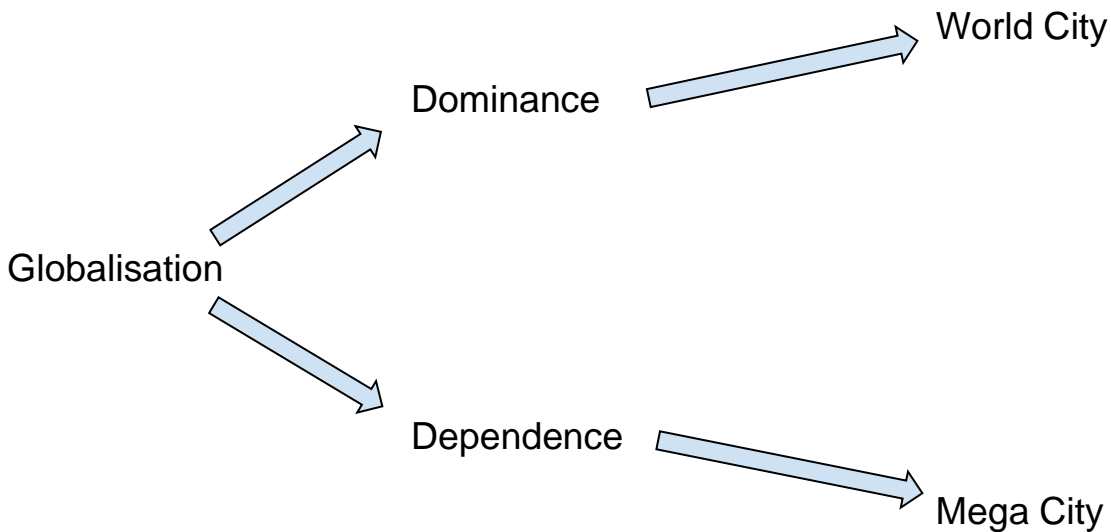


World Cities

A world city is a large city that has outstripped its national urban network and become a part of an internationally connected system.

Emergence of world cities:



Nature

The emergence of world cities has been the product and cause of economic and cultural globalisation.

From 1950s, rapid globalisation has been caused by:

- Reduction in trade barriers. Governments have moved away from protectionist policies. World trade has grown by 17 times.
- Technological developments in transport and communication. Reduction in cost and improvements in speed at which info, people and goods can travel around the globe.
- Rapid growth in numbers and size of transnational corporations (TNCs)

These developments have increased world trade and relocated labour intensive activities to low-cost developing countries.

- Links to dominance and dependence.

World cities act as 'organizing nodes'. They link regional, national and international economies into the global economy.

Character

1. World cities are financial and business centres
 - a. Command and control centres for the organisation of the world economy.
 - b. Home of most leading global markets - banking, finance, FOREX, commodities
 - c. High concentration of TNC headquarters
 - d. Centres of highly specialised business services - law, international finance, property development
 - e. Home of most NGO's and IGO's (inter-governmental)

2. World cities have cultural significance
 - a. World cities are prestigious locations
 - b. Centres of entertainment and cultural activities, lifestyle and housing
 - c. Home to major tourist attractions
 - d. Host of sporting spectacles

3. World cities are significant transport and communication hubs
 - a. Fast air connections to other cities
 - b. Hubs of national road and rail
 - c. Key locations of powerful media organisations
 - d. Connect regional centres to the global network

Spatial Distribution

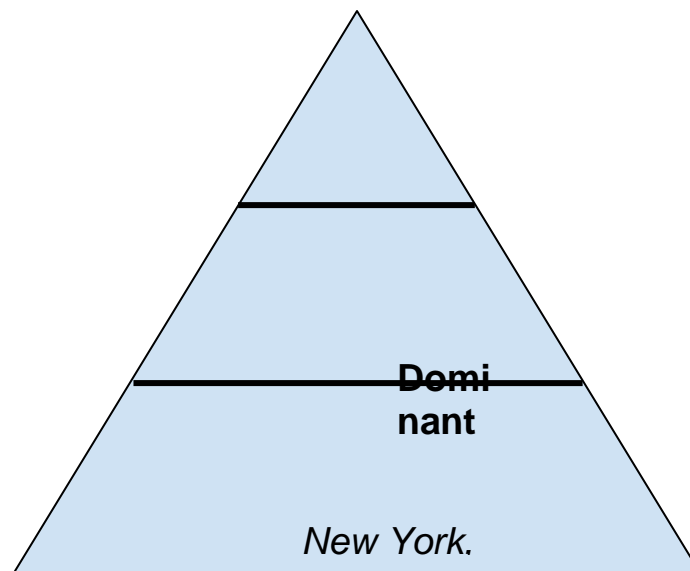
Describing where WC's are is difficult;

- Most are located in developed countries
- Many world cities are located on the coast or large rivers
 - Access to ports for trade

However, it is easier to describe them in terms of importance.

Three major groups of world cities:

1. Dominant world cities
 - a. London
 - b. New York
 - c. Tokyo
2. Major world cities
 - a. Paris
 - b. Frankfurt
 - c. Hong Kong
3. Secondary world cities
 - a. Sydney
 - b. Moscow
 - c. Rome



The 3 dominant WC's have a time zone advantage, allowing at least one of the major equity markets to be open at any given time.

The Role of World Cities as Powerful Centres of Economic and Cultural Authority

World cities play a major role internationally as powerful centres of economic and cultural authority.

What is economic and cultural authority?

Economic means pertaining to the production, distribution, and use of income, wealth and commodities. *Economic authority* refers to a city's ability to create and disseminate economic and financial strategies.

Cultural refers to the behaviours and beliefs characteristic of a particular social, ethnic or age group. *Cultural authority* refers to a city's ability to create and disseminate cultural beliefs and events.

To explain authority, you must be able to:

- 1. Outline (theory) - provide a feature of economic or cultural authority.**
- 2. Support - use examples from a world city to support feature.**
- 3. Explain - explain how this feature/example gives the world city dominance/importance.**

Economic Authority

Command points for global economics

- Stock market, foreign exchange markets, large economies

Home to specialist services

- Legal services, accounting and finance services

Headquarters of IGOs, NGOs and TNCs

- UN & World Trade Organisation (IGOs)
- Greenpeace (NGOs)

Cultural Authority

Social infrastructure

- Home to international hotels, conference centres. Supported by transport and information systems.

Home to cultural facilities - entertainment, sporting, cultural events.

- Art (Louvre in Paris)
- Entertainment (Broadway in New York)

World cities need infrastructure to facilitate the economic and cultural authority. This includes:

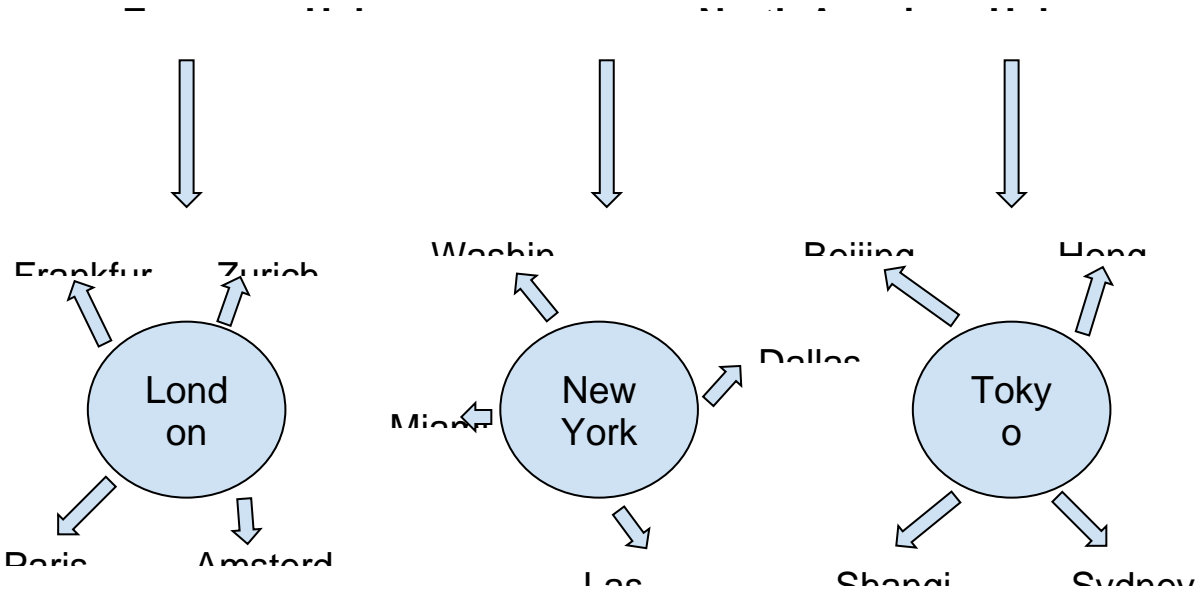
- Office buildings which convey power
- Major airports and train networks
- Fast information systems

Operation of Global Networks

World cities are connected to each other by a range of transport networks and services. They are also connected to other major cities at a global, regional and local scale. These linkages are facilitated by:

- Air transport - Heathrow
- Telecommunication systems

World cities are also at the centre of regional networks.



Dominance and Dependence

- Dominance - refers to the amount of control some urban places exert over other urban places and the spatial extent of that control. Dominance is concentrated in the developed world.
- Dependence - refers to the ways in which less powerful urban centres rely upon more powerful urban centres. Dependence is mostly concentrated at the bottom of the global urban hierarchy (developing cities).

1. World cities and other world cities (dominant, major, secondary)
2. World cities and cities in the developing world (mega cities)
3. World cities and regional centres

1. World cities and other world cities

The hierarchy of world cities indicates that there is a level of dominance emanating from New York, London and Tokyo over other world cities. Dominant world cities have:

- Technological dominance and innovation
- Financial dominance in the production and distribution of goods and services on a global scale
- The cultural influence that arises from world cities that is widespread

The main financial transactions in shares, bonds, loans and FOREX are dominated by the dominant world cities.

The main world cities (including major) provide 24-hour global coverage, through the different time zones, for financial transactions.

Dominant world cities are the hub of regional networks. Smaller world cities rely on the dominant world cities for financial and cultural information.

2. World cities and cities in the developing world

World cities have a disproportionate concentration of top-level headquarters of the financial, industrial, commercial and producer service sectors. Many of the large industrial TNC's that account for nearly 70% of the international trade are headquartered in world cities. These TNCs decide on the type and location of production, which usually takes place in large cities in the developing world. **Therefore, large cities in the developing world are dependent on TNC decisions that are made in world cities for employment and trade.**

3. World cities and regional centres

In NSW, regional centres are defined as having a population of 11,000 to about 50,000. These centres perform a smaller amount of functions which relate closely to functions of each settlement. In the case of Sydney, regional centres would include Bathurst, Lismore, Tamworth and Dubbo.

Regional centres have functions that show dependence on the world cities;

- Production and distribution is only on the national scale
- Regional centres have limited cultural influence and political control
- Eg. Perth's financial system is dependent on Sydney head office (ASX)
- Eg. Newcastle is dependent on Sydney for international travel

The Changing Role of Regional Centres and the Demise of the Small Towns

The widespread use of cars and the construction of sealed roads has made it easier for people to travel longer distances to purchase a wider variety of cheaper goods and services from regional centres instead of local small towns. The growth of large regional shopping centres reduced sales for small town retailers.

- Rapid development in telecommunications allowed people in small towns to purchase goods globally rather than face-to-face at local shops.
- Returns on agricultural production have reduced rural incomes relative to those families from the cities - less sales in small towns.
- Drought has also been a major risk factor from small towns.
- Large TNCs have bought out and amalgamated many small farms - increased use of machinery, decreasing employment

- ***Consequences of the decline/demise of the small town***

- A reduction in services that are no longer viable due to a smaller population
- Regional centres have grown at the cost of small towns
 - Dubbo
 - Population of 40,000 people
 - Located on the Western Plains of NSW
 - Regional centre has grown at the cost of smaller urban areas
 - Transport links
 - Advantageous location on Great Western and Newell Highway
 - Rail line access
 - Large companies use for warehousing and distribution
 - Increased employment
 - Tourism

These factors pull people away from smaller towns to access employment and retail.

Town	Growth or Decline (2011-2016)
<i>Dubbo (regional centre)</i>	17%
<i>Warren</i>	-15.1%
<i>Wellington</i>	0.3%
<i>Parkes</i>	1.3%