

---

# The Global City: Strategic Site, New Frontier

Saskia Sassen<sup>1</sup>, Columbia University, USA

The master images in the currently dominant account of economic globalisation emphasize hypermobility, global communications and the neutralization of place and distance.<sup>2</sup> There is a tendency to take the existence of a global economic system as a given, a function of the power of transnational corporations and global communications.

But the capabilities for global operation, coordination and control contained in the new information technologies and in the power of trans-national corporations, need to be produced. By focusing on the production of these capabilities, we add a neglected dimension to the familiar issue of the power of large corporations and the new technologies. The emphasis shifts to the practices that constitute what we call 'economic globalisation' and 'global control': the work of producing and reproducing, the organisation and management of a global production system and a global marketplace for finance, both under conditions of economic concentration. A focus on practices draws the categories of place and production process into the analysis of economic globalisation. These are two categories easily overlooked in accounts centred on the hypermobility of capital and the power of transnationals. Developing

- 
- 1 Robert S. Lynd Professor of Sociology and Chair of The Committee on Global Thought.
  - 2 This text is based on several of the author's books, which also contain additional sources: *Expulsions* (Harvard University Press 2014); *The Global City* (Princeton University Press 2001); *The Mobility of Labor and Capital*: (Cambridge University Press 1988); *Deciphering the Global: Its Spaces, Scales and Subjects*, (New York and London: Routledge.). See also: <http://www.theguardian.com/cities/2015/nov/24/who-owns-our-cities-and-why-this-urban-takeover-should-concern-us-all> (accessed 13 April 2017); <https://www.theguardian.com/global-development-professionals-network/2017/jan/04/is-rohingya-persecution-caused-by-business-interests-rather-than-religion> (accessed 13 April 2017) and [http://www.huffingtonpost.com/entry/landgrabs-central-america\\_us\\_586bfla6e4b0eb58648abe1f](http://www.huffingtonpost.com/entry/landgrabs-central-america_us_586bfla6e4b0eb58648abe1f) (accessed 13 April 2017).

categories such as, place and production process, do not negate the centrality of hypermobility and power. Rather, they bring to the fore the fact that many of the resources necessary for global economic activities are not hypermobile and are, indeed, deeply embedded in place, often global cities and export processing zones.

Why is it important to recover place and production in analyses of the global economy, particularly as these are constituted in major cities?

Because they allow us to see the multiplicity of economies and work cultures in which the global information economy is embedded. They also allow us to recover the concrete, localised processes through which globalisation exists and to argue that much of the multiculturalism in large cities is as much a part of globalisation as is international finance. Finally, focusing on cities allows us to specify a geography of strategic places at the global scale, places bound to each other by the dynamics of economic globalisation. I refer to this as a 'new geography of centrality', and one of the questions it engenders is whether this new transnational geography also is the space for new transnational politics. Insofar as my economic analysis of the global city recovers the broad array of jobs and work cultures that are part of the global economy though typically not marked as such, it allows me to examine the possibility of a new politics of traditionally disadvantaged actors operating in this transnational economic geography. This is a politics that lies at the intersection of economic participation in the global economy and the politics of the disadvantaged, and in that sense, would add an economic dimension, specifically through those who hold the other jobs in the global economy—whether factory workers in export processing zones in Asia, garment sweatshop workers in Los Angeles or janitors in Wall Street.

These are the subjects addressed in this chapter. The first section examines the role of production and place in analyses of the global economy. The second section posits the formation of new geographies of centrality and marginality constituted by these processes of globalisation. The third section discusses some of the elements that suggest the formation of a new socio-spatial order in global cities. The fourth section discusses some of the localisations of the global by focusing particularly on immigrant women in global cities. In the final section, I discuss the global city as a nexus where these various trends come together and produce new political alignments.

## Place and Production in the Global Economy

Globalisation can be deconstructed in terms of the strategic sites where global processes and the linkages that bind them, materialise. Among these sites are export processing zones, offshore banking centres and on a far more complex level, global cities. This produces a specific geography of globalisation and underlines the extent to which it is not a planetary event encompassing the entire world.

There is a tendency to see the internationalisation of the economy as a process operating at the centre, embedded in the power of the multinational corporations today and colonial enterprises in the past. One could note that the economies of many peripheral countries are thoroughly internationalised due to high levels of foreign investments in all economic sectors and of heavy dependence on world markets for 'hard' currency. What centre countries have are strategic concentrations of firms and markets that operate globally, and they have the capability for global control and coordination and power. This is a very different form of the international from that which we find in peripheral countries.

Globalisation also produces differentiation; the alignment of differences is of a very different kind from that associated with such differentiating notions as national character, national culture and national society. For example, the corporate world today has a global geography but it does not exist everywhere in the world: in fact, it has highly defined and structured spaces; second, it also is increasingly differentiated from non-corporate segments in the economies or countries where it operates. It is, furthermore, a changing geography, one that has transformed over the last few centuries and over the last few decades. We need to recognise the specific historical conditions for different conceptions of the 'international' or the 'global'

Most recently, this changing geography has come to include electronic space. The geography of globalisation contains both a dynamic of dispersal and of centralisation, a condition that is only now beginning to receive recognition. This proposition lies at the heart of my model of the global city.

The massive trends towards the spatial dispersal of economic activities at the metropolitan, national and global level that we associate with globalisation have contributed to a demand for new forms of territorial centralisation of top-level management and control operations. The spatial dispersal of economic activity made possible by telematics contributes to an expansion of central functions if this dispersal is to take place under the continuing concentration in control, ownership and profit appropriation that characterises the current economic system. More conceptually, we can ask whether an economic system with strong tendencies towards such concentration can have a space economy that lacks points of phys-

ical agglomeration. That is to say, does power, in this case economic power, have spatial correlates?

National and global markets as well as globally integrated organisations require central places where the work of globalisation gets done. Furthermore, information industries also require a vast physical infrastructure containing strategic nodes with a hyper concentration of facilities; we need to distinguish between the capacity for global transmission and communication and the material conditions that make this possible. Finally, even the most advanced information industries have a production process that is at least partly bound to place because of the combination of resources it requires even when the outputs are hypermobile.

The vast new economic topography that is being implemented through electronic space is one moment, one fragment, of an even more vast economic chain that is in good part embedded in non-electronic spaces. There is no entirely dematerialised firm or industry. Even the most advanced information industries, such as finance, are installed only partly in electronic space. And so are industries that produce digital products, such as software designers. The growing digitalisation of economic activities has not eliminated the need for major international business and financial centres and all the material resources they concentrate, from state of the art telematics infrastructure to brain talent.

In my research, I have conceptualised cities as production sites for the leading information industries of our time in order to recover the infrastructure of activities, firms and jobs that is necessary to run the advanced corporate economy, including its globalised sectors. Methodologically, this is one way of addressing the question of the unit of analysis of analysis in studies of contemporary economic processes. 'National economy' is a problematic category when there are high levels of internationalisation. And 'world economy' is a problematic category because of the impossibility of engaging in detailed empirical study at that scale. Highly internationalised cities such as New York or London or Mumbai or Hong Kong offer the possibility of examining globalisation processes in great detail within a bounded setting and with all their multiple, often contradictory aspects.

These industries are typically conceptualised in terms of the hypermobility of their outputs and the high levels of expertise of their professionals rather than in terms of the production process involved, and the requisite infrastructure of facilities and non-expert jobs that are also part of these industries. A detailed analysis of service-based urban economies shows that there is a considerable articulation of firms, sectors and workers who may appear as though they have little connection to an urban economy dominated by finance and specialised services but, in fact, fulfill a series of functions that are an integral part of that economy. They do so, however, under conditions of sharp social, earnings, and often racial/ethnic segmentation.

In the day-to-day work of the leading services complex dominated by finance, a large share of the jobs involved is low-paid and manual, many held by women and immigrants. Although these types of workers and jobs are never represented as part of the global economy, they are in fact part of the infrastructure of jobs involved in running and implementing the global economic system, including such an advanced form as international finance. A methodological tool I find useful for this type of examination is what I call circuits for the distribution and installation of economic operations. These circuits allow me to follow economic activities into terrains that escape the increasingly narrow borders of mainstream representations of 'the advanced economy' and to negotiate the crossing of socio-culturally discontinuous spaces.

The top end of the corporate economy—the corporate towers that project engineering expertise, precision, 'techné'—is far easier to mark as necessary for an advanced economic system than are truckers and other industrial service workers, even though these are a necessary ingredient. This is illustrated by the following event. When the first acute stock market crisis happened in 1987 after years of enormous growth, there were numerous press reports about the sudden and massive unemployment crisis among high-income professionals on Wall Street. The other unemployment crisis on Wall Street, affecting secretaries and blue-collar workers was never noticed nor reported upon. And yet, the stock market crash created a very concentrated unemployment crisis, for example, in the Dominican immigrant community in Northern Manhattan where a lot of the Wall Street janitors live. We see here a dynamic of valorisation at work that has sharply increased the distance between the devalorised and the valorised, indeed over-valorised, sectors of the economy.

For me as a political economist, addressing these issues has meant working in several systems of representation and constructing spaces of intersection. There are analytic moments when two systems of representation intersect. Such analytic moments are easily experienced as spaces of silence, of absence. One challenge is to see what happens in those spaces or what operations—analytic, of power, of meaning—take place there. One version of these spaces of intersection is what I have called 'analytic borderlands'. Why borderlands? Because they are spaces that are constituted in terms of discontinuities—discontinuities which are given a terrain rather than reduced to a dividing line. Much of my work on economic globalisation and cities has focused on these discontinuities and has sought to reconstitute them analytically as borderlands rather than dividing lines. This produces a terrain within which these discontinuities can be reconstituted in terms of economic operations whose properties are not merely a function of the spaces on each side (i.e., a reduction to the condition of dividing line) but also, and most

centrally, of the discontinuity itself, the argument being that discontinuities are an integral part, a component, of the economic system.

---

## **A New Geography of Centres and Margins**

The ascendance of information industries and the growth of a global economy, both inextricably linked, have contributed to a new geography of centrality and marginality. This new geography partly reproduces existing inequalities but is also the outcome of a dynamic specific to current forms of economic growth. It assumes many forms and operates in many arenas, from the distribution of telecommunication facilities to the structure of the economy and of employment.

Global cities accumulate immense concentrations of economic power while cities that were once major manufacturing centres suffer inordinate declines; the downtowns of cities and business centres in metropolitan areas receive massive investments in real estate and telecommunications while low-income urban and metropolitan areas are starved for resources; highly educated workers in the corporate sector see their incomes rise to unusually high levels while low- or medium-skilled workers see theirs sink. Financial services produce superprofits while industrial services barely survive.

The most powerful of these new geographies of centrality at the global level binds the major international financial and business centres: New York, London, Tokyo, Paris, Frankfurt, Zurich, Amsterdam, Los Angeles, Sydney, Hong Kong, among others. But this geography now also includes cities such as Bangkok, Taipei, São Paulo and Mexico City. The intensity of transactions among these cities, particularly through the financial markets, trade in services and investment has increased sharply, and so have the orders of magnitude involved. Whether this has contributed to the formation of transnational urban systems is subject to debate. The growth of global markets for finance and specialised services, the need for transnational servicing networks due to sharp increases in international investment, the reduced role of the government in the regulation of international economic activity and the corresponding ascendance of other institutional arenas, notably global markets and corporate headquarters—all these point to the existence of transnational economic arrangements with locations in more than one country. These cities are not merely competing with each other for market share as is often asserted or assumed; there is a division of labour which incorporates cities of multiple countries, and in this regard, we can speak of a global system (for example, in finance) as opposed to simply an international system.

At the same time, there has been a sharpening inequality in the concentration of strategic resources and activities in each of these cities compared to that of other cities in the same country. Further, the pronounced orientation to the world markets evident in such cities raises questions about the articulation with their nation-states, their regions, and the larger economic and social structure in such cities. Cities have typically been deeply embedded in the economies of their region, indeed often reflecting the characteristics of the latter—and they still do. But cities that are strategic sites in the global economy tend, in part, to disconnect from their region. This conflicts with a key proposition in traditional scholarship about urban systems, namely, that these systems promote the territorial integration of regional and national economies.

Along with these new global and regional hierarchies of cities, is a vast territory that has become increasingly peripheral and increasingly excluded from the major economic processes that are seen as fueling economic growth in the new global economy. Formerly, important manufacturing centres and port cities have lost functions and are in decline, not only in the less developed countries but also in the most advanced economies. Similarly, in the valuation of labour inputs, the over-valorisation of specialised services and professional workers has marked many of the 'other' types of economic activities and workers as unnecessary or irrelevant to an advanced economy.

There are other forms of this segmented marking of what is and what is not an instance of the new global economy. For example, the mainstream account on globalisation recognises that there is an international professional class of workers and highly internationalised business environments due to the presence of foreign firms and personnel. What has not been recognised is the possibility that we are seeing an internationalised labour market for low-wage manual and service workers; or that there is an internationalised business environment in many immigrant communities. These processes continue to be couched in terms of immigration, a narrative rooted in an earlier historical period.

This signals that there are representations of the global or the transnational that have not been recognised as such or are contested. Among these is the question of immigration, as well as the multiplicity of work environments it contributes in large cities, often subsumed under the notion of the ethnic economy and the informal economy. Much of what we still narrate in the language of immigration and ethnicity, I would argue, is actually a series of processes having to do with (a) the globalisation of economic activity, of cultural activity, of identity formation, and (b) the increasingly marked racialisation of labour market segmentation so that the components of the production process in the advanced global information economy, taking place in immigrant work environments, are components not recognised as

part of that global information economy. Immigration and ethnicity are constituted as otherness. Understanding them as a set of processes whereby global elements are localised, international labour markets are constituted and cultures from all over the world are de- and re-territorialised, puts them right there at the centre along with the internationalisation of capital as a fundamental aspect of globalisation.

How have these new processes of valorisation and devalorisation and the inequalities they produce come about? This is the subject addressed in the next section.

---

## Elements of a New Socio-spatial Order

The implantation of global processes and markets in major cities has meant that the internationalised sector of the urban economy has expanded sharply and has imposed a new set of criteria for valuing or pricing various economic activities and outcomes. This has had devastating effects on large sectors of the urban economy. It is not simply a quantitative transformation; we see here the elements for a new economic regime.

These tendencies towards polarisation assume distinct forms in (a) the spatial organisation of the urban economy, (b) the structures for social reproduction, and (c) the organisation of the labour process. In these trends towards multiple forms of polarisation lie conditions for the creation of employment-centred urban poverty and marginality and for new class formations.

The ascendancy of the specialised services-led economy, particularly the new finance and services complex, engenders what may be regarded as a new economic regime, because although this sector may account for only a fraction of the economy of a city, it imposes itself on that larger economy. One of these pressures is towards polarisation, as is the case with the possibility for superprofits in finance, which contributes to devalorise manufacturing and low-value-added services insofar as these sectors cannot generate the superprofits typical of much financial activity. The superprofit-making capacity of many of the leading industries is embedded in a complex combination of new trends: technologies that make possible the hypermobility of capital at a global scale and the deregulation of multiple markets that allows for implementing that hypermobility; financial inventions such as securitisation which liquefy hitherto illiquid capital and allow it to circulate and hence make additional profits, the growing demand for services in all industries along with the increasing complexity and specialisation of many of these inputs which has contributed to their valorisation and often over-valorisation, as illustrated in the unusually high salary increases beginning in the 1980s for top level profes-

sionals and CEOs. Globalisation further adds to the complexity of these services, their strategic character, their glamour and therewith to their over-valorisation.

The presence of a critical mass of firms with extremely high profit-making capabilities contributes to bid up the prices of commercial space, industrial services and other business needs, thereby making survival for firms with moderate profit-making capabilities increasingly precarious. And while the latter are essential to the operation of the urban economy and the daily needs of residents, their economic viability is threatened in a situation where finance and specialised services can earn superprofits. High prices and profit levels in the internationalised sector and its ancillary activities, such as top-of-the-line restaurants and hotels, make it increasingly difficult for other sectors to compete for space and investments. Many of these other sectors have experienced considerable downgrading and/or displacement, for example, the replacement of neighbourhood shops tailored to local needs by upscale boutiques and restaurants catering to new high-income urban elites.

Inequality in the profit-making capabilities of different sectors of the economy has always existed. But what we see happening today takes place on another order of magnitude and is engendering massive distortions in the operations of various markets, from housing to labour. For example, the polarisation of firms and households in the spatial organisation of the economy, in my reading, contribute towards the informalisation of a growing array of economic activities in advanced urban economies. When firms with low or modest profit-making capacities experience an ongoing, if not increasing demand for their goods and services from households and other firms in a context where a significant sector of the economy makes superprofits, they often cannot compete even though there is an effective demand for what they produce.

Operating informally is often one of the few ways in which such firms can survive, for example, using spaces not zoned for commercial or manufacturing uses, such as basements in residential areas, or space that is not up to code in terms of health, fire and other such standards. Similarly, new firms in low-profit industries entering a strong market for their goods and services may only be able to do so informally. Another option for firms with limited profit-making capabilities is to subcontract part of their work to informal operations. More generally, we are seeing the formation of new types of labour market segmentation. Two characteristics stand out. One is the weakening role of the firm in structuring the employment relation; more is left to the market. A second form in this restructuring of the labour market is what could be described as the shift of labour market functions to the household or community.

The recomposition of the sources of growth and profit-making entailed by these transformations also contribute to a reorganisation of some components of social

reproduction or consumption. While the middle strata still constitute the majority, the conditions that contributed to their expansion and politico-economic power in the post-war decades—the centrality of mass production and mass consumption in economic growth and profit realisation—have been displaced by new sources of growth.

The rapid growth of industries with strong concentrations of high and low income jobs has assumed distinct forms in the consumption structure, which in turn, has a feedback effect on the organisation of work and the types of jobs being created. The expansion of the high-income work force in conjunction with the emergence of new cultural forms has led to a process of high-income gentrification that rests, in the last analysis, on the availability of a vast supply of low-wage workers. In good part, the consumption needs of the low-income population in large cities are met by manufacturing and retail establishments, which are small, rely on family labour, and often fall below minimum safety and health standards. Cheap, locally produced sweatshop garments, for example, can compete with low-cost Asian imports. A growing range of products and services, from low-cost furniture made in basements to ‘gypsy cabs’ and family daycare, is available to meet the demand of the growing low-income population.

One way of conceptualising informalisation in advanced urban economies today is to posit it as the systemic equivalent of what we call deregulation at the top of the economy. Both the deregulation of a growing number of leading information industries and the informalisation of a growing number of sectors with low profit-making capacities can be conceptualised as adjustments under conditions where new economic developments and old regulations enter in growing tension. Linking informalisation and growth takes the analysis beyond the notion that the emergence of informal sectors in cities like New York and Los Angeles, is caused by the presence of immigrants and their propensities to replicate survival strategies typical of Third World countries. Linking informalisation and growth also takes the analysis beyond the notion that unemployment and recession generally may be the key factors promoting informalisation in the current phase of highly industrialised economies. It may point to characteristics of advanced capitalism that are not typically noted.

‘Regulatory fractures’ is one concept I have used to capture this condition.

We can think of these developments as constituting new geographies of centrality and marginality that cut across the old divide between poor and rich countries, and new geographies of marginality that have become increasingly evident not only in the less developed world but within highly developed countries. Inside major cities in both the developed and developing world we see a new geography of centres and

margins that not only contributes to strengthen existing inequalities but also sets in motion a whole series of new dynamics of inequality.

---

## The Localisations of the Global

Economic globalisation, then, needs to be understood also in its multiple localisations, rather than only in terms of the broad, overarching macro- level processes that dominate the mainstream account. Further, we need to see that some of these localisations do not generally get coded as having anything to do with the global economy. The global city can be seen as one strategic instantiation of such multiple localisations.

Here I want to focus on localisations of the global marked by these two features. Many of these localisations are embedded in the demographic transition evident in cities where a majority of resident workers today are immigrants and women, often women of colour. These cities are seeing an expansion of low-wage jobs that do not fit the master images about globalisation, yet, are part of it. Their being embedded in the demographic transition evident in all these cities, and their consequent invisibility, contribute to the devalorisation of these types of workers and work cultures, and to the 'legitimacy' of that devalorisation.

This can be read as a rupture of the traditional dynamic whereby membership in leading economic sectors contributes conditions towards the formation of a labour aristocracy—a process long evident in western industrialised economies. 'Women and immigrants' come to replace the Fordist/family-wage category of 'women and children'. This newer case brings out, more brutally than did the Fordist contract, the economic significance of these types of actors, a significance veiled or softened in the case of the Fordist contract through the provision of the family wage.

One of the localisations of the dynamics of globalisation is the process of economic restructuring in global cities. The associated socio-economic polarisation has generated a large growth in the demand for low-wage workers and for jobs that offer few advancement possibilities. This, amidst an explosion in the wealth and power concentrated in these cities—that is to say, in conditions where there is also a visible expansion in high-income jobs and high-priced urban space.

'Women and immigrants' emerge as the labour supply that facilitates the imposition of low-wages and powerlessness under conditions of high demand for those workers, and the location of those jobs in high-growth sectors. It breaks the historic nexus that would have led to empowering workers and legitimates this break culturally. Another localisation which is rarely associated with globalisa-

tion—informalisation, re-introduces the community and the household as an important economic space in global cities. I see informalisation in this setting as the low-cost—and often feminised—equivalent of deregulation at the top of the system. As with deregulation (for example, financial deregulation), informalisation introduces flexibility, reduces the ‘burdens’ of regulation and lowers costs, in this case, especially the costs of labour.

Informalisation in major cities of highly developed countries—whether New York, London, Paris or Berlin—can be seen as a downgrading of a variety of activities for which there is not only an effective demand in these cities but also a devaluing and enormous competition, given low entry costs and few alternative forms of employment. Going informal is one way of producing and distributing goods and services at a lower cost and with greater flexibility. This further devalues these types of activities. Immigrants and women are important actors in the new informal economies of these cities. They absorb the costs of informalising these activities.

The reconfiguration of economic spaces associated with globalisation in major cities has had differential impacts on women and men, on male and female work cultures, on male- and female-centred forms of power and empowerment. The restructuring of the labour market brings with it a shift of labour market functions to the household or community. Women and households emerge as sites that should be part of the theorisation of the particular forms that these elements in labour market dynamics assume today.

These transformations contain possibilities, even if limited, for the autonomy and empowerment of women. For instance, we might ask whether the growth of informalisation in advanced urban economies reconfigures some types of economic relations between men and women? With informalisation, the neighbourhood and the household re-emerge as sites for economic activity. This condition has its own dynamic possibilities for women. Economic downgrading through informalisation creates ‘opportunities’ for low-income women entrepreneurs and workers, and therewith reconfigures some of the work and household hierarchies that women find themselves in. This becomes particularly clear in the case of immigrant women who come from countries with rather traditional male-centred cultures.

There is a large literature showing that immigrant women’s regular- wage work and improved access to other public realms have an impact on their gender relations. Women gain greater personal autonomy and independence while men lose ground. Women gain more control over budgeting and other domestic decisions and greater leverage in requesting help from men in domestic chores. Also, their access to public services and other public resources gives them a chance to become incorporated in the mainstream society—they are often the ones in the household who mediate this process. It is likely that some women benefit more than others

from these circumstances; we need more research to establish the impact of class, education and income on these gendered outcomes. Besides the relatively greater empowerment of women in the household associated with waged employment, there is a second important outcome: their greater participation in the public sphere and their possible emergence as public actors.

There are two arenas where immigrant women are active: institutions for public and private assistance, and the immigrant/ethnic community. The incorporation of women in the migration process strengthens the settlement likelihood and contributes to greater immigrant participation in their communities and vis-à-vis the state. For example, immigrant women come to assume more active public and social roles which further reinforces their status in the household and the settlement process. Women are more active in community-building and community-activism, and they are positioned differently from men regarding the broader economy and the state. They are the ones who most likely handle the legal vulnerability of their families in the process of seeking public and social services for their families. This greater participation by women suggests the possibility that they may emerge as more forceful and visible actors and make their role in the labour market more visible as well. There is, to some extent, a joining of two different dynamics in the condition of women in global cities described above.

On the one hand, they are constituted as an invisible and disempowered class of workers in the service of the strategic sectors constituting the global economy. This invisibility keeps them from emerging as whatever would be the contemporary equivalent of the 'labour aristocracy' of earlier forms of economic organisation, when a low-wage worker's position in leading sectors had the effect of empowering that worker (i.e., the possibility of unionising). On the other hand, the access to—albeit low—wages and salaries, the growing feminisation of the job supply and the growing feminisation of business opportunities brought about with informalisation do alter the gender hierarchies in which they find themselves. Another important localisation of the dynamics of globalisation is that of the new professional women stratum. I have examined the impact of the growth of top-level professional women in high-income gentrification in these cities—both residential and commercial—as well as in the re-urbanisation of middle-class family life.

## **The Global City: A Nexus for New Politico-Economic Alignments**

What makes the localisation of the processes described above strategic, even though they involve powerless and often invisible workers, potentially constitutive of a new kind of transnational politics, is that these same cities are also the strategic sites for the valorisation of the new forms of global corporate capital as described in the first section of this chapter.

Typically, the analysis about the globalisation of the economy privileges the reconstitution of capital as an internationalised presence; it emphasises the vanguard character of this reconstitution. At the same time, it remains absolutely silent about another crucial element of this transnationalisation, one that some, like myself, see as the counterpart of that capital, the transnationalisation of labour. We are still using the language of immigration to describe this process. This language is increasingly constructing immigration as a devalued process in so far as it describes the entry of people from generally poorer, disadvantaged countries, in search of the better lives that the receiving country can offer; it contains an implicit valorisation of the receiving country and a devalorisation of the sending country.

Secondly, that analysis overlooks the transnationalisation in the formation of identities and loyalties among various population segments that explicitly reject the imagined community of the nation. With this come new solidarities and notions of membership. Major cities have emerged as a strategic site for both the transnationalisation of labour and the formation of transnational identities. In this regard, they form a site for new types of political operations.

Cities are the terrain where people from many different countries are most likely to meet and a multiplicity of cultures can come together. The international character of major cities lies not only in their tele-communication infrastructure and international firms, but it lies also in the many different cultural environments in which these workers exist. One can no longer think of centres for international business and finance simply in terms of the corporate towers and corporate culture at its centre. Today's global cities are in part the spaces of post-colonialism and indeed contain conditions for the formation of a post-colonialist discourse.

An important question concerns the nature of internationalisation today in ex-colonial cities. Internationalisation as used today is assumed to be rooted in the experience of the centre. This brings up a parallel contemporary blind spot: contemporary post-colonial and post-imperialist critiques have emerged in the former centres of empires, and they are silent about a range of conditions evident today in ex-colonial cities or countries. Yet another such blind spot is the idea that the international migrations (now directed largely to the centre) coming from

former colonial territories, might be the correlate of the internationalisation of capital that began with colonialism.

The large Western city of today concentrates diversity. Its spaces are inscribed not only with the dominant corporate culture but also with a multiplicity of other cultures and identities. The slippage is evident; the dominant culture can encompass only part of the city. And while corporate power inscribes these cultures and identities with 'otherness', thereby devaluing them, they are present everywhere. For example, through immigration a proliferation of originally highly localised cultures now have become presences in many large cities, cities whose elites think of themselves as 'cosmopolitan', or transcending any locality. An immense array of cultures from around the world, each rooted in a particular country or village, now are re-territorialised in a few single places, places such as New York, Los Angeles, Paris, London, and most recently Tokyo.

Immigration and ethnicity are too often constituted as 'otherness'. Understanding them as a set of processes whereby global elements are localised, international labour markets are constituted and cultures from all over the world are de-territorialised, puts them right there at the centre of the stage along with the internationalisation of capital as a fundamental aspect of globalisation today. Further, this way of narrating the migration events of the post-war era captures the ongoing weight of colonialism and post-colonial forms of empire on major processes of globalisation today and specifically those binding emigration and immigration countries. My argument is that the specific forms of the internationalisation of capital we see over the last 20 or 30 years have contributed to mobilise people into migration streams.

While the specific genesis and contents of their responsibility will vary from case to case and period to period, none of the major immigration countries are innocent bystanders. The centrality of place in a context of global processes engenders a transnational economic and political opening in the formation of new claims and hence in the constitution of entitlements, notably rights to place and, at the limit, in the constitution of 'citizenship'. The city has indeed emerged as a site for new claims by global capital which not only uses the city as an 'organizational commodity' but also, by disadvantaged sectors of the urban population, frequently as internationalised a presence in large cities as capital.

I see this as a type of political opening that contains unifying capacities across national boundaries and sharpening conflicts within such boundaries. Global capital and the new immigrant workforce are two major instances of transnationalised categories that have unifying properties internally and find themselves in contestation with each other in global cities. Global cities are the sites for the overvalorisation of corporate capital and the devalorisation of disadvantaged workers. The leading sectors of corporate capital are now global in both their organisation and operations.

And many of the disadvantaged workers in global cities are women, immigrants and people of colour. All these groups find in the global city a strategic site for their economic and political operations.

The linkage of people to territory as constituted in global cities is far less likely to be intermediated by the national state or 'national culture'. We are seeing a loosening of identities from what have been the traditional sources of identity, such as the nation or the village. This unmooring in the process of identity formation engenders new notions of community of membership and of entitlement.

Yet another way of thinking about the political implications of this strategic transnational space is the notion of the formation of new claims on that space. Has economic globalisation at least partly shaped the formation of claims? There are indeed major new actors making claims on these cities, notably foreign firms who have been increasingly entitled to do business through progressive deregulation of national economies, and there has been large increase over the last decade in international business people. These are among the new 'city users'. They have profoundly marked the urban landscape. Perhaps at the other extreme are those who use urban political violence to make their claims on the city, claims that lack the *de facto* legitimacy enjoyed by the new city users. These are claims made by actors struggling for recognition, entitlement and to claim their rights to the city. The city remains a terrain for contest, characterised by the emergence of new actors, often younger and younger. It is a terrain where the constraints and the institutional limitations of governments to address the demands for equity engender social disorders. Urban political violence should not be interpreted as a coherent ideology but rather as an element of temporary political tactics, which permits vulnerable actors to enter into interaction with the holders of power on terms that will be somewhat more favourable to the weak.

There is something to be captured here—a distinction between powerlessness and a condition of being an actor or political subject even though one lacks power. I use the term 'presence' to name this condition. In the context of a strategic space such as the global city, the types of disadvantaged people described here are not simply marginal; they acquire presence in a broader political process that escapes the boundaries of the formal polity. This presence signals the possibility of a politics.

What this politics will be, will depend on the specific projects and practices of various communities. Insofar as the sense of membership of these communities is not subsumed under the national, it may well signal the possibility of a transnational politics centred in concrete localities.

## Conclusion

Large cities around the world are the terrain where a multiplicity of globalisation processes assumes concrete, localised forms. These localised forms are, in good part, what globalisation is about. If we consider further that large cities also concentrate a growing share of disadvantaged populations—immigrants in Europe and the United States, African-Americans and Latinos in the United States, masses of shanty dwellers in the mega-cities of the developing world—then we can see that cities have become a strategic terrain for a whole series of conflicts and contradictions.

We can then think of cities also as one of the sites for the contradictions of the globalisation of capital. On one hand, they concentrate a disproportionate share of corporate power and are one of the key sites for the over-valorisation of the corporate economy; on the other hand, they concentrate a disproportionate share of the disadvantaged and are one of the key sites for their devalorisation. This joint presence happens in a context where (a) the transnationalisation of economies has grown sharply and cities have become increasingly strategic for global capital and (b) marginalised people have found their voice and are making claims on the city as well. This joint presence is further brought into focus by the sharpening of the distance between the two.

These joint presences have made cities a contested terrain. The global city concentrates diversity. Its spaces are inscribed not only with the dominant corporate culture but also with a multiplicity of other cultures and identities, notably through immigration. The slippage is evident: the dominant culture can encompass only part of the city. And while corporate power inscribes non-corporate cultures and identities with 'otherness', thereby devaluing them, they are present everywhere. The immigrant communities and informal economy in cities such as New York and Los Angeles are only two instances.

The space constituted by the global grid of global cities, a space with new economic and political potentialities, is perhaps one of the most strategic spaces for the formation of new types of presences, including transnational identities and communities. This is a space that is both place-centred in the sense that it is embedded in particular and strategic sites, and it is transterritorial because it connects sites that are not geographically proximate yet intensely connected to each other. It is not only the trans-migration of capital that takes place in this global grid, but also that of people both rich (i.e., the new transnational professional workforce) and poor (i.e., most migrant workers), and it is a space for the transmigration of cultural forms or the re-territorialisation of 'local' subcultures. An important question is whether it is also a space for a new politics, one going beyond the politics of culture

and identity, though at least partly likely to be embedded in these. The analysis presented in this chapter suggests that it is.

The centrality of place in a context of global processes engenders a transnational economic and political opening in the formation of new claims and hence in the constitution of entitlements, notably rights to place and ultimately, in the constitution of new forms of 'citizenship' and a diversity of citizenship practices. The global city has emerged as a site for new claims: by global capital which uses the city as an 'organizational commodity'; but also by disadvantaged sectors of the urban population, frequently as internationalised a presence in large cities as capital. The denationalising of urban space and the formation of new claims centred in transnational actors and involving contestation constitute the global city as a frontier zone for a new type of engagement.

Moving Cities – Contested Views on Urban Life

Ferro, L.; Smagacz-Poziemska, M.; Gómez, M.V.;

Kurtenbach, S.; Pereira, P.; Villalón, J.J. (Eds.)

2018, VI, 226 p. 35 illus., 17 illus. in color., Softcover

ISBN: 978-3-658-18461-2