Major cities have historically been focal points within their nations. Structures in these cities, such as the Statue of Liberty or the Eiffel Tower, often became the icons that represented the entire nation. The major cities became focal points because they contained the activities that tied together diverse parts of their nations. For example, in the 1500s, London was already the crossroads of England. Craftspeople and farmers from miles away traveled unpaved roads to bring their wares to London’s markets. The City of London was an important government unit in its own right, but the city also housed the most significant seats of national government. Aspiring actors and writers from all over England, such as Shakespeare, made their way to London’s stages. Even going back 2,000 years, when London was merely a Roman army camp, the major city (i.e., Rome) was the focal point because it was the center of commerce, government, theater, and so on. The expression “all roads lead to Rome” was true, literally and figuratively; and it remained an accurate summary of the relationship of most principal cities to their nations for thousands of years.

In addition to housing many of the activities most important to the internal life of a nation, major cities have historically provided their nations with the most significant points of connection to other nations. The English farmers and craftspeople who brought their goods to London markets in the 1500s sold a lot of it to Dutch, German, and French merchants who came to London to export such goods back to their home countries. Furthermore, most of the cargo from around the world, ultimately intended for any place in England, initially entered the country at London’s Custom House.

Until sometime in the late middle of the twentieth century, there was a great deal of movement of goods and services and people among cities within the same nations, and relatively little movement among cities that crossed national boundaries. The balance shifted when firms in many cities of the world dramatically increased the amount of business they conducted in other nations:
transnational investment increased, international tourism rose, and there were more exports of movies, music, styles, and fashions. And the people, products, and new ideas all moved with unsurpassed speed among the major cities of the world.

The linkages among cities cutting across nations became a global network. It is important to note here that the key nodes in the international system are (global) cities, not nations. Correspondingly, it is interesting to note that on a space flight, an astronaut looked back at Earth and was surprised not to see any national boundaries. The United States simply “flowed” into Canada, Egypt into Libya, and so on. In daylight, the only human artifact visible from space was a portion of the Great Wall of China. At night, though, the astronaut could see the world’s major urban areas appearing as “pin-pricks of electric light on a black canvas.” Thus, from space, it was the world’s urban settlements that were most apparent. Of course, the massive flows of information among these urban areas, and the numerous linkages and connections between them, were missing from the astronaut’s view.

Once the linkages among cities became a global network, nations became dependent upon their major cities for connections to the rest of the world. Paris played this role for France, Tokyo for Japan, Warsaw for Poland, Lima for Peru, and so on. Thus, the role and status of cities within their nations became, to a large degree, a function of the international connections of the cities. However, this is not meant to imply that the role of these cities relative to each other is all the same. Links to the global network are more intense in some cities. What occurs in Paris, for example, will ordinarily have more consequences everywhere else than what happens in Lima. Later, we will examine ways the influence of the activities emanating from within these cities might be categorized and ranked. For now, it is important only to emphasize how during the last decades of the twentieth century there was a dramatic increase in interdependence—in styles and fashions and movies and music and, of course, in economic exchanges—among all the cities (and nations) of the world.

To illustrate how interdependent the economies of the world have become, consider the relationship between state employees in Illinois and an upscale mall in Moscow with forty international retailers. The mall, called GUM, was transformed in the early 1990s from a drab department store to a highly profitable shopping center. For example, Samsonite reported that its luggage store in the Moscow mall was outselling any of its other outlets in the world. Dresner Bank in Germany was eager to lend GUM $10 million for expansion, and the mall’s liquid assets soared to over $30 million in 1997 as investment funds around the world bought GUM stock.

It was, paradoxically, as GUM’s economic fortunes reached their apex in 1997 that its unraveling also began, in Thailand, though the connection was not yet recognized. Unemployment, inflation, and business failures were increasing in Thailand, and businesspeople and investors became nervous about holding local currency. They rushed to convert to U.S. dollars, at almost any rate of exchange, and the value of Thai currency continued to decline. Throughout much of Asia people became anxious that their nation’s problems could be the same as Thailand’s, triggering fiscal problems in Indonesia, South Korea, Malaysia, and so on. In late October 1997, the panic reached the Hong Kong stock market, which lost 23 percent of its value in just four days. Based on the Hong Kong exchange’s size and important international connections, investors around the world reacted in alarm and began to sell their stock holdings. What followed were the largest one-day losses in the pre-1998 history of the stock markets in New York, Mexico, Brazil, and elsewhere. Fortunes that had been quickly made were just as quickly lost. For example, Peregrine Investments, a Hong Kong investment bank with British ownership, simply disappeared. It had been established in 1988 and in its ten-year existence rapidly accumulated $25 billion before it vanished under a tidal wave of debt.

The worldwide economic slowdown reduced demand for Russia’s chief exports: oil and gas. Russia’s currency fell in value, which had the effect of raising the cost of the merchandise that GUM imported from the United States, England, Germany, and other countries. To make matters worse, with unemployment and business failures increasing, fewer Russians could afford the now inflated prices of GUM merchandise. Sales fell and the final blow was the fact that all of GUM’s liquid assets—which once surpassed $30 million—had been invested in stock and bond markets that collapsed. Unable to make payments on loans, including the large loan from Dresner Bank, the desperate management of GUM could only hope that a European company would buy the mall and save them, but given the problems in the Russian economy, no buyers were interested.

In the United States, many banks and large private investors lost large sums of money due to the worldwide recession. Many ordinary working people were adversely affected as well, notably, state employees in Illinois. The state pension fund had invested in Peregrine Investments, the Hong Kong bank that collapsed, and in Dresner Bank, the German bank that lent GUM $10 million it could not repay. While the Illinois state pension fund remained solvent, it lost millions of dollars in retirement funds, reducing the amount that would later be available to retired state workers. Thus, in the global economy, state employees in Chicago or Peoria (Illinois) are closely linked to investors in Hong Kong, to bankers in Hong Kong, to workers in Dresden (Germany), and to people in Moscow who work for GUM. In sum: What happens in any one part of the world will eventually have some effects everywhere else. What happens in the leading global cities will have more immediate and profound repercussions for us all.

**IDENTIFYING GLOBAL CITIES**

During the first half of the twentieth century, most major cities in economically advanced nations had an industrial base. They were not only industrial cities, but manufacturing was an integral component of their labor force and economic organization. The decline in manufacturing in cities in these nations during the last half of the twentieth century created severe social and economic...
problems. To recover, many cities tried to move in a new direction that may be described briefly as "the globalization response": recruit transnational corporations and the specialized firms (offering legal, accounting, and other services) that follow these corporations, and provide cultural attractions for international tourists.

The formerly major industrial cities that were most able quickly and thoroughly to transform themselves into the new postindustrial mode became the leading global cities—the centers of the new global system. Cities that lagged in this transformation process have typically experienced high unemployment, out-migration, neighborhood deterioration, and related problems. Eventually, leaders in most cities concluded that globalization is the strategy most likely to be successful. They have correspondingly tried to strengthen their links to the global urban network and, in effect, become more like the cities that are its hubs. This strategy was apparent in the 1995 report of the Manchester (England) City Council. After twenty-five years of economic deterioration associated with the closing of manufacturing plants, the Council's report stated that the only viable alternative would require that Manchester be "plugged in to the network of world cities . . . developing as centres of decision-making . . . financial institutions . . . the media, culture and sport." (Later in this chapter we describe the specific plans the Manchester City Council pursued and explore how successful they were.)

The pervasiveness of the globalization response means that almost all cities are likely to have some features that make them global. For example, in 1980, Garden City, a small town in Southwest Kansas, was able to induce IBP, Inc., to relocate to the town. (IBP sells meat products around the world.) Over the next decade, the company recruited 3,000 employees who, with their families, raised Garden City's population to over 20,000. As a result of the IBP relocation, Garden City could be placed somewhere along a global cities continuum. However, that city's connections to the global system are not highly consequential from either an economic or cultural perspective. If the concept of global cities is to be meaningful, places like Garden City have to be placed below the cutoff point.

At the opposite end of the global cities continuum is a set of four cities that are at the apex, no matter what criterion is emphasized. These four cities—London, New York, Paris, and Tokyo—are the central hubs of the global network regardless of how it is defined. The consequences of activities contained within them are unequaled. One could therefore write about global cities focusing solely upon this set, or a subset of it, and numerous writers have done just that. However, by so limiting the number of cities to be considered global, one risks seriously underestimating how widely the global city construct might be generalized. And given the pervasiveness of the globalization response, it would not be surprising if a substantial number of other cities were also more-or-less qualified candidates for inclusion.

Between places like Garden City and the four cities at the apex of the hierarchy, there is no agreed-upon point on the continuum above which cities could be labeled global, below which they could be regarded as nonglobal. Right behind the leading centers is a group of between ten and thirty cities that can be considered second-tier global cities. The exact number of such cities and their ranking vis-a-vis each other vary according to the criterion employed. Second-tier cities tend to follow closely behind the four top cities on some, but not all, dimensions. For example, Chicago and Frankfurt are usually considered rather significant global cities when a concentration of economic activities is stressed, but not when the focus is on cultural industries. The reverse is true of Los Angeles and Sydney. In addition, a few other cities are frequently placed in the second tier of global cities, including Hong Kong, Osaka, Toronto, and Zurich.

Behind this category is a similarly sized grouping of third-tier cities. Such cities typically fall behind the second-tier cities on every criterion, but they nevertheless remain globally significant given the broad consequences of the organizations and activities they house. The third tier frequently includes such cities as Miami, Milan, San Francisco, Sao Paulo, and Singapore.

This book begins with the assumption that it will be most fruitful to conceptualize global cities along a continuum, with cities at the upper echelons of the continuum accorded more weight in describing the key features of the construct and the four cities at the apex regarded as the exemplars of the construct. The upper echelon will generally be regarded as including the four cities at the apex, plus the cities located in tiers two and three. This results in a group of between thirty and fifty leading global cities, depending on the criterion emphasized and the cutoff employed. This broadly—and for now, loosely—defined group of cities will be in the forefront in descriptions of spatial arrangements and lifestyles in global cities. However, at times it will be helpful to examine selected cities, such as Manchester, that are lower in the hierarchy. Through efforts to emulate cities that are more centrally positioned with respect to the global system, such cutoff cities often exaggerate certain tendencies, thereby making features and trends of the global cities more apparent.

Thus far, we have described a transition from industrial social organization in which the primary integrative role of cities was intranational to a postindustrial order in which cities played a more important international role. One key factor in this transition was the decline in manufacturing. However, that decline was only a piece of a picture that included a number of economic and occupational changes. In addition, running parallel to the economic and occupational transformations were a number of changes in people's perceptions, values, and lifestyles that collectively have been described as constituting postmodern or postindustrial culture. Global cities were one of the many new forms to emerge out of this complex set of economic and cultural changes.

To some theorists, postmodern culture is derived from the new postindustrial economic organization, and therefore warrants less independent importance. As you will see later in this chapter, this view was followed in some of the most influential early descriptions of global cities, leading to a stress on the primacy of economics. At the opposite extreme, some theorists have emphasized the shaping power of postmodern culture, believing it has a vital influ-
ence on the economy and government." We will generally follow a middle ground that attempts to link cultural and economic changes, noting their interrelationships without attributing precedence or priority. That approach puts this book with a growing number of others that stress convergence with a "focus on the mutual effects of economics ... and culture in restructuring processes."

The next section, includes descriptions of some of the more important economic and cultural changes that provided the backdrop for the evolution of industrial cities into global cities. Following each discussion, we review the most influential research on global cities, noting the place that investigators have accorded to economic and cultural dimensions in conceptualizing a global cities continuum.

**INDUSTRIAL TO POSTINDUSTRIAL ECONOMIES**

Employment and the local economy, for roughly the first half of the twentieth century, rose and fell with manufacturing. Then, in the second half of the century, manufacturing jobs in many cities markedly diminished as a result of several processes, the single most important of which was relocation. The corporate boards of many large corporations moved their manufacturing facilities from cities in the United States, England, Germany, Japan, and other countries to less established industrial nations, such as Mexico, Brazil, and Korea. Companies moved production facilities (but not home offices) to formerly nonindustrial countries because labor costs were a lot less—often due to the absence of unions—and the minerals, crops, and other raw materials used in production were locally more readily available, cheaper, or both.

Manufacturing employment also declined in established industrial countries because of automation, the use of sophisticated machines to replace manual labor. Instead of depending solely on people, during the final decades of the century companies relied more on computers to inspect inventories and design production processes and utilized robots to adjust machines, monitor assembly lines, paint automobiles, and so on. Furthermore, many of the production facilities that remained in these societies were reduced in size because responsibility for many of the functions that were previously handled in-house were subcontracted to specialized, external firms. Many firms found it cheaper to pay outside companies for maintenance, accounting, parts supply, and other tasks than to have their own employees perform such functions.

The loss of manufacturing jobs created long-term social and economic problems from which many cities have still not fully recovered. Successful adjustment to the new conditions has generally required cities that formerly relied heavily on manufacturing to devise strategies for linking to the global economy in new ways. As noted, the city of Manchester, in Northwest England, presents an especially interesting case. Jerome Hodos, who studied Manchester for several years, believes that the city’s revival was due in large part to a small association formed by corporate chief executives whose primary purpose was to link leaders of the business community and government officials, without having to go through electoral politics or legislative review.’ By limiting the association’s size to no more than thirty members, the group was able to present a more unified business view than larger and more diverse groups. Many association members were executives of multinational corporations that were headquartered in other nations. One member, for example, was head of a subsidiary of Kellogg’s, the American cereal company. These executives designed a strategy of recruiting transnational firms to Manchester and parlaying cultural and athletic activities into economic development initiatives with international marketing.

One direction Manchester followed was to become a world center of puppet animation films. Adding to the animation studio it had housed for years, Manchester attracted other animation and film studios, puppet makers, and set designers. The city became a leading international center for "stop-frame" animation in which puppets are moved slowly and filmed frame by frame. The most popular show created and filmed in Manchester was *Bob the Builder*, which became a hit with preschoolers throughout Britain, Germany, Japan, and the United States.

Sports provided a second arena for Manchester, and, although the city’s bid to host the 1996 Olympics did not succeed, the effort galvanized public and private support. Funds were raised to build an impressive ($115 million) football stadium, university dormitories, and hotels, mass transit systems, and so on. The cumulative effect was at least the partial rejuvenation of the formerly deteriorated and moribund downtown, and it positioned Manchester to be selected as the site of the seventy-two nation 2002 Commonwealth Games. This competition provided another important event for the city to use in marketing itself internationally, and the expected influx of visitors spurred the building of two large, innovative museums near the center of the city, plus an extensive addition to Manchester’s former Art Gallery.

In sum, Manchester—like numerous other cities formerly dominated by industrial production—had to reinvent itself after many of its factories closed. By focusing on linking to the global economy and the international business community located in Manchester, the city developed such cultural forms as museums, television production, and sports facilities. That route attracts coverage in the world’s leading newspapers and may help to lure footloose corporations looking for new locations, although not all segments within a city will necessarily reap much benefit from such developments.

**Who Benefits?**

At the same time that Manchester’s successes are noted it is also important to recognize that global linkages and cultural institutions do not have uniform effects within a city or metropolitan area. When foreign capital flows into a city, it commonly targets the commercial and financial center. Downtown real estate interests tend to benefit from the increase in commercial property values that
typically follows. Sectors connected to international trade, finance, or tourism are also likely to benefit directly from more transnational connections. However, other groups (such as the blue-collar workers in Manchester who were still seeking jobs in factories, and their trade unions) are more apt to be adversely affected.\(^{1}\)

When potential rental properties are converted (often via foreign investment) to commercial uses, the price of the rental properties that remain is usually increased. While this may be good for landlords, it is not good for working-class renters. The city of San Francisco is illustrative: a "dot-com boom" helped fuel a population increase of 7 percent between 1990 and 2000, but the net number of residents who identified themselves as black declined by almost 20,000. This shift did not occur because more African Americans were moving to even more expensive Bay Area suburbs, but because the growing number of start-up companies increased property prices to the point that people of limited means, which included a disproportionate number of blacks, were simply pushed out of the entire metropolitan area.\(^{12}\)

Recent construction in the heart of old Shanghai has had similar consequences, which is somewhat ironic in light of the fact that the Communist Party's building is near the center of the large, internationally financed development project that is displacing former workers. Specifically, 129 acres in the center of the city were being redeveloped from a crowded, working-class residential neighborhood into a landscaped corporate park. Many residents who received eviction notices liked the location and wanted to remain, but their buildings were torn down. The government offered compensation to the evicted residents, but it was not enough money to enable them to afford a place in the same area after the construction was completed. As one man, who described himself as a true communist, complained with a wry smile, 'They want to buy from me at planned-economy prices but sell to me at market-economy prices.'\(^{13}\)

Saskia Sassen, who has written extensively on globalization, views the influence of foreign firms and their executives on urban development as raising a question of moral claims; that is, whose city is it? The international business community, Sassen notes, has been accorded a great deal of legitimacy in making its claims upon cities, and it has consistently tried to transform them into high-tech, international business centers with world-class entertainment. In marked contrast are the low-income "others"—who Sassen identifies as minorities, immigrants, and women—who find their claims overlooked by the new decision makers.\(^{14}\) (This issue is further addressed in the next chapter.)

**The Knowledge/Information Base**

The new global order, as seen by sociologist and urban planner Manuel Castells, is based on the ability to store and process information and generate knowledge. Information was always in demand, of course, helpful both to eco-

omeical accumulation and political power. However, it may have become the most critical capacity. The production of goods, the offering of services, and decision making at every level depend increasingly on information. All other processes are now subordinate to it. And in modern nations, Castells adds, it is the information-processing component that underlies the dramatic recent growth in the services, and producer-services, sector.

One historically unique feature of the new arrangement is the reliability of wealth on knowledge in a global economy. Throughout most of the past several hundred years, economist Lester C. Thurow notes, the richest people in the world owned natural resources, such as land, gold and oil, or factories and equipment. Now consider Bill Gates: What does he own? The answer, according to Thurow, is none of the things that conventionally made people rich. Gates's wealth is based on control of a knowledge process, the most valuable "commodity" in a modern economy.\(^{15}\) Access to this new base is essential for creating wealth, and differential access within societies is magnifying preexisting income inequalities. Thus, Castells, Thurow, and most other analysts expect that levels of inequality will continue to reach new heights. New York Times columnist Thomas L. Friedman illustrated how these disparities in wealth and understanding are growing by recounting his experience in Egypt on a train between Cairo and Alexandria. Friedman sat in a car full of upper-class, urban Egyptians whose cell phones never stopped ringing. As the train passed the Nile, he saw barefoot villagers tilling their fields with water buffalo, much like their ancestors had in pharaoh's day. Inside the train, Friedman concluded, it was A.D. 2000, but outside the train, it was 2000 B.C.\(^{16}\)

Thurow also observes that the very changes that led to an emphasis on knowledge have, ironically, made it difficult to protect intellectual property rights. The protection of most property rights, in an industrial age, involved patents, copyrights, and trademarks. Such safeguards do not work well today because technologies have created new forms of intellectual property rights that are difficult to patent or copyright. For example, when scientists discover the function of a specific gene, what ownership rights can be patented? And the ease with which software can be illegally duplicated often makes copyrights meaningless.

**ECONOMIC MEASURES OF GLOBAL CITIES**

During the late 1970s extensive writings began to appear describing the formation of a global division of labor among cities. The way any new topic (such as global cities) is initially examined is typically a function of the theoretical assumptions that predominate in a discipline or its most relevant substantive area. During the late 1970s, a paradigm shift was occurring in urban studies across the social sciences. Specifically, during the earlier decades of the twentieth century there was an emphasis on human ecology. According to this school of thought, changes within cities occurred spontaneously as a result of the same natural laws that operated in plant and animal communities. By contrast, the
deliberate actions of groups of people or of governments were considered of lit-
tle importance in altering city growth and development.

The ecological perspective was quickly being replaced in the late 1970s by
a political-economy model that emphasized the importance of wealth and
power and people’s ability, via planning and concerted actions, to direct
change. According to the new perspective, cities and their components were
“commodities,” subject to marketplace considerations. 8 People with wealth
and power (and the two usually go together) were viewed as making invest-
ment decisions that determined which neighborhoods would grow, how
quickly suburbanization would occur, where various types of businesses
would concentrate, and so on. While the role of government was largely ig-
nored in the earlier ecological analyses, the later paradigm stressed the link
between economic interests and political actions.

Many global analysts assumed that the principles that governed activities
and development within cities were similar to those that affected relations
among and between cities. Thus, analysts focused on the cities in which fisc-
al-economic activity was concentrated in such forms as the largest stock ex-
changes, banks, and related financial institutions. The decisions that were
reached in the cities that contained these economic concentrations, analysts as-
sumed, were almost certainly highly consequential for other cities in the world
because they all depended on investments emanating from these centers. Thus,
the concentration of capital and economic decision-making influence was as-
sumed to identify the leading global cities.

In addition, World System Theory (WST), which also followed a political-
economy model, was pervasive during the 1970s and provided an initial um-
rella under which to view the world urban system. According to WST—as
formulated during the 1970s—for several hundred years the world had been
divided into a core and periphery. 19 These two sectors corresponded with dif-
fferences in nations’ wealth and influence, and relations between the nations in
the core and periphery were self-sustaining because of the way those in the core
exploited the periphery. The imagery of WST also borrowed heavily on the in-
sights of Karl Marx, but where Marx had primarily focused on capitalism’s ef-
fects within nations, WST focused on capitalism’s international effects. The
nations in the core (for example, England and France) initially maintained
dominance over the periphery (nations in Africa, Latin America, and else-
where) via colonization, and later through exploitive arrangements in which
firms located in the core paid very little for the raw materials they extracted
from the periphery or for the labor they employed in the periphery. As a result,
core firms’ profits were excesssive, maintaining the wealth and advantage of
the core nations at the expense of those in the periphery.

The cities that most analysts agreed belonged at the apex of the global city
hierarchy tended to be the major cities within the core nations (again, for ex-
ample, London and Paris), suggesting that the theoretical underpinnings of
WST—its economic emphasis in particular—could be fruitfully applied to the
analysis of global cities. This direction, as noted earlier, was congruent with the

paradigm shift occurring in urban studies (as well as across many other social
science specialty areas).

The impact of both WST and a political-economy model on the study of
global cities was clearly evident in an influential early paper by urban analyst
John Friedmann. In 1986 he tried to summarize the findings of current studies
of world cities and propose the directions he thought future studies should
pursue. Friedmann began by noting that the nature of a city’s connection to the
world economy was the key issue, and that similarly connected cities would
necessarily be alike despite differences in history, national policies, and cultural
influences. These leading cities were conceptualized as the global command cen-
ters because they were the “basing points” between world production and
world markets. Among the significant features leading cities would always be
expected to have, Friedmann emphasized similar divisions of labor (for exam-
ple, large numbers of professionals in specialized control functions, such as
lawyers, computer programmers, and accountants). In addition, he expected all
these cities to serve as the major sites for the concentration and accumula-
tion of world capital. 20 Friedmann’s proposed hierarchy was based on a number of
criteria, but it emphasized fiscal-economic and business services concentra-
tions, and by his definition no primary world city could be located in a coun-
try that was considered peripheral.

In an important study of three major global cities (London, New York, and
Tokyo), Sassen provided a detailed analysis of the parallel economic develop-
ments that were transforming the cities into concentrated financial centers. In a
1991 book, Sassen argued that the global cities had significant consequences
both for the nations in which they were located and the global economy, but her
analysis was not presented in a WST framework. Instead, Sassen insisted that
it was the leading global cities, rather than core nations, that were the key struc-
tures in the world economy. 21 This separation of cities and nations was very in-
fluential. Even Friedmann, when he looked back at the decade of research after
the publication of his early paper, dropped the WST perspective from his
framework and simply identified cities in a hierarchy according to his view of
the economic power they commanded.

We will explore these issues in greater detail in Chapter 4, which examines
fiscal-economic concentrations, specifically focusing on the cities that are head-
quartes to major stock exchanges, banks and financial institutions, multina-
tional corporations, and financial services corporations. For each of these
specific variables, we will describe the leading global cities as well as the sec-
ondary and tertiary centers. Chapter 5 focuses on patterns of growing income
inequality within and across nations and cities, global cities in particular, and
analyzes the relationship between inequality and the global economy.

MODERN TO POSTMODERN CULTURE

Running parallel to the changes associated with postindustrial economies
are a number of fundamental cultural changes involving new ways of perceiv-
ing and experiencing the social world. All of these changes “distort” cultural features of industrial societies, though they do so in different ways. Some changes drastically exaggerate trends begun in industrial societies. Two of the most important examples are hyperrationality (discussed next) and hyperconsumption, which involves constantly growing desires for more commodities (introduced in Chapter 2). On the other hand are cultural changes (such as de-differentiation, which is discussed on p. 14—15) that appear to reverse trends that formerly characterized industrial societies.

**Hyperrationality**

Max Weber, among the most influential theorists in economics, political science, and sociology, observed that a basic trend characterizing Western societies was a “demystification” of the world. Writing early in the twentieth century, Weber contended that magical beliefs, superstitions, and rituals were playing an ever-diminishing role in most people’s everyday lives. In their place was an increasing rationality, epitomized by modern science and technology. By rationality Weber meant that decision making within the society, and especially its economy, involved a deliberate assessment of the likelihood that various means (i.e., alternatives) would lead to desired goals. One example is a company’s calculation that it would be more efficient to supplement its workforce with temporary workers than to hire permanent employees. Whether permanent workers would be more loyal, and whether such loyalty would make any difference, seems too far afield to be relevant to decision makers who focus solely on an efficient connection between means and ends. This was how Weber anticipated people would make choices. He concluded that in modern societies people would find it so difficult even to conceive of alternative ways of reaching decisions that he likened rationality to “an iron cage.”

Writing nearly a hundred years ago, Weber envisioned the kind of rationality that became associated with manufacturing processes. Consider an automobile assembly line as the prototype: each worker contributed a door handle, a seat bolt, or some other small standardized part to the manufacture of an automobile. Highly rational control over the entire production process was apparent. Then rational production was combined with rational distribution and mass marketing to ensure maximum profitability for the firm. Because Henry Ford was the first to utilize assembly lines on a large scale, this entire system of production is often termed “Fordism.”

Rationality was not limited to manufacturing, of course. In fact, with the decline in manufacturing, the most important applications of rationality exist elsewhere in the economy and may be best illustrated by fast food franchises such as McDonald’s. Such franchises became dominant purveyors of food because they epitomized the rational approach. Buying raw materials in large quantities and selling products to a mass market provided franchises with large-scale efficiencies that small “mom and pop” restaurants could not match. The parent corporations made each decision rationally. How many square feet should be assigned to the eating area? Does a drive-through window maximize the use of space and personnel? Should whole potatoes or precut potatoes be distributed to franchises? In each case, decisions were based on efficiency and opportunities for rational control. For example, the decision to ship potatoes that had been precut in one location was made because it offered more control to the corporation and promised a standardized product that could be nationally priced. Those factors were weighed in the decision about the type of potatoes to distribute to franchises; other considerations, such as which type of potatoes the cooks might prefer to work with, were not.

Every fast food chain promised quick service and the same predictable food, no matter where its products were purchased. In promoting corporate identities, each chain also tended to emphasize the quantitative, rather than qualitative, features of its operation (e.g., how many burgers it had sold, how many seconds it took to fill an order, and so on). Persuading consumers that it was rational to purchase food at the corporation’s franchises also led the chains to stress the quantitative characteristics of their products (that is, product size and weight), because consumers can most readily compare such quantitative features across competitors. As a result, franchises market such items as the Quarter Pounder, the Big Gulp, and the Whopper, and all of the fast food purveyors tend to de-emphasize qualitative aspects, such as taste, aroma, or texture.

In postindustrial (post-Fordism) societies, the emphasis on rationality may have become excessive, resulting in hyperrationality. This shift is certainly not confined to fast food restaurants: ATMs, weight loss or diet centers, packaged vacation tours, and so on, similarly ensnare people by offering what appears to be highly efficient means to various ends. As rationality has been exaggerated into hyperrationality, however, it may have resulted in practices that only appear to be efficient. Are long lines at ATMs efficient for customers? Is it rational to take a packaged tour that does not permit the traveler to deviate from the beaten path to pursue a personal interest? With respect to fast food restaurants, Ritzer questions whether a better meal could not be prepared at home, for the same money, and be more satisfying than one eaten in a car. Furthermore, he asks, is it rational to eat in a restaurant that looks and feels exactly the same as every other, whose arrangements encourage people to eat as quickly as possible, and then to gather and dispose of their own garbage?

Hyperrationality has become a pervasive feature of everyday life in postindustrial, global cities. Some people object, and try to resist the encroachment by franchises (and their attendant rationality) into every aspect of modern life, but resistance is difficult, and sometimes the alternatives are only superficially different. Tired of McDonald’s? An alternative is American-style pizza, readily available everywhere in the world through such chains as Pizza Hut and Domino’s. Pizza franchises became popular on a global scale because the type of pizza they sell is also highly uncomplicated to produce, easily standardized, fast, and portable. However, for the same reasons, it may be no more rational a choice for consumers than fast food hamburgers.
**Dedifferentiation**

It was the view of an other influential classical theorist, Emile Durkheim, that the growing size and density of industrial societies were leading to greater and greater specialization. He particularly emphasized the movement toward more differentiation and stratification among occupational groups. The butchers, bakers, and candlestick makers—and engineers, lawyers, and scientists—were each associated with a specific product or service that in industrial societies was clearly demarcated from the others. Each had its place, and social solidarity in Durkheim’s view depended on each group knowing that place. Associated with this rigid division of labor in industrial societies were strict separations among symbols, places, categories, and so on. Everything had to be kept in its proper place. To illustrate, mealtime was a distinct activity with its own set of norms, carried out in settings that were specifically designed for eating.

As the differentiation process continued and then accelerated at the end of the twentieth century, it may have reached a point where the boundaries of numerous symbols and social categories simply collapsed. Previously differentiated entities “imploded” into each other, and all types of distinctions became obscure. Mealtime, as a special ritualized activity, to carry out our example, has become virtually meaningless because people eat while they watch television, walk down the street, drive their cars, or work at their desks.

The increase in the products and services that can be put into a car to turn it into a mobile office is also eroding the distinction between leisure and entertainment, on the one hand, and work on the other. Among the equipment recently designed for automobiles are printers put into folding-down rear seats, special antennas for wireless Internet connection, hands-free telephones, palm-sized computers that transmit information to a dashboard display, and so on. The net result has been to transform automobiles into go-anywhere office cubicles that can be used by people in many occupations other than the sales representatives and insurance claims adjusters who had used mobile offices for years. A business consultant who had been living in an apartment recently bought a 37-foot recreational vehicle and fully equipped it to serve as a mobile office. Now he can visit Death Valley one day and write business reports that night in the same R.V. in which he will go to sleep. The next day he may tour a national park then drive to Phoenix and give a presentation before heading to Montana to view the fall foliage. The business consultant insists that even if he looks like a recreational vagabond, he really is working most of the time. "It’s not like I’m sitting outside drinking margaritas all day,” he said. When the partitions that once separated symbols and categories become uncertain, the previously distinct dimensions of social life penetrate each other. As a result, social theorist Jonathan Turner notes, any new group can “usurp the symbols ... of other persons ... especially in an economy that makes everything available.” Consider as an illustration wealthy suburban teenagers who wear beltless jeans slung low on their hips. This was once considered a jailhouse look because prisoners were not permitted to have belts so their pants often slipped down. What do low-slung jeans now signify with respect to the status of the wearer?

The status distinctions between high-brow and low-brow forms of consumption have also diminished. Symphony orchestras whose repertoire was once largely confined to the works of classical composers and whose audiences tended to be well versed in the composer’s work now play more “pops” concerts for heterogeneous audiences. The art and artifacts of museums were once arranged for patrons who knew the context and were looking for content. Now there is more emphasis on how to present collections to a mass market in a way that will provide people with a cinematic and interactive experience. One prominent exhibit designer explained that this trend is "an inevitable outcome of a theme-park and movie culture.”

**CULTURAL MEASURES OF GLOBAL CITIES**

The most overt aspects of any culture are most readily observed in people’s language, technology, and artifacts. With respect to these more visible expressions of culture, it is clear that societies everywhere became increasingly alike during the last decades of the twentieth century. All around the world the same advertising slogans made their way into everyday speech, the same songs and movies were most popular, children everywhere wore Yankees or Dodgers caps and used the same kind of remote control to change television stations. Telecommunications advances, along with the more efficient worldwide distribution of commodities, were responsible for this visible cultural homogenization. However, the songs, baseball caps, and the like were only the manifest components of more fundamental cultural changes. A transformation of perceptual and value orientations accompanied the changes in overt cultural trappings. Thus, people in many nations ascribed more legitimacy to capitalist markets and put more emphasis on consumption, leisure, and touring; and everyone’s lives were affected by modifications of dominant cultural tendencies, such as dedifferentiation and hyperrationality.

Although what we may term global culture diffuses throughout the world, the cultural industries that transmit it are concentrated in a few cities: New York and Los Angeles (hence, the pervasiveness of Yankees and Dodgers caps), London, Paris, and Tokyo. The cultural industries located in these cities are the major conveyers of ideas and values, influencing the way people everywhere act, think, and feel.

For some theorists, particularly those following a political-economy model, cultural hegemony is real but ephemeral; that is, while an urban hierarchy involving cultural influence might be deduced, some expect that it would reflect nothing more than patterns of economic dominance. In still other words, the cultural dimension was thought only to reinforce, rather than shape, the political-economic nexus, and it was that latter nexus that was regarded as central. Other theorists, however, place the cultural and economic realms on a more even plane, often emphasizing how difficult it can be empirically to dis-
CITIES AND REGIONS

Throughout this introductory chapter we have referred to cities, especially global cities, without clarifying exactly what comprises a city. When specific cities are discussed there are usually appropriate qualifiers; for example, different territorial units are obviously implied by Inner London and Greater London, or New York City and the New York Standard Consolidated Area. However, when discussing cities in general, the term can refer solely to a municipality or politically incorporated area, or the municipality and the built-up area immediately surrounding it, or an extended metropolitan area, including the municipality and its inner and outer suburbs.

As we use the term city in this book, it usually encompasses both the municipality and the extended suburban area. Any other geographical unit is too small to adequately correspond with the way globalization has affected extended metropolitan areas. For example, streams of immigrants have settled in both the center and extended suburbs of global cities. Thus, the major nodes in the world economy are these global “city-regions.”

Within these city-regions, however, there are variations in the degree to which global connections are centralized or dispersed. These different patterns are illustrated by the locations of multinational corporations in U.S. cities. As conventionally defined, multinational (or transnational) corporations engage in economic activities in nations other than the one in which their headquarters are located. The larger corporations are involved in production or sales across much of the world, and the vast resources they control make them an enormous asset to the city (and the nation) in which they are housed.

Within the United States, the headquarters ranking of cities and metropolitan areas varies somewhat according to the criteria employed in selecting multinational firms. However, New York is always at the apex, and Chicago, Los Angeles, and San Francisco are almost invariably near the top. One fairly typical result, presented in Table 1.1, displays the location of the 500 largest publicly held U.S. corporations in 1998. Virtually all of these firms engage in a great deal of business across national lines. The table also indicates the number of headquarters that are located in the city (which would ordinarily be in the central business district) and in the suburban area surrounding the city.

From Table 1.1 we can see that the four metropolitan areas with the largest headquarters concentrations actually contain about a third (165) of the 500 largest corporations. The top ten sites (among cities included in Table 1.1) contain over half (258) of the largest corporations. When the next ten sites (not shown in the table) are also included, the top twenty metropolitan areas are found to house nearly two thirds (328) of the nation’s 500 largest corporations.

<table>
<thead>
<tr>
<th>Metropolitan Area</th>
<th>Number of Corporations</th>
<th>Number in City/Surrounding Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>76</td>
<td>29/47</td>
</tr>
<tr>
<td>Chicago</td>
<td>35</td>
<td>17/18</td>
</tr>
<tr>
<td>San Francisco</td>
<td>29</td>
<td>4/25</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>25</td>
<td>5/20</td>
</tr>
<tr>
<td>Boston</td>
<td>19</td>
<td>2/17</td>
</tr>
<tr>
<td>Dallas</td>
<td>19</td>
<td>13/6</td>
</tr>
<tr>
<td>Houston</td>
<td>18</td>
<td>18/0</td>
</tr>
<tr>
<td>Minneapolis</td>
<td>14</td>
<td>11/3</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>12</td>
<td>4/8</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>11</td>
<td>3/8</td>
</tr>
</tbody>
</table>

Looking within global cities from a spatial perspective discloses a pronounced overlap between the cultural and economic entities. It is precisely in the central financial districts of global cities, where international economic activity is most highly concentrated, that one also finds the headquarters of the most significant media conglomerates and clusters of museums, galleries, Disney stores, and other representations of the cultural industries. They are all interspersed among the high-rise centers of finance.

From an empirical perspective we may also note that the cities that are the hubs of the cultural industries resemble those that dominate the economic hierarchy, but with some notable variations. The least overlap occurs between the secondary and tertiary economic centers (including Frankfurt and Osaka) and the secondary and tertiary cultural centers (including Luxembourg and Sydney). In this book, we will treat the cultural and the economic realms as conceptually distinguishable, even while recognizing their marked overlap. In Chapter 6 the interpenetration of the cultural and economic realms is further explored, followed by an overview of recent changes in the cultural industries, with emphasis on how mergers and acquisitions produced enormous media conglomerates that control large shares of the world markets. In Chapter 7, a hierarchy of cities is presented based on headquarters of three of the most important global cultural industries: recorded music, movies, and television.
Table 1.1 also discloses an interesting pattern of city and suburban locations. It is only in those cities that grew most recently—the noncoastal cities, including Dallas, Houston, and Minneapolis—that central city headquarters are more prevalent than suburban headquarters. Much of the reason has to do with the availability of space in these cities relative to their suburban areas. The noncoastal central cities are relatively large because their basic shape was set after automobile use was widespread. Cities that developed before the automobile tend to be more compact due to transportation limitations during their formative years. (This would include most of the leading global cities in Europe and Asia as well.) Because the suburban areas of preautomobile cites developed later, they tend to encompass a relatively larger area than the cities they surround, enabling them to house a larger proportion of multinational corporations.

The next two chapters examine locations, activities, and lifestyles within global cities. Specifically, Chapter 2 begins at the center of global cities in the financial services district and works outward until it reaches "edge cities," the concentrations of corporate headquarters, retail agglomerations, entertainment facilities, and dense housing located at the periphery of metropolitan areas. Chapter 3 presents a discussion of immigrants and exiles, examining the enclaves they formed in global cities, and the way immigration has challenged conventional aspects of citizenship.

**APPENDIX**

**The Virtual Workplace**

One of the more dramatic changes in postindustrial economic organizations involves the physical separation of many employees from their primary work sites. Telecommunication developments involving the use of digital transmission, fiber optics, and lasers greatly improved the ability of people working at different locations to communicate with each other. They also led to the growth of the virtual workplace in which the work sites of lawyers, accountants, purchasing agents, and others are electronically, but not physically, connected to their co-workers, clients, and customers. To illustrate, the home office of BOC Gases, an international distributor of industrial gases used to manufacture semiconductors, is located just outside of New York, in Murray Hill, New Jersey. BOC maintains an online catalogue of gases on a restricted-access Web site that is available only to select suppliers and customers. Million-dollar orders are placed on BOC’s Web site without any phone calls, faxes, or invoices. Managers employed by the Murray Hill facility only have to turn on their home computers to be able to oversee these sales transactions.

What makes the separation of workers and work sites especially interesting is the way it illuminates the congruence between economic and cultural changes. To be more specific, the technological innovations that support the economic-occupational transformation are associated with a blurring (i.e., de-differentiation) in such previously distinct realms as home and office. According to some analysts, the change promotes rationality. Thus, for many people an electronic rather than physical attachment to their work site is an ideal arrangement. Their home office enables them to work the hours they prefer, sit in front of a computer in their underwear, remain close to young children, or the like.

However, other analysts regard the arrangement as blurring the lines between work and nonwork, between private and public space, because one’s work site is never further away than the “spare bedroom,” converted to a study. There is nothing like a plant whistle at 4:30 to mark the end of a work day. In addition, home work sites separate workers from work groups, which in industrial organizations often provided working people with an important sense of identity and connectedness.

Feelings of isolation among home-office workers are apparently one of the most important reasons for the success of “rent-an-office” complexes in major cities. A number of franchises provide offices for the estimated 40 million people in the United States who now work out of their homes. They can rent everything from compact, modestly furnished offices to executive suites. These furnished spaces are available by the hour, day, or month, and typically offer access to fax machines, color copiers, even shared secretaries. Some home-office workers rent the facilities for short periods in order to have more suitable places to meet clients. Others want to escape from the sound of cry-
ing babies or the sight of overflowing laundry baskets at home. For many of the office renters, however, a major objective is to be in a place where there are other working people to talk to during the day. After interviewing people in these rented offices, a Time magazine writer concluded, "A key part of [their] success . . . is replicating the sense of community that employees used to find hanging around the water cooler." Thus, in these leased complexes, workers employed by different companies who happen only to share an address, hold Friday afternoon pizza parties, Christmas celebrations, and the like.

John Freie cynically notes that it was when more people were physically separated from their co-workers that American corporations introduced "participatory management" and a variety of other collegial approaches. They promised to increase the sense of connectedness among employees by providing the things people longed for but were no longer getting: recognition and approval. However, according to Freie, contemporary corporate versions of participation provide only "counterfeit communities" that cannot replace the authentic communities that were once based on neighborhoods and families. As the significance of the latter has declined, people have been left feeling isolated. The managerial fads, Freie concludes, "manipulate and exploit" people’s longing to belong, but they cannot provide workers with any enduring personal identity or sense of genuine connectedness.40

NOTES

1. For further discussion of a number of major cities between roughly 1400 and 1800, see Alan K. Smith, Creating a World Economy (Boulder, Colo.: Westview, 1991).
5. See the discussion in Frederic Jameson, Postmodernism, or, the Cultural Logic of Late Capitalism (Durham, N.C.: Duke University Press, 1991).
7. For further discussion of these processes and their effects, see York Bradshaw and Michael Wallace, Global Inequalities (Thousand Oaks, Calif.: Pine Forge Press, 1998).
24. For a discussion of Fordism and the ways it has and has not changed in postindustrial societies, see Jerald Hage and Charles H. Powers, Post-Industrial Lives (Newbury Park, Calif.: Sage, 1992).
28. Ritzer describes the process by which previously differentiated entities collapse onto each other as implosion. See George Ritzer, Enchanting a Disenchantment World (Thousand Oaks, Calif.: Pine Forge Press, 1999).
In this chapter we examine the spatial arrangements and lifestyles that are most characteristic of the leading global cities and their metropolitan areas. These attributes do not make them totally unique because many less global cities, especially large ones, partially share some of these features. The differences are typically more a matter of degree than kind. However, the leading global cities are set apart by their tendency to be uniformly high on all of the distinguishing spatial and lifestyle characteristics to be described here.

Our analysis will begin in the center of the city, in the downtown area that is dominated by high-rise office buildings catering to professional and financial services corporations from throughout the world. We will analyze the reasons for the financial agglomeration and the characteristics of the people who work in the district. Remaining near the city center, we will then turn to a distinctive type of neighborhood that frequently surrounds the financial center, namely a gentrified area. We will describe the physical characteristics of such neighborhoods and examine the lifestyles of the mobile young professionals who are its primary residents.

This chapter will also discuss the ways in which tourism and the heightened emphasis on consumption associated with postmodern culture are defining and shaping global cities, from financial services districts to urban neighborhoods to shopping venues. Our analysis will finally move out to the periphery of metropolitan areas of global cities to examine "edge cities," with their enormous concentrations of office complexes, housing, retail shopping, and entertainment.

When people encounter the built environment of cities and suburbs it is often difficult for them to imagine how that environment could be any different from the current setup. Frequently, however, a city’s seeming "naturalness" obscures the fact that there is usually a struggle between competing groups to define space. Gender, race, and economic interests, for example, are typically associated with the attribution of different meanings to the same space. Is an
acre of grass and trees in the center of a city to be considered a "green space" for the visual enjoyment of office workers or a park to be used by the children of nearby residents? The prevailing definition of the space will influence whether ball fields are built or "keep off the grass" signs are installed. Whose definition of the place wins out ordinarily depends on resources and access to decision makers. It is only after a usage competition has been resolved that it becomes difficult to imagine how space could be put to any other use. The constructed landscape then, has "the capacity to legitimize the powerful, by affirming the ideologies that created them in the first place."  

THE FINANCIAL SERVICES SECTOR

The concentration of high-rise office buildings that has become a hallmark of the center of global cities tends to contain large numbers of banks, insurance companies, law firms, stock brokers, and companies that buy, sell, and manage real estate. These activities correspond with the role of global cities as centers of the international flow of money, information, and commodities. 1 Affiliates or branches of the same companies are consistently found in the financial services sectors of global cities because these giant firms want access to all the urban centers with similar agglomerations.

Within these high-rise office buildings, employment is predominantly in highly skilled, knowledge-intensive producer services involving accountants, site analysts, lawyers, computer programmers, financial analysts, and so on. These professionals earn large salaries and their clients are more likely to be firms than individuals. Within this same sector is a second type of service work, involving such low-skill, low-wage positions as security guards, mail sorters, people who prepare and fill orders in fast food restaurants, and so on. Many service workers are employed in the lobbies of high-rise buildings, where they stand guard at entrances, shine shoes, or take orders at the counter of a Starbucks or a McDonald’s that serves the building. In contrast to the highly skilled people in the upstairs offices whose clients tend to be firms, people in this second type of work typically provide services directly to individuals. 2

The large number of people working in low-wage service occupations in financial services sectors was vividly illustrated by unemployment figures following the September 11, 2001, terrorist attack on the World Trade Center in New York. In the month following the destruction of the Twin Towers, business activity in the vicinity largely halted and an estimated 80,000 people lost their jobs. Some who lost jobs were stock brokers, bankers, other managers, and executives. The occupations most affected in terms of unemployment, however, were waitstaff, food preparation workers, and others in restaurant and fast food services. 3 Unemployment among lower-end service workers was only part of the story. Even though thousands of people kept their jobs, they saw their incomes plummet. To be specific, limousine and cab drivers received fewer calls to transport bankers and lawyers, nannies found their schedules cut, and bellhops lost lost tips due to fewer guests at hotels in the financial district. New York, like other global cities, has a lower class that provides luxury services for upper-class professionals and their families. One New York historian observed that "when that upper class catches a cold," as in the aftermath of the World Trade Center destruction, "those who rely upon them catch pneumonia." 4

Concentration and Agglomeration

For the past several decades, the headquarters locations of multinational corporations and specialized service firms have followed two trends: concentration (i.e., each firm has brought diverse functions to its primary location) and agglomeration (i.e., different firms have sought the same locations resulting in clustering of similar types of enterprises).

The explanation for the concentration of financial services in global cities, according to sociologist David Meyer, lies with flows of information. The global economy is, of course, dependent on modem telecommunications. The growth in international financial transactions and in imports and exports could not have occurred without satellite transmission, fiber optics, and other telecommunications innovations. Connecting to this global flow of information has never been easier; some information is accessible to anyone with Internet access. Yet, firms have tended toward large size and concentration despite the fact that, at first glance, technology might seem to support small size and decentralization. Why the seemingly contrary trend? According to Meyer, it is due to differences in the kinds of information available. Anyone can obtain stock and bond prices, for example, but specialized firms that have sophisticated software and other information processing technology with which to analyze trends in prices are more likely to have unique insights. The infrastructure that gives this advantage to firms is expensive, though, and concentration helps justify the high fixed costs. 5

Sassen agrees that the concentration of financial service firms over the past few decades can, at first glance, seem counterintuitive, but she offers several additional reasons why these firms did not disperse. One important reason is that the branches and affiliates of firms headquartered in the major cities are carrying out activities throughout the world, which places a premium on centralized control and argues against dispersion. Sassen also points out that the scale of modern business, with huge mergers and mega-acquisitions, requires enormous resources, which also favors consolidation. Finally, she notes, the growth of the global economy has diminished the significance of national boundaries. As a result, externally moving investment flows are less likely to arouse nationalist concerns, so companies do not have to locate major components everywhere they are doing business. 6

In addition to all Meyer’s and Sassen's reasons for the growth and concentration of financial services, large size is also indirectly encouraged by problems of trust, which are at least partially resolved by government “certification.” To understand this government role, Meyer notes that it is helpful to remember that these firms are not routinely buying and selling (or advising
others who buy and sell) actual physical assets. While transactions can involve such commodities as automobiles, gold, or timber, they more often consist of "instruments" that are symbols of these assets or else are derived from them. To illustrate, real estate portfolios may repeatedly change hands without anyone taking physical control of the property involved or altering that property in any way. Similarly, outstanding loans may be "bundled" and sold from firm to firm with virtually no impact on the debtors whose loans are the objects of the transactions.

With symbolic exchanges, trust is essential because no one is handing over a visible truckload of automobiles or a ton of wheat. On the other side of the transaction, buyers are not bringing stacks of currency to the table. Buyers must assume that sellers own the items they are offering, and sellers must assume that buyers have the funds (or access to the funds) to cover the cost of the transaction. Furthermore, these transactions are occurring between people who ordinarily do not know much about each other's backgrounds, and whose relationships are confined to this one set of work roles. Lacking personal familiarity with each other, buyers and sellers must rely on trust precisely when its potential is receding.8

A premium is also placed on trust because the speed and volume of exchanges in stocks, bonds, currencies, and the like typically precludes the detection of malfeasance until it is too late. If each aspect of a potential exchange required scrutiny and confirmation, the pace of exchange would be slowed to a crawl. Therefore, Meyer points out, elaborate methods have been devised by which nations certify the trustworthiness of firms and provide means by which an aggrieved party could seek redress. This commercial legal code is crucial to the successful operation of any nation's international financial center. However, by limiting the number of firms that are certified, a nation also places an entrance barrier to the market, and this limitation on the number of firms that can compete also favors the growth in size of the designated firms.9

**POWER AND OPPOSITION**

While recognizing the role played by national governments in supporting financial services agglomerations, it is important not to overlook the strategic part played by host cities and their metropolitan areas. Host cities create an environment conducive to agglomeration by cooperating in building and maintaining infrastructure conditions, such as global telecommunication and air transport facilities, and providing tax incentives. City leaders tend to emphasize the anticipated rewards for making such investments: more jobs, an improved tax base in the long run, image enhancement, and so on. The costs that will likely accrue, such as airport noise or congested highways, tend to receive scant attention.10 Furthermore, almost any type of development is likely to benefit some segment of the city at the expense of others. Few changes will actually turn out to be neutral in their consequences, regardless of how ideally they may be presented as serving the interests of everyone. To illustrate, in the late 1980s, the metropolitan Los Angeles transportation authority (MTA) proposed a long-range plan for the metropolitan area. Its centerpiece was a light rail system linking downtown Los Angeles with several suburban areas. By enticing commuters to leave their automobiles at home, the planners believed the new system would cut pollution and sprawl. What group could object to these goals?

Opposition arose later when, to offset high construction costs of the subway system, the MTA slowly reduced bus route expenses by putting fewer new buses into service, raising fares, and eliminating monthly bus passes. In response, a Bus Riders Union formed to advocate against these reductions. The union pointed out that buses were heavily used by people from working-class neighborhoods, minorities in particular, many of whom had no alternative means of commuting to work. The suburban rail line, by contrast, primarily served more affluent (and fewer minority) suburbanites. Eventually, lawyers from the NAACP Legal Defense Fund took an interest and argued that by degrading bus service in favor of rail transit the agency was engaging in de facto racial discrimination. The Bus Riders Union won a few small court cases, including one resulting in a judge requiring the MTA to order some new buses. In the larger scheme of things, however, the bus riders and their association have not been able to do more than slow the process. Where Los Angeles’ transportation policies have been concerned, the interests of the working class, minorities, and their communities have taken a back seat to the interests of affluent suburbanites. As rail construction proceeded at the expense of support for bus service, ridership on metropolitan Los Angeles buses declined by a third between 1985 and 2000.

When corporations have designs on economically depressed areas, there is a power mismatch. Because these communities tend to have limited political clout, any conflict that occurs between local and corporate interests is usually of short duration. Gerald Suttles, a sociologist who studied poor areas of cities for many years, described the process as resembling a con game because poor areas rarely get what they are initially promised. A corporate representative (someone like a modern Professor Harold Hill in *The Music Man*) comes to town and makes a dramatic announcement about what the community really needs: renewal. The presentation is scheduled in a place that is too important for the media to ignore; for example, the mayor’s office. The representative promises that, as a side benefit of community renewal, neighborhoods will be improved by the corporation’s benevolent donation of well-equipped parks or plazas, and lots of jobs will be created. The representative neglects to mention that the only jobs likely to be filled by local residents are in the low-wage service sector.

As part of the presentation, the media are given access to scale models or architect’s drawings that give the plan a solid, real feeling. However, the schedule requires that the project be approved at once, the corporate representative insists. Preparations must begin: old housing has to be razed immediately, even if it is still occupied; expressways or subway stops must be rerouted through neighborhoods, even if it creates barriers to everyday activities. The benefits?
firms from everywhere in the world sought space in the center of London. The specialized legal, accounting, and other firms that serviced them also wanted a nearby London address. Within a decade, this square mile north of the Thames River (called the City of London or the City) contained one of the largest concentrations of banks and financial service institutions in the world. It is a dense clustering of buildings, though it lacks the skyscraper skyline of some cities, like New York, because of historic restrictions imposed on the height of buildings in certain parts of London. To form a mental picture of this area in 2001, take a “virtual walk” down a couple of blocks of historic Threadneedle Street. You will pass large buildings containing the Bank of Scotland, several international capital management firms, Lloyds (the world’s largest reinsurer), the London International Financial Futures Exchange, the Bank of England, and the London Stock Exchange. When Threadneedle meets Poultry, turn left and walk over to Lombard Street. In the next two blocks you will pass a large German bank, several asset management and professional services firms, a large Japanese bank, and so on.

To build this financial district, large office complexes were built as quickly as smaller, older buildings could be knocked down. However, the demand for space, especially large amounts of space in the compact center of London, could not be met. The supply-demand mismatch was exacerbated by the city’s prohibition against building any high-rise edifice that would block the public views of historic landmarks, such as St. Paul’s Cathedral, the Tower of London, and the Palace of Westminster. Large international firms often require hundreds of thousands of square feet of office space, and any building that could accommodate them would occupy an enormous amount of scarce land unless it was built vertically.

The backlog of unmet demand led to new commercial development east and west of the main financial district. The West End became headquarters for some international manufacturing and service industries, but it had been a prime residential location for a couple of hundred years, which limited commercial development. To the east of London were the docklands: an old, rundown area containing warehouses and boarded-up factories. One 71-acre site in docklands, near the Thames, located east and south of the "square mile," was Canary Wharf. Development of this area began in 1982, when a British television network built a studio in what had been a rum and banana warehouse. The studio became the home of a popular business news show (The Business Programme) that brought bankers and industrialists to the docklands as guests of the show. One banker, impressed with the area’s potential, put up £1.4 billion (about U.S. $2 billion) to turn the rundown area near the Thames into "Wall Street on water." Canary Wharf attracted firms, mostly in financial services, and by the 1990s established itself as London’s second financial center. The larger it became, the more the agglomeration of firms made it attractive to others as a business site. By 2001 a total of about 41,000 people were working at Canary Wharf, but there were ten high-rise buildings still under construction, accounting for 50 percent
YUPPIES AND DINKS IN GENTRIFIED AREAS

As financial services districts emerged during the 1980s, at their outskirts tended to be older, deteriorated areas of the central city. The residents were generally poor, often minorities, and lived in small, old homes (aged brownstones, Victorians, or row houses). In many cases the residents shared their neighborhood with warehouses and small factories that located there because of the low cost of land. Despite age and deterioration, however, these areas retained an important asset, namely, their proximity to the financial services district—and this proximity typically led to changes.

In some cases, old buildings were demolished and replaced by high-rise office buildings to expand the central financial district. In the late 1980s in central Tokyo, for example, a growing number of international firms wanted to locate close to the city’s other corporate headquarters and providers of business services. The demand led to wild land speculation that fueled dramatic increases in land prices, beginning in the central business district and diffusing to adjacent areas. As the value of property increased, taxes associated with property assessments went up, and the residents of the small, older housing units were forced to move because they could not afford the higher taxes. Facilities associated with the former neighborhood were also affected. Elementary schools were closed due to falling enrollment and once successful retail stores were pushed out due to a diminished customer base. Office buildings replaced these structures, and were quickly occupied by firms that found ways to reduce or circumvent taxes that pushed out the former residents.

Despite the changes that occurred in various sections of central Tokyo, the neighborhoods as they once existed have remained within the collective memory and are still topics of discussion. In recent years foreign travelers have visited the places described by natives, looking for the traditional shops and neighborhoods that once existed. Such trips are in vain, of course, because the communities are now only places of retrospection and nostalgia.

In other global cities, the deteriorated areas adjacent to the financial services districts underwent a gentrification process. With respect to housing, gentrification sometimes involves replacing older buildings with new, high-rise apartment buildings or condominiums. There also tends to be a great deal of renovation of existing structures. Many major cities had a stock of office buildings erected prior to 1930 that forty to fifty years later, when financial districts were expanding, were no longer attractive to potential business clients. Retrofitting these buildings for modern office use is prohibitively expensive because it involves new wiring, the construction of parking garages, and so on. Converting to residential use is cheaper. In addition, the oddly shaped “funky” spaces in older offices buildings are much better suited to remodeling as luxury apartments.

Two types of new residents predominate in these gentrified areas: young, urban professionals (yuppies) and dual-income, no kids (dinks) households. A large proportion of yuppies and dinks are in professional occupations (lawyers, accountants, information technology specialists, etc.). Many are employed by multinational corporations and are frequently relocated from one international city to another, typically working in the financial services district. They have low rates of automobile ownership and want to minimize commuting time, which is why they choose to live in these nearby gentrified neighborhoods.
Years after the expansion of Tokyo’s financial district engulfed older residential areas, a number of large corporations committed billions of dollars to build residential complexes offering high-rise rental apartments and condominiums in central Tokyo. They made these commitments in 2002, based on two major considerations:

1. the fastest growing segment of Tokyo’s population were dinks,
2. many of the young professionals had worked overseas and learned to appreciate living close to work to cut commuting times.21

Thus, in central Tokyo, the growth of the financial services district first pushed out older, horizontally congested housing and replaced traditional neighborhoods with high-rise office buildings. However, this growth later provided the incentive for the construction of newer, vertical housing for yuppies and dinks, likely leading to gentrified areas like those in other global cities.

**Displacement and Isolation**

Once gentrification begins, the lifestyle of the young professionals attracts retail enterprises, such as eat-in and carry-out restaurants, cleaners, specialty food and liquor stores, designer clothes boutiques, and so on. The commercial expansion then makes the area more attractive to other yuppies and dinks, which, in turn, promotes more commercial development, stimulating more residential development, and the cycle continues. Residential and commercial interests then compete for the unconverted land. This competition causes land values to increase further, and many of the neighborhood’s long-term residents find it impossible to pay the escalating rent or taxes.

The consumption patterns of the high-end professional service workers generate employment for lower end service workers (in the fast food industry, cleaning and maintenance work, as gournesses, beauticians and barbers, and so on). However, the former residents of the neighborhood, who could fill these types of service positions, especially if they were able to live nearby and hence minimize commuting costs, are priced out of the area. Some former residents move to other neighborhoods, but others become the homeless “casualties” of gentrification 22

Geographer Neil Smith notes how an area in the process of gentrification is frequently described, by newspapers and realtors, as a “new frontier,” complete with latent images of the wild, wild West. The young professionals who are among the first to renovate old brownstones are seen as courageous homesteaders or perhaps like the first Star Trek crews, traveling where no one had gone before. Some of the appropriation of frontier language might seem playfully innocent, Smith comments, except that it happens also to convey a negative image of the (untamed) gentrified community and its (barbaric) former inhabitants, who become modern counterparts to a mythical tribe of savages, thereby justifying extreme measures by the brave, outnumbered settlers.24

The precise boundaries of these gentrified areas typically do not correspond with municipal or town borders, and there often are no landmarks, such as parks or major thoroughfares, to demarcate the edges. Residents, therefore, are often uncertain exactly what space their neighborhood includes. There may be more consensus about which places are categorically excluded. To illustrate, in the high-density, upper-middle-class neighborhood of Tai Koo Shing, on Hong Kong island, one young investment banker was asked to define the neighborhood. She was only sure about what it did not include, namely an adjacent area with housing that she described as “old, deteriorated and the prices are much cheaper.”25

The final step in solidifying a gentrified neighborhood is to assure that potential interlopers (who are poor or members of minority groups) are kept outside. The new residents typically believe that their personal security and the safety of their property depend on their ability to maintain the new homogeneity of their upscale community, resulting in a “fortress-like” mentality. Empirical data to support such excessive fear of crime are usually lacking, but the perception sticks and it is sufficient to motivate new residents to erect physical and symbolic barriers26. In downtown Los Angeles, social critic Mike Davis describes how big American and Japanese investors built billion dollar megastructures, such as CitiCorp Plaza and Crocker Center, and then used public funds via the Community Redevelopment Agency to remove almost all of the pedestrian links to older, minority communities. To maintain the stylish shops and gourmet strips, Davis concludes, requires the “social imprisonment” of the minorities who provide the wage labor.27 Except for their work shifts, minorities have to be kept out of the area.

To prevent these “undesirable” outsiders from even temporary nonwork intrusions, Davis points out that many communities have been eliminating virtually all public spaces, like parks, playgrounds, and beaches. The contempt currently attached to the term “street person,” he contends, indicates the way public spaces have been devalued. Further, public spaces that cannot be eliminated—such as in underground subway stations—tend to be tightly monitored, restricting the access of street musicians, beggars, the homeless, and others. (The fortress-like structure of heatily patrolled suburban malls similarly controls public spaces, banning any activity owners consider detrimental to shopping.)28

**Social Life of Young Professionals**

Young professionals employed in the financial services district typically work long hours. In their limited free time, yuppies and dinks tend to emphasize convenience over cost in making lifestyle decisions. A Chicago bank vice president in her early thirties explained that the time factor determines most of her dining decisions. To cook at home requires planning: one must first go to the store and shop, and when she gets home at eight o’clock it is too late to start. “So we pick up the telephone, call a bunch of local restaurants and ask about the waiting times.”29

Many residents of gentrified areas can afford to emphasize convenience over cost because they have a lot of disposable income. As professionals, they...
earn high salaries and have few dependents because they tend to be either single or, if married, childless. The result is a conspicuously high-consumption lifestyle. Social critic David Brooks calls them "bobos," an abbreviation of bourgeois bohemians, due to their proclivity for combining conventional and unconventional tastes. (Perhaps they merely reflect the way this distinction has also become blurred?) In decorating their homes, for example, bobos in America prefer furniture that is new and expensive, but has a distressed look to mask its newness. They also believe it is okay to display religious items on tables or walls if the objects are associated with distant or remote religions (for example, a shaman's mask is acceptable but a crucifix is not).

Dating patterns among young professionals are also shaped by the time constraints of work, plus new norms that emerged during the 1980s regarding how single people ought to meet. These new norms were associated with the societal transformation from industrial/production to postindustrial/consumption. Through the transformation, identity and sense of self became less work based, instead deriving more from leisure styles and consumption patterns. As a result, people's identities are more fluid (less locked into class and occupation, which are more enduring), created and displayed through consumption choices that reflect cultural preferences. In this consumer-dominated context, in which the media and advertising are of heightened importance, self-advertising became a socially acceptable means of making contact. An increasing number of people turned to personal sections in newspapers, magazines, and other periodicals to design and present an image of themselves for the social marketplace: "attractive and witty . . . enjoys music and food and shopping...."

Like their eating habits, dating and mating among young professionals emphasize a commitment to convenience, and are shaped by technology. The same e-mail that enables them to order lunch without leaving their computer screen has become a preferred means of finding others with whom to connect. One twenty-nine-year-old business executive in Boston, who worked in e-commerce and spent much of his day on the Internet, explained that meeting someone online "seemed more natural." E-mail has also become an important means of managing relationships. For example, after meeting in a bar, yuppies may be more likely to exchange e-mail addresses than phone numbers. E-mail also provides a convenient and tasteful way to follow up on a first date. A thirty-one-year-old publishing executive in Manhattan talked about how e-mail resolved the "next day" problem. Having just seen her date the night before, the executive thought it would be awkward to telephone (she feared seeming pushy or too anxious), so sending her date an e-mail was a handy solution. And it certainly provides the ideal way to end a relationship because neither party has to see or hear the other party when that message is conveyed.

The telephone continues to be an important part of everyone's lives, though for young professionals in particular cell phones have become omnipresent. Whether in a bar or restaurant, waiting for an elevator or walking down the street, young professionals rely on their cell phones to make dates, keep in touch, or simply impress others. The use of cell phones is a part of their generation's lifestyle that is generally frowned on by people over about age thirty-five or forty. To these older people, who did not grow up with cell phones, public use of them is often seen as 'appropriating others' space and forcing them to eavesdrop.' To younger people, by contrast, the cell phone is a symbol of social importance and is something to be flaunted, leading some users to engage in "stage-phoning": using public space to make unimportant calls solely to impress others.

The status aspects of cell phones appear to be especially important for men, according to two researchers in Liverpool, England. They spent several months observing young professionals in one of Liverpool's upscale singles bars and found that male patrons conspicuously displayed or used their cell phones about two and a half times more often than female patrons. The men in the bar fiddled with their phones, turned them over and stared at them, checked the battery, and so on. The investigators concluded that it was a "courtship display" intended not only to reflect the male's status, but his social importance as someone who had to be reachable at all times. Thus, for these young professional men who were trying to attract females' attention, the researchers concluded that exhibiting a cell phone was akin to other male animals' preening or strutting to distinguish themselves from the rest of the pack.

INTERNATIONAL TOURISTS AND TOURISM

Tourists have become an integral part of daily life in the heart of the leading global cities. International tourist favor many of these cities over anywhere else. Specifically, the leading destination for international tourism during the 1990s was Paris, followed—at a distance—by New York, Madrid, Rome, and London. Within these cities, tourists got off at the same subway stops as corporate personnel, window-shopped at the same stores, ate in the same restaurants, and so on. This influx of international tourists is partly responsible for the spatial intertwining of finance and cultural diversions in global cities. Galleries, Disney and Warner Brothers Studio stores, museums, nightclubs, bars, and sports arenas all tend to be concentrated among the high-rise office buildings of the global cities' financial centers.

People have always traveled, Fainstein and Judd observe, but tourism—which involves traveling in conjunction with the tourist industries—is a much more recent phenomenon. A complex of industries is involved, including hotels and convention centers, agencies (such as visitors bureaus) that promote officially recognized sites and attractions, the production and marketing of souvenirs, and so on. These industries that attract and cater to visitors transformed mere travel into modern tourism by making it a more socially distinct and recognizable activity.

Which cities international tourists visit seems to be related to two characteristics: more travelers are attracted to cities that have a financial-commercial concentration (e.g., Wall Street) and that have buildings or specific places that have become "enshrined" as attractions (e.g., the Eiffel Tower). These two vari-
ables tend to operate congruently because the cities that have large financial centers usually have significant cultural, political, and military traditions as well, and have thereby generated potential historical artifacts (e.g., places where treaties were signed, artworks were created, and the like). Paris, New York, and London are ready examples of global cities with both enticements. These cities, according to Fainstein and Judd, are so established as "must see" places that people who consider themselves to be world travelers feel obligated to visit them. Cities that are perceived to be outside of this circuit, but nevertheless aspire to tourist revenue, must somehow transform themselves. This typically requires that the cities emphasize and promote a specific quality that can set them apart, such as gambling, climate, entertainment, or a combination of special qualities.

Some cities and regions lacking in historical importance have been successful in marketing themselves as tourist cities. Examples include Atlantic City in the United States, the Sunshine Coast in Australia, and Cancun in Mexico. These cities have developed into tourist meccas that are global in that they attract large numbers of international visitors, but they differ from the major global cities in several important ways: the population size of tourist cities is usually much smaller; their labor forces are dominated by service positions in the entertainment industry; they house few corporations with international affiliations; and although many have large groups of segregated minorities, they do not have diverse racial and ethnic enclaves.

Selling Places

International tourism involves a great deal of money. In 1998, 625 million people spent at least one night outside of their home country, and on average each traveler spent over $1,000 (U.S.). Cities and private promoters throughout the world all want a share of the billions of dollars that travelers spend annually. Toward this end, government and private interests collaborate to "sell" an image of a city, or a distinct place within it, that will make it attractive to potential tourists. (At the same time, they are usually trying to make the city look appealing to firms considering relocation.)

The recent selling of cities, according to London geographer Mark Goodwin, is part of the "commodification" of the everyday world. Life in major cities is now marketed via myths—in movies, novels, and the brochures of property developers—to the point where the difference between reality and its representation is moot. Los Angeles, for example, has gone through several cycles of revision, first emphasizing its film industry, then its entertainment complexes, and finally its visual and museum arts. Each time promoters symbolically redefined the city in the way that they believed would best attract tourists and investors.

Miriam Greenberg calls the marketing of a distinct vision of a city "branding," a term she derived from the recent growth in the importance of brand value, as something that has worth apart from the tangible assets of a firm. (For example, when the value of the tangible components of a firm are added together to arrive at a selling price, an additional figure is often added for intangibles, such as name worth or the value of the brands it owns.) Brand value grew in importance during the last quarter of the twentieth century as popular marketing increasingly stressed the link between consumer lifestyle and brand name items. Once an automobile, running shoe, perfume, or lipstick found a lifestyle niche, its brand value increased. A new occupation simultaneously emerged, the brand manager: a specialist in overseeing a product's image. Given international competition for tourists, it was a logical progression for cities to try to increase their own brand value and to do so by employing brand managers (though they are called public relations experts, convention and tourism managers, and so on).

Periodicals that portrayed the lifestyle a city wanted to project became important instruments to brand managers. New York, Paris, London, and other major cities promoted magazines with their names in the title. Each of these monthly publications was designed to present a picture of the city that would make it exotic and attractive to potential visitors. To illustrate, the magazine, New York, regularly included columns on unusual restaurants ("underground gourmet") and out-of-the-way stores ("undercover shopping"). The apparent objective was to entice upper-middle-class tourists to shop and eat in various ethnic enclaves by branding them in the magazine as exciting and special places to visit.

To be successful, the marketing effort must ordinarily convince people that the place has something "authentic" that they should find appealing. In this context, authentic means that the tradition, object, or event being promoted is intrinsically rooted in the place. A museum devoted to industrial history, for example, would be difficult to market in an area that is regarded as having only an agrarian past. Therefore, to promote such a museum as a tourist attraction, it would probably be necessary simultaneously to promote the city's industrial traditions. This may, of course, require some manipulation or reinvention of culture and history that will leave some locals feeling left out of the public representation of the place. Farmers, unemployed laborers, and others may feel that the selling of an industrial museum in their city presents an inauthentic cultural representation, or at least one that seriously departs from the meaning of the place that they share. For example, the working-class residents of London's docklands, who lived there before the area became a financial district, were unable to prevent the marketing of Canary Wharf as a professional service center with housing for yuppies and dinks, with little in the way of job retraining projects or child care services.

TOURISM AND HYPERCONSUMPTION

The connection between tourism and consumption is not new. Tourists have for a long time spent money to view attractions and buy trinkets and souvenirs as part of their traveling experience. However, sociologist George Ritzer has writ-
ten that the boundaries between tourism and consumption have eroded. Consumption, which was once incidental to tourism, has become one of its major objectives. To support his argument, Ritzer notes the degree to which giant malls have become dominant tourist attractions. In Canada, the Edmonton Mall draws more visitors than Niagara Falls; Potomac Mills in suburban Washington, D.C., has more visitors than Arlington National Cemetery.

As consumption has become more salient—that is, hyperconsumption—entrepreneurs across the world have built what Ritzer terms “cathedrals of consumption.” He uses religious imagery because of the reverence with which people describe trips to mega-shopping malls and other retail concentrations. Visiting them has become almost like making a pilgrimage to a holy site. People also tend to treat the commodities they purchase on these trips as though they were out-of-the-ordinary items requiring special treatment. For example, souvenirs acquired in the course of these shopping pilgrimages may be assigned to exclusive locations on bookshelves, over fireplaces, or in display cases—spaces not shared with items purchased locally. Such special treatment was precisely the quality that, in his classic theory, Emile Durkheim associated with religious (sacred) rather than everyday (profane) objects.

In addition, James Twitchell notes, upper-status shopping emporiums and elaborate churches also resemble each other in appearance. To see what he means, Twitchell suggests walking down Fifth Avenue in New York and comparing the fine jewelry stores (BVLGARI, Cartier, Fortunoff) to the imposing St. Patrick’s Cathedral. Twitchell emphasizes their numerous overt similarities, including marble facades, tall ceilings, and highly ornate but empty expanses around displays.

The exemplar of the mall as a cathedral of consumption, at least in the United States, is probably the Mall of America, in suburban Minneapolis. In four levels, the mall houses 550 stores, plus a theme park, aquarium, petting zoo, miniature golf course, and a wedding chapel right next to Bloomingdale’s. The mall boasts of being the largest, “fully enclosed retail and family entertainment complex” in the United States. Within its enclosed space, the connection between tourism and consumption is unmistakable. The mall operates its own tourism department, offering numerous vacation packages in which visits to the mall are the centerpiece. From Japan alone, there are an average of nearly ten tour groups visiting the mall each week of the year. Travel themes also predominate in the decor of the mall and its stores. To illustrate: Timbuktu Station displays women’s clothing around antique suitcases; the Rainforest Cafe is designed to make eating a hamburger feel like going on a safari; the entire West Market district of the mall is filled with street furniture and vendors evoking the feel of a European marketplace, and its European Gift Shop even sells souvenirs of Europe!

After spending ten days observing and interviewing people at Mall of America, Jon Goss wrote that he was struck by how retailers and shoppers both acted as though inauthentic objects (like European souvenirs made in Pakistan and sold in Minnesota) were genuine. By socially defining them as real, however, the objects take on an authentic feel. The mall functions like a modern temple, Goss concludes, offering an antidote to a capitalist world that has become meaningless because of its overemphasis on commodities. As Twitchell puts it, people could rationally make decisions about which products to buy following Consumer Reports, but given the cultural emphasis upon materialism, people want products that tell everyone, themselves included, who they are. To achieve this, people need brand names: products with stories behind them created by advertisers.

The cathedrals of consumption are often designed to re-create communities of the past; that is, to provide replacements for the neighborhoods they helped to destroy or that never really existed except in people’s imaginations. Thus, within Mall of America employees talk about being parts of neighborhoods where people know each other and keep up on the gossip. A nurse practitioner at the mall’s women’s clinic explained, “We’ve bonded on this arm of the mall.” Apart from malls, consumer-oriented venues have often tried explicitly to re-create communities. Outside of Los Angeles, for example, Disney’s California Adventure and Universal Studios’ City Walk are both examples of theme parks as urban spaces. They have been successful as shopping meccas, but their private, gated properties with security cameras and closing hours do not really simulate urban neighborhoods. They “fake a village.” However, consumption-
oriented spectators, temporary pseudo citizens of these communities, do not seem upset by the discrepancies.

As capitalistic South Korea and communist North Korea made steps toward reunifying at the beginning of this century, the different place of cathedrals of consumption in their cultures was dramatically expressed by their reactions to South Korea’s megamall, Lotte World. Its 29 acres in Seoul, South Korea, include not only three shopping centers, but a large hotel, amusement park, indoor golf course, and museum. In late summer 2000, South Korean officials hosted groups of visitors from the north. Not having had any opportunity to travel to South Korea for many years, the visitors were hoping to see family, old friends, and familiar sites. However, the South Koreans apparently thought the most important place for their visitors to see was Lotte World because there was nothing like it in North Korea. The hosts walked their guests past franchised restaurants, clothing and shoe stores, then to an upper level of the mall that was filled with exhibits of Korean history and local areas. The visitors tried to be polite, but they were not impressed with the mall’s representations of Korean places. “I saw the real thing on a school trip a long time ago,” one older visitor explained.

**EDGE CITIES**

When the first modern suburbs formed in the middle of the twentieth century, they primarily involved residential concentrations and young families pre-dominated. These suburban areas, during the industrial era, became synonymous with middle-class lifestyles and commuting into the city to work. The suburban ring soon expanded into exurbs, but the basic lifestyle remained unchanged. Geographical expansion was made possible by improvements in expressways and mass transit systems that increased average trip speed. However, rather than result in shorter commuting times, faster speeds only increased the distance of the daily commute in large international cities. Suburbanites in global cities—such as London, New York, Paris, Sydney, and Toronto—continued to spend an hour, on average, in each one-way commute to work, but instead of going 11–12 miles, they went 13–14 miles in the hour they traveled.

During the latter decades of the twentieth century, however, as the industrial nature of many urban areas declined, they became parts of the global informational network. Corresponding with this change in functions, the spatial structure of entire urban areas was also transformed. For many tracts that continue to be classified as suburban (given their location near the outskirts of metropolitan areas), the recent changes have involved far greater diversity in land use and in occupants than in traditional suburbs. One of the first observers to chronicle the change in some of these suburbs was Robert Fishman, a historian specializing in twentieth-century cities. He called the suburbs “technoburbs” because they could function at a great distance from the heart of central cities through advanced communications technology (even though a majority of employment in the area was not in high-tech industries). Fishman described technoburbs as self-contained areas that spread out along highway growth corridors, encompassing: shopping malls, industrial parks, office complexes, and a full range of housing types.

The term that is now most commonly used to describe these self-contained suburban areas is “edge cities,” following journalist Joel Garreau. He offered a more precise definition than Fishman, specifying 5 million square feet of office space (about equal to the downtown of a midsized U.S. city) and 600,000 square feet of retail space (a good-sized mall) as minimum requisites. In addition, Garreau added to the definition the presence of entertainment (bars, nightclubs, theaters, and so on) and the view of local residents that the components of the edge city were bound together by their common locale. To people in the metropolitan area, its name connotes a single destination for jobs, shopping, and entertainment.

Garreau and Fishman wrote almost exclusively about American cities, noting as examples some of the suburban areas outside of major cities such as New York, Washington, D.C., Chicago, and Los Angeles. However, the same transformations were occurring in suburban areas of global cities everywhere, producing edge cities in La Defense, in Paris’ suburban periphery; Eschborn, on the outskirts of Frankfurt, Germany; Odaiba, near the bay area outside of Tokyo. Regardless of where they formed, however, there were a few qualities that consistently characterized edge cities. To begin, almost all edge cities were built in places that at the time would have seemed unlikely candidates for such develop-
opment: orchards, pastures, deserted factories, and the like. Thus, edge cities did not typically grow out of small commercial-residential-retail complexes.

Once clearing and building began it usually proceeded rapidly, in a series of distinct phases. The basic features of an edge city are typically in place in less than a decade. In the Merry Hill Centre, located near Dudley in the West Midlands outside of Birmingham, England, the first phase, begun in the early 1980s, was a modest industrial park. It was followed by retail warehousing and fast food restaurants. Developers next built a conventional two-story retail mall, then a fashion mall containing specialty shops and department stores. A finance court was created in the next phase, with major banks, insurance agencies, and stockbrokers. The final development in this section of the West Midlands was a waterfront leisure complex with hotels, an ice rink, sporting facilities, and so on. Then, between 1987 and 1992, the Dudley Council invested nearly $40 million to promote Merry Hill as an international tourist destination.

Another feature common to most edge cities is the active role played by local, regional, and national governments in promoting or subsidizing them. Edge cities do not just develop “naturally” as a result of location or other ecological considerations. For example, the catalyst to the development of Tyson’s Corner, in the Virginia suburbs of Washington, D.C., was federal funding for a Beltway to bypass the city and the simultaneous expansion of two local roads. The transformation of the apple orchards formerly owned by William Tyson began where the newly widened roads met the Beltway. The assistance of the county government was also required to rezone the land for commercial and retail use, despite large and well-organized opposition. Similarly, Merry Hill Centre probably would not have been built if developers had not received exemptions from local planning authorities, long-term tax relief, and large government grants (because it was built within a formerly depressed Enterprise Zone).

Perhaps because of the important part played by government support in the creation of edge cities, critics have frequently held government to a high standard in evaluating the consequences for the public good. Some specific criticisms mirror those now leveled at many other kinds of urban areas. For example, the catalyst to the development of Tyson’s Corner, in the Virginia suburbs of Washington, D.C., was federal funding for a Beltway to bypass the city and the simultaneous expansion of two local roads. The transformation of the apple orchards formerly owned by William Tyson began where the newly widened roads met the Beltway. The assistance of the county government was also required to rezone the land for commercial and retail use, despite large and well-organized opposition.

The Problem of Sprawl

Social critics have indicted edge cities for their unique contributions to postindustrial “sprawl.” Precisely what is meant by sprawl varies. Defined narrowly, it refers to the (usually rapid and unplanned) expansion of a metropolitan area, leading to the loss of farmlands and wetlands. However, because such expansion is ordinarily dependent on private automobile use, sprawl is often more broadly associated with traffic congestion, drive-through retail facilities, and air pollution, as well as the loss of farmlands and wetlands. In Tyson’s Corner, this sprawl has even extended to paving over front lawns. Because more of the suburb’s residents own more cars, they have not been able to find enough off-street places to park the automobiles when they get home from work at night. To solve the problem, many homeowners took to paving over their front lawns, to create additional parking spaces. That may have been the last straw because in 2002 the county council passed a law prohibiting “pave overs” to preserve what little green space remained.

Suburban gridlock was once confined to suburban-to-city commuting in morning and afternoon rush hours, but in and around edge cities, heavy traffic can be a serious problem at almost any time of the day or night. In part, these problems arose because the growth of edge cities continuously outstripped the expansion of the expressways and highways that served them. In addition, improved connections between edge cities and downtown financial districts—via expressways or mass transit—does not alleviate the gridlock within edge cities that involves people traveling among residence, employment, entertainment, and shopping.

Sprawl has also become a defining feature of edge cities due to the absence of centralized planning and control. Because edge cities typically transcend the boundaries of any suburban town or borough, no one government unit can effectively exert control. The ability of public and private groups and suburban governments to cooperate with each other, especially across town lines, has historically been limited. Further, responding to changes in the global economy, local activities can be reconfigured quickly, much more rapidly than government institutions have been able to respond to the changes.

It is also important to ask to what degree edge cities are a cause of sprawl at the periphery of metropolitan areas, as critics contend, or are a consequence of that sprawl. After all, metropolitan areas were highly dependent on automobiles and were already expanding outward before the formation of edge cities. Data that could clarify the direction of the relationship between expansion and edge cities are limited, but some suggestive findings have been reported in a study of the Cleveland metropolitan area. Two researchers obtained yearly data on employment and household moves between 1989 and 1996 for the entire metropolitan area. During this period suburban Cleveland contained three edge cities and the investigators proceeded to compare changes in household moves around the edge cities to changes in suburban areas lacking edge cities. They found that, indeed, edge cities did tend to lead to further expansion of the metropolitan fringe. In other words, the researchers concluded that people followed jobs; so, as more employment was offered in edge cities, concentrated numbers of people moved further out toward the periphery of the suburban area, thereby contributing to the spread of sprawl.
In an optimistic vein we can note that there appears to be greater awareness of the problems associated with sprawl. Environmental groups have been monitoring cities in the United States and hoping to alert citizens in those areas most threatened by sprawl. European cities, many of which have experienced sprawl, are examining tax and transportation policies to avoid following in the footsteps of many sprawl-threatened U.S. cities. There are recent case studies to suggest that faster and more effective private-public and intertown government cooperation may be possible in the future.

NOTES


2. This was the view of world cities presented by Jonathan Friedmann, The World City Hypothesis, Development and Change, 4(1986):69-84.


7. Sassen, Cities in a World Economy: see especially pp. 107-12.


9. Meyer, "World Cities."


15. The television executive who began the docklands boom was Jeremy Wallington, who died in 2001. The early history of Canary Wharf was recounted in his obituary in London Times, 15 August 2001.


28. For further discussion on security and control in urban and suburban shopping malls, see Margaret Crawford, "The World in a Shopping Mall," in Variations on a Theme Park, ed. Michael Sorkin, 3-30.


37. For recent tourism figures, see the World Tourism Organization’s Web page: www.world-tourism.org

38. The selling of commercial areas within cities, targeted at outside firms that may be planning to relocate, tends to make heavy use of the ready availability of culture and entertainment. For example, the Corporation of London (which oversees the City) and the Docklands Development Corporation (which oversees Canary Wharf) were among the co-sponsors of a project to call attention to London’s abundant theaters, museums, galleries, sports arenas, and so on. Both of these commercial-financial sites thought it was in their interest to market London as a world city based on its cultural amenities.

39. An elaboration of this transformation is provided in Susan S. Fainstein and Dennis R. Judd, Cities as Places to Play, in The Tourist City, Dennis R. Judd and Susan S. Fainstein ed. (New Haven, Conn.: Yale University Press, 1999), 261-72.


44. For further discussion of the place of urban lifestyle magazines in several American cities, see Miriam Greenberg, “Branding Cities,” Urban Affairs Review, 36(2000): 228-63.


48. One could make similar observations in other global cities, for example, Bond Street in London. For further discussion of the religious undertones of shopping emporiums, see James B. Twitchell, Lead Us into Temptation (New York: Columbia University Press, 1999).


50. Twitchell, Lead Us into Temptation.

51. Maria Puente, ‘Mall of Them All Turns 10,” USA Today, 9 August 2002, p. 6D.


54. These studies are reviewed in Roberto Camagni, “The Economic Role and Spatial Contradictions of Global City-Regions,” in Global City-Regions, ed. Allen J. Scott (Oxford: Oxford University Press, 2001), 96-118. Interestingly, it was more than fifty years ago that one hour was proposed as the maximum commuting time. See Amos Hawley, Human Ecology (New York: Ronald Press, 1950).


58. This discussion of Merry Hill Centre is based on Michelle Lowe, “Local Hero! An Examination of the Role of the Regional Entrepreneur in the Regeneration of Britain’s Regions,” in Selling Places, ed. Kearns and Philo, 211-30.

59. Garreau, Edge City.


61. For further discussion of the dimensions of sprawl, see George Galster, Royce Hanson, Hal Wolman, Stephen Coleman, and Jason Freihage, Wrestling Sprawl to the Ground (Washington, D.C.: Fannie Mae Foundation, 2000).


63. For further discussion of the political problem see Jon C. Teaford and Jon T. Teaford, Post-Suburbia: Government and Politics in the Edge Cities (Baltimore: Johns Hopkins University Press, 1997).

