing to the Meiji reforms

Source: Gutschow (1976), 56.

More than anything else, the city centre of Tokyo was changed by the new transportation system. Cars, buses, streetcars and finally the space-consuming, though partially elevated, track system of the railways formed new urban structures.



Figure 6: “Beautiful sight of Tokyo station. Tokyo”, Picture postcard, undated view of Tokyo Station showing its pre-war appearance

Source: http://en.wikipedia.org/wiki/File:Tokyo_station_marunouchi_old.jpg (accessed 27 Feb 2012).

From the 1870s on, the governmental plan to modernize the country included the development of a nationwide railway system. Railway stations symbolized technological performance and authority and became landmarks of public life in London and Berlin as well as in Tokyo.² Therefore, it does not come as a surprise to find a lot of post-

² Coaldrake (1996), 230-232.

cards showing Tokyo's main station. Construction took about 30 years, and some postcards show, aside from the representative general view, trains, tracks and even construction in progress (Figures 6-8). These images document the need to inform the public about the project and emphasize its importance as a public undertaking. Nothing was left to chance. When the German Franz Baltzer initially designed the Tokyo station, he chose forms “entirely in keeping with Japanese traditions”³ and absolutely in conflict with the agenda of the Meiji government. The final design was drafted by Tatsuno Kingo in strictly up-to-date Western style.⁴



Figure 7: Tracks, trains and Tokyo Main Station, Picture postcard, postmark Showa 4 (1915)

Source: <http://www.geocities.jp/a1115b/sub33.htm.htm> (accessed 15 Feb 2012).



Figure 8: “The Centre Station Tokyo” under construction, Picture postcard, postmark Showa 3 (1914)

Source: <http://www.geocities.jp/a1115b/sub33.htm.htm> (accessed 15 Feb 2012).

³ Coaldrake (1996), 232.

⁴ In detail, see: Coaldrake (1996) and Grunow (2012), especially 248-249.

Until the 1920s, some of Tokyo's infrastructure and architecture became more and more similar to western cities, while residential areas remained more or less the same; however, population numbers increased due to influx from rural areas. During the 1920s, the representatives of trade, industry and urban society pushed western styles more than the government. The cities became places of consumption and culture with theatres, cafés, and department stores. The print media flourished.⁵

The Great Kanto Earthquake in 1923 represents a massive break (Figure 9). More than 140,000 people died; all the brick buildings without reinforcements collapsed, and the traditional wooden houses burned down. Structures made of reinforced concrete, however, survived and set a new standard in building technology – even if Frank Lloyd Wright's celebrated Imperial Hotel in Tokyo suffered from sunken foundations and other minor structural problems. Of course the new standards applied to public architecture alone. The garden-variety of residential areas were rebuilt with the same wooden structures they had before.



Figure 9: Tokyo after the Great Kanto Earthquake in 1923, view from the top of the Imperial Hotel
by J. H. Messervey

Source: Courtesy of U.S. Geological Survey Photographic Library, via: <http://libraryphoto.cr.usgs.gov/html/lib/batch93/batch93j/batch93z/lga00004.jpg> (accessed 21 Feb 2012).

The devastation presented an opportunity to implement comprehensive modern urban development. But the projected costs exceeded the national budget, and only a small part of it was realized. This did not stop the further development of modern Tokyo, however. The first subway line opened in 1927, the Tokyo airport at Haneda in 1931, and the new port of Tokyo in 1941. By the mid 1930s, the number of people living in Tokyo had grown to more than 6 million, suburban sprawl absorbing the villages at the city limits and beyond.⁶

⁵ In detail, see: Tipton/Clark (2000).

⁶ Tokyo (2010).



*Figure 10: Berlin by night,
picture postcard,
postmark 1927*

Source: Verlag Otto Junge, Berlin; Courtesy of Institut für Sächsische Geschichte und Volkskunde Dresden e.V., Bildarchiv (165701).



*Figure 11: Matsuya
Department-Store (Great
Tokyo), Picture postcard,
dated 1928*

Source: Courtesy of Institut für Sächsische Geschichte und Volkskunde Dresden e.V., Bildarchiv (165704).



*Figure 12: Ginza reconstructed,
1936*

Source: Mainichi Shimbun (1960), 121.

The pictures taken after the Great Kanto Earthquake further emphasize Japan's claim to being a modern nation state on a par with the West. During these years, cities all over the world installed illumination and advertisements; the night life thrived and individual motor car traffic became a regular part of urban culture (Figure 10). The same can be said for Tokyo. The downtown areas were rebuilt in less than ten years and now featured all the new conveniences. The only decidedly Japanese elements are the characters used for the luminous advertising (Figures 11-12).

Koizumi Kishio's woodblock print "Night View of Ginza in the Spring", with its contrasting colors and dynamic perspective, exemplifies the image Japan had of itself at the time. The spatial dimension of the street is defined by some aligning lines; the buildings are merely marked by lettering, seemingly scratched from a deep, black night (Figure 13).



Figure 13: Koizumi Kishio: *Night View of Ginza in the Spring* (#12a), March 1931

Source: Courtesy of The Wolfsonian-FIU, Miami Beach, FL, The Mitchell Wolfson, Jr. Collection, Massachusetts Institute of Technology, Visualizing Cultures, via: http://ocw.mit.edu/ans7870/21f/21f.027/tokyo_modern_01/index.html (accessed 27 Feb 2012).

In his "100 Views of Great Tokyo in the Shōwa Era", created between 1928 and 1940, Koizumi portrays different views of city life. He includes traditional activities like *hanami* and visits to shrines or temples, seasons and sights, but, at the same time, he pictures many public buildings and all the modern forms of transportation (Figure 14). He even added a view of the port that features a gantry crane.

Tokyo was portrayed – over and over again – according to the visual standards of the time: The city as a dynamic hot spot of progress, displaying the latest fashions and the newest developments, which were often represented by images of traffic and city lights, not less in Japan than in the U.S. or Europe.



*Figure 14: Koizumi Kishio:
Togoshi Ginza Station
(#27r), July 1940*

Source: Courtesy of The Wolfsonian-FIU, Miami Beach, FL, The Mitchell Wolfson, Jr. Collection, Massachusetts Institute of Technology, Visualizing Cultures, via: http://ocw.mit.edu/ans7870/21f/21f.027/tokyo_modern_01/index.html (accessed 27 Feb 2012).

Following the western example in yet another way, Japan supported its pursuit of equality through militarization and colonization from the very beginning. This caused the wars against China and Russia around the turn of the twentieth century, wars the Japanese won contrary to western expectations. Most importantly, Japan extended its influence across east and southeast Asia during the 1930s, provoking a number of diplomatic crises. One of them was the Japanese invasion of Manchuria in 1931, which finally caused Japan's withdrawal from the League of Nations in 1933 and damaged its international standing.⁷ However, the conflict did not stop but rather boosted the national radicalization and militarization. As a result, the surrender of 1945 meant a serious breakdown after decades of success and prosperity, not to mention the disaster of Hiroshima and Nagasaki.

⁷ Zöllner (2009), 354-368.

For Tokyo, the end of the war meant the third reinvention within a period of 70 years. 90 percent of the city had been destroyed by the allied air raids, and the population had decreased by half compared to 1940.⁸ The reconstruction of the residential areas followed pre-war patterns: detached wooden buildings if possible, row houses if necessary. The general housing shortage and the continuous influx from rural areas finally led to the introduction of a new building type: the apartment house. But it took decades to become a fixture in the Japanese cityscape. In fact, the Japanese never really adopted this lifestyle; all who could afford it live in detached houses by today.⁹

While government-sanctioned national housing policies shaped the cities, private enterprises developed the surrounding countryside. Railway lines already led in every possible direction, segmented by more and more stations that formed the nuclei of new settlements of modest wooden houses. Further improvements in public transportation and the Japanese *Wirtschaftswunder* of the 1950s furthered urban sprawl even more. By 1962, the population had reached ten million, and Tokyo had started to “export” its urban residents into neighboring regions.¹⁰ To be more precise, it became sensible to settle in the Saitama or Chiba prefecture and to commute downtown.

The suburbs usually did not show any recognizable pattern – like a grid or the purposeful meandering structure of a garden city – as we are used to seeing in Europe and North America. This development was caused partly by the bad experiences with the stringent regulations issued by the building authorities of the Tokugawa shogunate and by the city’s turbulent growth.¹¹ Therefore, except for the train station with its omnipresent department store on top and the tiny police station in front of it, most settlements have neither center nor orientation. And it is not architecture that symbolizes modernity in those years; instead, electric appliances such as TV sets (television broadcasting began in 1953), refrigerators and washing machines were the indicators of prosperity. Images of up-to-date-interiors illustrated the modernity discourse during this period of rapid economic growth as they did, for example, in Germany (Figure 15). The mechanization of everyday life was global, while the discourse was national, because it was linked to social advancement.

⁸ Tokyo (2010).

⁹ Sorensen (2004), 39.

¹⁰ Tokyo (2010).

¹¹ There are a number of additional arguments that try to explain this absence of established western models, but the appropriate discussion of the topic would exceed the limitations of this chapter. For a comprehensive introduction, see Sorensen (2004), especially 11-44.



*Figure 15: Family home with
modern kitchen, ca. 1960*

Source: Mainichi Shimbun (1960), 175.



*Figure 16: Tokyo Bay Project
(detail, oriented),
Tange Kenzo, 1960*

Source: Neuer Berliner Kunstverein
(1982), 120.

At the same time, the Japanese government tried to reintegrate the country into the global community and supported a number of activities to demonstrate its internationality. On a diplomatic level, this desire led to Japan's joining the United Nations in 1956. Another approach used architecture to demonstrate Japan's commitment to modernity. As a result, although Tokyo was reconstructed again according to the castle town scheme and the "old" turn-of-the-century buildings were kept, a cluster of administration buildings sprang up around them in a grid, buildings that would de-

velop into high-rises over the years. The traffic infrastructure adapted to the growing population, a process that inspired several far-reaching visions of transportation and land reclamation in the Tokyo Bay. Most famous among these are Tange Kenzo's ideas from 1960, which widely influenced the western discourse on urban planning (Figure 16). Architects on both sides of the east-west divide could relate to Kenzo's design, which featured a huge frame of more than 25 kilometers that bridged the bay and served as the spine of a settlement, a design as logical as it was graphically elegant.



*Figure 17: Peace Memorial
Cathedral Hiroshima,
Murano Togo, 1953*

Source: Beate Löffler.



*Figure 18: St. Mary Tokyo-
Sekiguchi, Tange Kenzo, 1965*

Source: Beate Löffler.

In addition, some highly symbolic buildings joined the cityscape, such as the Catholic cathedrals of Hiroshima and Tokyo (Figures 17-18), which were destroyed in the war

and rebuilt in the International Style fashion by Murano Togo (1953) and Tange Kenzo (1965). The latter was also commissioned to design the Yoyogi Sports Centre for the Tokyo Olympic Games in 1964 (Figure 19). These buildings, bold use of concrete in public construction, and the visionary Japanese ideas about metabolic houses and cities attracted worldwide attention among architects during the following years. Japanese modern architecture had finally won independent recognition with iconic buildings and internationally known architects like Tange Kenzo and Kurokawa Kisho.



Figure 19: Yoyogi Sports Centre, Tange Kenzo, 1964

Source: Courtesy of Chris73, via http://upload.wikimedia.org/wikipedia/commons/2/2c/Yoyogi_National_Gymnasium_-_Swim.jpg (accessed 27 Feb 2012).

From this point on, Japan's membership in the modern world was never again questioned, not only because of its efficient economy and diplomatic integration, but also because Japan looks appropriately modern and global. Tokyo, in particular, does not look foreign to a Western observer. During the first decades of Japanese modernization, as part of the initiative to create an equal Japanese national state, Tokyo's public facilities were shaped to meet the expectations of the leading western powers of the time. Hence Tokyo's modern-ness started at the surface; it was constructed intentionally and mediated by images. Later the images got a life of their own. While the technological development filled the space behind the façade, Japan has colonized itself, as Yoshioka Hiroshi puts it.¹² Japan adopted the western imagination of modernity, but also formed it and reflected it back to the West as well.

¹² Yoshioka (1995).

What we often miss when we look at Japan and at Tokyo's global-ness is the localness underneath. Architectural historians find it extremely challenging to study modern or even global cities that do not function the way western cities do because, so far, they do not have any proper methodology to cope with this phenomenon. It is difficult to understand a city that looks right but has no accessible spiritual center and no concept of *communitas*, which understands a city as an independent legal entity, as a corporate body with a distinct civic consciousness.

The image of Tokyo's global-ness covers this local-ness as well, but from a Western point of view the slight strangeness adds an intriguing touch. And it leads one to miss an important detail in the understanding of Tokyo's globality: A global city is not only constituted by international ties in business and science but by cultural relations as well. That means it has an intercultural society that is aware of the Other and both intentionally and unintentionally accepts and integrates foreign elements.

And here is the point where Tokyo lacks global-ness, even if the street life looks so marvelously colorful: Until today, immigrant groups have not influenced the cultural expression of the city as much as the abstract western ideas have for more than a century.¹³

Apart from all the definitions of the special character of cities, this indicates a virulent challenge in global history research. Japan underwent a western-style modernization more or less by choice, met the demands and has finally gained acceptance in the West. But there are China, Brazil and India with bustling cities that, much more than Tokyo, exceed our vocabulary and imagination about urban settlements. There is a lot of research to be done after all if we do not want to miss a lot of global communication – textual as well as visual.

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¹³ I am deeply indebted to Katja Schmidpott for her comment on this topic which called my attention to a partial fuzzy perspective of mine.

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The Council of European Municipalities and Regions: Shared Governance in a World Featured by Globalization Issues

Manfred Kohler

Introduction

This chapter answers the question of how European cities, municipalities and regions¹ within the Council of European Municipalities and Regions (CEMR) tackle some of the issues concerning all of us in an increasingly globalized world. It may appear odd at first to contribute a chapter on local and regional authorities to a publication on global cities. However, legally speaking, global cities, despite their reach and influence, are at the same time also local and regional authorities. Since the nineteenth century, the world has seen an unprecedented increase of international organizations. In times of economic, cultural, and technological globalization, the conventional nation state alone is no longer able to control cross-border transactions and interactions. As a result, there were about 251 International Governmental Organizations (IGOs) in 2001, such as the United Nations Organization (UNO) or the European Union (EU), and more than 5,000 International Non-Governmental Organizations (INGOs) like Greenpeace or Amnesty International.² Along with the North Atlantic Treaty Orga-

¹ For reasons of simplicity, cities, municipalities and regions will be collectively called local and regional authorities (LRAs) in this article, as this is the conventional term according to the United Nations Organization (UNO).

² Woyke (2008), 202-209.

nization (NATO) or UNO, the CEMR was among the first international organizations formed after the Second World War.

In this chapter, I will analyze globalization with regard to employment, energy, climate and urbanization. I will do so by focusing on the CEMR, which is the umbrella organization of national associations of local and regional authorities (LRAs) in Europe, founded in 1951. Although European local and regional authorities are the oldest and most persistent forms of political organization thus far³, they now face multiple pressures from above, e.g. the nation state, the European Union and other forms of political organization, coordination and governance.⁴ It is true that the big decisions are increasingly made at supra-communal and supra-national levels. However, only LRAs can make these decisions stick because they are the ones who enforce compliance at the local level. After all, we all live in and are governed by LRAs, and we refer to them in our everyday lives.

Before I explain how LRAs within the CEMR tackle the four globalization issues mentioned above, I will give a short introduction to explain what the CEMR is and what its goals are. Then I will look at the CEMR within the framework of the EU system to explain the limits of political action LRAs are currently facing in the European Union. I will first describe the European system of governance and then show how the CEMR, after all an association of political entities with delegated competences only, fits in. Finally, I will give specific examples of how LRAs within the CEMR tackle certain globalization problems like interrelated energy and climate issues, employment, and urbanization.

What is the CEMR?

The Council of European Municipalities and Regions was founded in 1951 by a group of federalist European mayors. Today it is the biggest umbrella organization for local and regional political authorities in Europe. It consists of 53 national associations of cities, municipalities and regions from 39 countries in- and outside the EU. Taken together, these associations represent close to 100,000 local and regional authorities.

³ Aristotle was one of the first great philosophers who said that people naturally organize their lives in communal entities, see Aristoteles (2006).

⁴ For information on global forms of political organization see Varwick (2008).

The CEMR's budget amounts to 2 million EUR, derived mainly from contributions made by the national associations. The remaining funds, approximately 10 %, are annual contributions made by the European Commission in the framework of its *Active European Citizenship* program. The current (2012) President of the CEMR is Wolfgang Schuster, mayor of the city of Stuttgart in Germany. The CEMR has two governing bodies – the Policy Committee and the Executive Bureau. The Policy Committee, the main governing body, generally meets twice a year. The number of representatives depends on the member states' population numbers; the number of seats granted ranges from two for states that have fewer than 5 million inhabitants to six for states that have more than 60 million. The Executive Bureau is a smaller body; it makes decisions between Policy Committee meetings. It also meets twice a year normally. The Policy Committee elects the CEMR's president and his/her cabinet for three-year terms.⁵

The CEMR is also active at a global level. It forms the European section of United Cities and Local Governments (UCLG). This worldwide association is the most important partner of the United Nations Organization in matters concerning local and regional political authorities. Upon recommendation of the CEMR and today's UCLG, UNO established the United Nations Advisory Council of Local Authorities (UNACLA) in 1999, which is designed to include cities and municipalities in UN deliberations on communal issues. In April 2007, the United Nations adopted a resolution, published as *Guidelines on Decentralization and the Strengthening of Local Authorities*, which strengthened the idea of local self-government and democracy.⁶

The most important goal of the CEMR is to support a united and strong Europe based on local and regional self-government and democracy. The CEMR advocates an EU governance system which includes all policy-stakeholders at local, regional, national, and EU levels as equal partners. It advocates a European government that makes decisions plausible to citizens and recognizes the principle of subsidiarity at the same time. With this in mind, the discussion about a European Constitution in 2003/04 first mentioned the role of local and regional authorities in the member states and

⁵ This information is taken from: <http://www.ccre.org/en/strpolitiques> (accessed 15 Jan 2013).

⁶ UN-HABITAT (2007).

fortified the principle of subsidiarity. The reformed Lisbon Treaty of 2009 absorbed all of these provisions for local and regional authorities.⁷

One of the CEMR's main tasks is to influence EU policy-making. EU legislation in the fields of environment, public procurement, structural funds, state aid and competition has a major impact on local and regional authorities. Exerting influence upon EU legislation is thus a key task of the CEMR. Based upon and strengthened by the Lisbon Treaty, the CEMR and its national member associations draft positions to be discussed by the European Commission, which has established a new legislative dialogue and put consultation mechanisms in place. It also influences legislation debated by the European Parliament and the Council of the European Union, thus representing the interests of regional authorities in a wide range of policy areas.

Another task of the CEMR is to exchange information and experience. Local and regional authorities have great experience in their sphere of competences, be it education and training, economic development, environment or transport. The CEMR supports the exchange of experience and information among its members in order to increase their capacities. To this end, the CEMR organizes working groups, seminars and conferences for members to exchange views and ideas.

The third important mission of the CEMR is to support town partnerships in the form of twinning. The CEMR invented the concept of town partnerships, which are designed to promote a united and peaceful Europe from below, i.e. through its citizens. Europe currently has more than 26,000 so-called town twinning projects, and the CEMR remains dedicated to invigorating this movement by coordinating the efforts of representatives in charge. The CEMR works closely with the European Commission as well as the European Parliament in order to secure the constant funding and political support for town twinning projects.⁸

⁷ For the political and legislative inclusion of LRAs according to the subsidiarity principle, look at Article 5 of the Lisbon Treaty or Protocol 2 attached to the latter on the application of the principle of subsidiarity, which stipulates, among other things, the inclusion of LRAs in the EU's legislative process in the form of consultations by the European Commission. Article 8 of Protocol 2 to the Lisbon Treaty even gives the Committee of Regions (CoR) the power to call upon the European Court of Justice (ECJ) when it sees its right to be heard by the EU legislative institutions and its subsidiarity rights infringed upon, see: Bundeszentrale für politische Bildung (2008).

⁸ For further information on the activities of the CEMR, see CEMR (2011).

The EU Governance Structure

Simon Hix considers the European Union a political system rather than a state.⁹ The European Union is neither an international organization per se – because of its supra-national structures and competences – nor is it a nation state with a monopoly on violence and territorial sovereignty. The EU has no true government supported by police or military forces. Even in matters such as competition and internal markets, the EU relies very much on the compliance of EU member states when it comes to implementing and enforcing policies. However, the member states have developed a political culture of overall compliance with EU treaty laws. They have also legally installed a quasi-government in the form of the European Commission, which has the exclusive right to initiate policies within the EU legislative triangle it forms with the Council of the European Union and the European Parliament. However, member states have taken steps to protect their interests in the EU political system. They insist that the European Council of heads of state is now an official EU body with considerable executive power. It provides the guidelines for EU policy-making and decides upon major treaty changes.¹⁰ In fact, no major steps towards further European integration can be taken without the Council's consent, and hence the approval by the nation states' governments,¹¹ which is counterbalancing any efforts of further parliamentarization of the EU governance system. The EU sometimes seems to resemble a medieval empire, with the heads of state and government acting as some kind of prince-electors who decide upon major political steps in European integration. This kind of cooperation is evident in the current debt crisis that had national leaders negotiate major deals and bargaining about important economic and financial decisions. The directly elected European Parliament can react to these major developments, but it does not have the power to change treaties like a regular parliament would (with respect to the constitution and laws).

However, in their desire for peace and increasing globalization, European leaders have delegated other competencies to the European Commission, issues like internal markets, competition and customs unions. They did so because nation states alone

⁹ Hix/Høyland (2011).

¹⁰ Article 15 of the Lisbon Treaty defines the role and competences of the European Council, see: Bundeszentrale für politische Bildung (2008).

¹¹ Moravcsik (1998).

can no longer tackle overall globalization alone. The globalization of markets happened much too fast for political systems to remain national. However, the number of international organizations has grown as a result of increasingly globalized markets and communication, with the EU being the most developed international organization.

Overall, national leaders in the European Council and the Council of the European Union control the EU governance system. But the globalization of the markets, especially the financial markets, has put national leaders under increasing pressure to strengthen political union in the EU, which has further decreased the power of EU member states. However, the EU is still a political system without a true government: neither the European Commission nor the EU national leaders are in full control of things, especially right now in times of the sovereign debt crisis, when markets dictate political decision-making. The EU is thus, as Beate Kohler-Koch claims, a network system of governance that blurs competencies and hierarchies and that gives a voice to many participants, from the local, regional, national and EU-levels to NGOs, private and public sector lobbyists and associations.¹² The Lisbon Treaty has further strengthened the role of regional and local authorities, granting them the right to be consulted in all the major policy areas.¹³ If even the EU and its composite nation states cannot solve globalization problems like those resulting from the global financial crisis, who is able to do so? There is no clear-cut answer to this question, but one thing is certain: the EU and its composite nation-states will need the cooperation of local and regional authorities to tackle global issues.

The CEMR has understood the need to include local and regional authorities and thus supports an EU political system of shared, instead of delegated, governance. The new Lisbon Treaty guarantees that local and regional authorities must be heard and that their input must be taken seriously, as is illustrated by the right granted to the Committee of Regions to file charges at the European Court of Justice against a member state or the EU when they violate the subsidiarity principle.¹⁴

Inspired by these new treaty changes, the CEMR introduced the idea of shared governance or “governing in partnership”, as CEMR President Schuster calls it.¹⁵ Given

¹² Kohler-Koch/Eising (1999).

¹³ For more details see footnote 7.

¹⁴ For more details see footnote 7.

¹⁵ Schuster (2011).

the fact that local and regional authorities are ever more needed when solving problems that cross boundaries, Schuster maintains that all levels of government, including civil society and social partners, have to govern in partnership, not in a hierarchical system that does not consider the needs of its citizens. The CEMR supports the five goals of the EU 2020 strategy:¹⁶

- 75 % of the population aged between 20 and 64 should have a job;
- 3 % of GDP are to be spent on research and development (R&D);
- the 20-20-20 climate-energy goals are to be achieved;
- the school drop-out rate are to be reduced to below 10 % and the rate of people with a tertiary degree aged between 30 and 34 are to be increased to 40 %; and
- the amount of people endangered by poverty is to be reduced by 20 million.

President Schuster wants to implement the EU 2020 strategy and its goals through a system of shared governance and to create networks to include all political levels, universities, private and other civil associations. According to Schuster, a steering committee headed by a Commissioner should manage these networks. In addition, inclusive working groups specializing in specific issues should support the steering committee. In its latest proposal, the CEMR urges the EU leaders to implement the EU 2020 strategy, especially the seven flagship initiatives, in a way to include all European citizens in its network. Funded by the European Commission, some of these networks already exist: The Baltic Sea Strategy, for example, strives to increase territorial cohesion between cities, regions and countries such as Denmark, Poland, Germany, Estonia, Latvia, Finland, Lithuania etc. Another example is the EU Alpine Space Programme called Interreg III B that tries to find sustainable transport solutions in the Alpine area. The overall idea behind these networks is that all stakeholders are needed to properly address cross-border issues in a certain kind of governance structure.¹⁷

Tackling the Globalization-Related Issues Climate Change and Energy

One of the networks strongly supported by the CEMR is the so-called Covenant of Mayors, initiated by the European Commission in 2008 as part of its integrated energy and climate package. The CEMR is part of the Covenant of Mayors Office. The

¹⁶ European Commission (2012).

¹⁷ Schuster (2011); CEMR (2010).

Covenant of Mayors is an official European agreement, which, in 2011, consisted of around 2,800 signatories, mainly cities and towns, that voluntarily committed themselves to exceeding the EU 20 % CO₂ reduction objective through increased energy efficiency and the development of renewable energy sources. The signatories of the Covenant have all issued formal declarations to implement Sustainable Energy Action Plans (SEAPs) at local levels to reach the EU's 20 % greenhouse gas reduction goal. These plans require local and regional authorities to submit annual reports and bi-annual implementation reports to demonstrate compliance with the goals set out in the community-specific SEAPs.¹⁸ All these actions run parallel to an ongoing exchange of information between regional authorities and European citizens, who meet at conferences organized by the Covenant of Mayors Office. The Covenant of Mayors is widely considered a prime example of multi-level governance. Compared to Germany, which has 32 local SEAPs (of which 7 are approved by the European Commission), Austria seems to lag behind in drawing up and implementing SEAPs. Currently there are only two municipalities, Lasee and Laxenburg, which have turned in SEAPs at the European Commission (none of which has been approved yet). However, this does not mean that Austrian municipalities and towns are inactive. Many Austrian municipalities, above all those in the state of Vorarlberg, already participate in energy efficiency schemes. Out of 600 towns and municipalities in ten European countries, three municipalities from Vorarlberg – Langenegg, Zwischenwasser and Mäder – rank among the top three in terms of energy efficiency, which earned them the European Energy Award in 2010, the most significant award for energy efficiency achievements. The SEAPs submitted by Lasee and Laxenburg are still quite promising since both of them show that their CO₂ reduction potentials far exceed the 20 % EU benchmark.¹⁹

Tackling the Globalization-Related Issue (Un)employment

In a world in which labor markets are strongly affected by global capitalism, it is ever more important for the EU to ensure that labor markets are attractive and encourage growth. The EU 2020 strategy stresses the issue of employment by demanding that

¹⁸ For information on SEAPs, see ICLEI (2011).

¹⁹ For detailed information on the SEAPs of Lasee and Laxenburg and other European LRAs, see Covenant of Mayors (2012).

75 % of all EU citizens between 20 and 64 should have a job by 2020. Indeed, all the goals set out in the 2020 strategy are aimed at promoting employment: spending on R&D can lead to more qualified employees, “greening” the economy can offer jobs in totally new industries, and social inclusion as a result of reducing poverty would lead to more employment in the EU labor markets.

In January 2010, the CEMR issued a response to the Commissions’ Communication on the EU 2020 Strategy,²⁰ which protests that the EU 2020 Strategy is too vague. The CEMR insists that all parties should be held accountable for meeting the 2020 employment goals and that participation at all government levels be encouraged. Clearly, the CEMR tries to involve local and regional authorities in European policy-making wherever possible, advocating shared governance at all levels. The CEMR also calls upon the EU to support the infrastructure needs of many local and regional authorities in order to promote employment and attract business (after all, the communal level is crucial to make infrastructure work for employment). In addition the CEMR expresses dissatisfaction with the EU 2020 Strategy’s failure to address spatial or territorial cohesion in matters of employment, claiming that social and economic cohesion will not happen until more people identify with EU goals. The CEMR points out that local and regional authorities play an important role in promoting the inclusion of young and old people on the labor markets through training, education and social services. The CEMR wants the EU to make the support local and regional authorities in their function as job creators a main priority because, as a result of the financial crisis, young people living in small communities are most affected by unemployment. The CEMR supports the EU’s efforts to encourage the economy to go green, which will create more jobs and reduce greenhouse gas emissions. But even environmental issues need to involve communities because they have better knowledge of local conditions and the needs of people.

Tackling the Globalization-Related Issue Urbanization

Globalization goes hand in hand with urbanization, which leads to modernization on the one hand, but on the other creates problems for rural areas as educated, skilled young people leave the countryside for the city.

²⁰ CEMR (2010).

Austria, for example, has many rural communities affected by brain drain. One way to mitigate the problem is to link rural and urban areas, an idea the CEMR and regional authorities strongly support. The CEMR welcomes the EU's efforts, as expressed in EU publications such as *European Territorial Agenda and the Leipzig Charter on Sustainable European Cities*.²¹ The CEMR supports integrated urban development throughout Europe and the establishment of national and regional institutions to make it happen. Europe must take care of and reach all its citizens, especially those who live in deprived urban and rural neighborhoods.

Conclusion

As we have seen, local and regional authorities are important agents in tackling globalization problems, which the EU plans to solve in close cooperation with local and regional authorities and the CEMR. The examples of cooperation between local and pan-European authorities discussed in this chapter show that the EU is on the right track in this regard, moving towards a political system based less on central government but on network governance including all levels of political decision-making.

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²¹ CEMR (2007).

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