# **UC Berkeley**

**UC Berkeley Previously Published Works** 

# Title

The post-global city: revisiting and reimagining the competitiveness and livability of primary central city centers

## Permalink

https://escholarship.org/uc/item/2w01f9fh

## Author

Blakely, Edward

## **Publication Date**

2024-05-01

## **Copyright Information**

This work is made available under the terms of a Creative Commons Attribution-NonCommercial-ShareAlike License, available at <u>https://creativecommons.org/licenses/by-nc-sa/4.0/</u>

Peer reviewed

# 1. The post-global city: revisiting and reimagining the competitiveness and livability of primary central city centers

### Edward J. Blakely and Richard Hu

The globalization we have been familiar with-and that we have taken for granted-for half a century is at a crossroads, if not dead. Deglobalization is not a warning; it is a reality. The pandemic is not the cause; it has simply expedited the process in an extreme situation. The underlying factors include but are not limited to restructuring the global political economy, decoupling of significant powers, escalating geopolitics, populism, protectionism, nationalism, and disruptions of various crises. The global city and its defining attribute of centrality-the concentration of international economic activities and the global workers for them in city centers-were both contextualized in and underpinned by the previous round of globalization and require critical examination of their validity in the new international context. In this chapter, we propose 'the post-global city' to capture the transformations of city centers of global cities, to shed new light on their competitiveness and livability, and to inform city leaders of the changes to come and policy responses. Empirically, we apply the conceptualization to the city centers of Sydney and Melbourne-Australia's primary global cities—to assess this proposition.

# GLOBALIZATION, DEGLOBALIZATION, AND THE POST-GLOBAL CITY

Any attempt to define globalization could be futile or disputable. Despite being a daily term, and primarily because of being a daily term, 'globalization' is too broad, diverse, complex, elusive, and contestable to be definable. It means different things for different people, in different contexts. However, several real and specific core elements, based on some consensus or simply common sense, can be identified to underpin this idea and characterize its accelerated development in recent decades. One is the progress of transport, technology, and infrastructure that have conquered the tyranny of distance nationally and internationally; the other is the liberalized policies on trade, investment, and people movement and migration—domestically and globally.

Trade and globalization have been critical economic growth and development drivers over the past few decades. However, current trends suggest that we may see a shift away from globalization. *The Economist*'s (2020) article 'Goodbye globalisation' argues that the COVID-19 pandemic has accelerated this trend as countries have turned inward to protect their economies. This shift is also reflected in the rise of deglobalization, as described by Troyjo (2017), which refers to the reversal of global integration and cooperation. However, this trend is not absolute. Ultimately, the future of trade and globalization remains uncertain as there are counterexamples to the claim that deglobalization is inevitable. For example, China has continued to embrace globalization and has become a significant player in the global economy despite concerns about its political system and human rights record. Also, some African countries have leveraged trade and globalization to achieve significant economic growth in recent years. These issues will continue to shape our world in meaningful ways.

Moss (1987) claims three critical issues of globalization: the effects of information-intensive systems and the physical development within larger cities; how elements of this new order affect the relationship of cities to each other; and how the activities undertaken in the new economic order affect the development of urban infrastructure in the core of cities.

COVID-19 did not bring the world closer to addressing a global public health crisis but further split it by a clear distinction of geopolitics and ideology. COVID-19 may not have ended globalization, but it is disrupting and resetting the urban world and reshaping the functions of city centers. Large interconnected global cities reduce the physical connection of people and goods by boosting information technology, enabling a globalized knowledge economy less dependent on spatial proximity. This transformation of the economic system made globally connected cities rely more on digital than human interactive space. Global digital transformation has made the centers of connected cities more vulnerable and fragile. COVID-19 is a dividing line: COVID-19 is not the end of global central cities, but it tests the adaptability and resilience of large metropolitan cores to reinvent them and shape their futures.

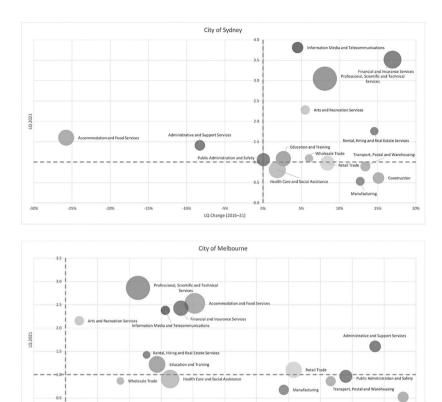
We are at a critical point of mingling deglobalization and globalization, forging a paradox in which these two trends interact and contradict to determine the likelihood of a post-globalization: the globalization process that has been in place for half a century will not be deglobalized, as worried or debated, but will be post-globalized in new ways. Several trends are emerging and shaping this shift towards a post-global city configuration. Globalization is irreversible, but its nature and pace are changing. In this chapter, we look at two global cities—Sydney and Melbourne—isolated from the European, North American, or Asian global connections to illustrate the impact of socioeconomic connectivity at the intersection of globalization and deglobalization. These cities magnify and exemplify the argument for the post-global city.

#### AUSTRALIA—A CONTINENT OF CITIES

Australia's civic myth is a place of eminent beauty and charm with a rich sub-tropical landscape that forms the base for its incredible rugged terrain. Australia is among the world's least densely settled continents, and one that many Australians have not traversed. Australia is not only a nation of cities, but its cities are large and dominate the national economic, social, and cultural patterns. So, when COVID-19 reached the nation's shores, there was, despite the vast terrain, nowhere to hide from the disease or its consequences to the entire country emanating from its metropolitan centers. The dimensions of Australia's urban dependence on a few mega-cities are profound. While Australia's wealth lies in the scorching interior of the nation with its mineral, agricultural, and related extractive industries, its population, income, and education is centralized in only a few coastal centers. These centers dominate the nation's economy.

Unlike European, American, and Asian nations, nonmetropolitan areas play no significant role in the national discourse. Major public and private policies are set in only six metropolitan areas, which are the state capitals, locus of universities, headquarters of banks, and the cultural centers for the state. In the case of the two largest metropolises, Sydney and Melbourne, they are the national financial magnets and headquarters for over 45 percent of the national gross domestic product (SGS, 2018). Sydney and Melbourne are global cities in every dimension. Both cities are ranked in the top ten global cities for their livability. These rankings are slipping post-COVID-19 because international visitors and business traffic are a fraction of their position pre-pandemic. In every sense, the recovery thrusts of these two cities, particularly their central areas, are signals shaping the direction for Australia's big city cores.

Sydney and Melbourne are the nation's oldest, largest, and wealthiest metropolitan areas. Both sprang from traditional British colonial town forms. A military organization was always the dominant fortification style of the period, with central squares and colonial military and government offices as prominent guiding town forms. This centralization of civic activities is magnified in current civic states, with the principal town square as the civic center with all other activities radiating from it. The tightness of this geography is the precursor of Sydney and Melbourne as they transformed from colonial headquarters to global cities. See Figure 1.1.





25%

LQ Change (2016-21)

35%

20%

10%

15%

Figure 1.1 Sydney's and Melbourne's economic and human capitals, 2016–2021

# LOCKED DOWN, LOCKED IN, LOCKED OUT, AND LOCKED UP

Australia is a confederation of states and territories limiting central government controls. The national government never adopted a strict national approach to COVID-19 restrictions. Each state—and within states, cities and localities—adopted their own methods within generally agreed-upon guidelines. This strategy makes sense considering the enormous land mass and localities' demographic, economic, and environmental issues. For example, distant Aboriginal settlements without access to health care could be hard to cover under state or territorial policies.

Despite this general rubric, Australia and New Zealand adopted many stringent human and good movement approaches. States created internal movement restrictions from state to state. National air and sea landings were restricted. Sign-in and out and within cities were restricted. Melbourne and other cities adopted intra-city movement directives, setting off protests. Capital city movement restrictions led to unfair comparisons and hostilities among residents, leading to demonstrations conducted mainly in the central areas of cities where slowing commerce city dead zones were still visible post-conflagrations.

Australia's harsh but not uniform COVID-19 policies were disastrous for central cities. First, central cities are where the nation's densest direct and indirect employment is located, and flows of goods and services must pass through them because the road and rail systems are city-centric. Second, work was restricted in central business districts (CBDs), thus constricting the interdependent connectivity of employment. Office workers arranged for goods or services movement from home via the internet, but deliveries or pick up could not cross restricted corridors.

#### **Economic Impacts**

Job losses totaled 128,000 in Central City Melbourne in 2020, eclipsing any similar losses in any previous economic downturn in the city's history (City of Melbourne 2020).

One of the most damaging features of COVID-19 was that Melbourne lost over 250,000 international students required to leave the city to continue their education online. Melbourne's central hub generated a billion dollars yearly in local spending, crushing small businesses in the center of the city (City of Melbourne, 2020). Sydney's impacts were similar because two major universities are on the periphery of the central city.

#### A Hollowed-out Central Business District

Data from Google's Community Mobility Reports for Melbourne provide insights into visitor trends to retail/recreation places at a run. Mobility of city movements provides insights into visitor trends to retail/recreation places at various scales—national, state, and local government areas. The Google data show percentage changes in visitor numbers from a baseline day: 'the median value from the five weeks Jan 3-Feb 6, 2020'—the average full-time work from home increased from 0.9 to 2.1 days per week after the pandemic. Private and public sector businesses are now considering being more flexible, with some already committing to flexible workplaces. The City of Melbourne (2020) report indicates corporate support for working from home, where 74 percent of companies surveyed plan to permanently shift at least five percent of their workforce from the office to working remotely, creating a vast empty urban scape.

#### **Socio-cultural Impacts**

Central cities, such as Sydney and Melbourne, were hit hard, with the tourism and hospitality industries experiencing significant losses. According to the City of Sydney, the tourism industry in the city has experienced a decline of up to 90 percent. The hospitality industry has also been significantly affected, with many businesses closing permanently due to the economic downturn. *The Conversation*, a national online daily, headlined 'How Covid All But Killed the Australian CBD' (October 30, 2020).

Arts provide civic life for central cities beyond office hours. Sydney, a national artistic capital, suffered international reputation damage as many national and international events were canceled or postponed. Recovery from artistic reputation will be slow and difficult for Sydney to absorb. A city without intense nightlife will not attract new businesses or investments.

#### Immigrants

Newcomers are the lifeblood and energy of most central business districts. They are the third sector, after finance and retailing, that generates new enterprises and energy for the city. Their presence day and night makes cities safe. COVID-19 slowed immigration, making nightlife and related small-scale enterprises untenable; without them, the core cannot survive or thrive. Migrant flow is critical to the national economy: 79 percent of 2020 had a bachelor's degree or higher, and 13 percent had an advanced diploma or diploma (ABS, 2023).

#### **Inequality Impacts**

The pandemic has also highlighted the inequality within Australia's central cities, with vulnerable populations, such as those experiencing homelessness, being affected. According to the Australian Bureau of Statistics, the number of people experiencing homelessness in Australia went up by 5.7 percent in 2020 (ABS, 2023). Homelessness is a significant issue in Australia's central cities, and the pandemic has exacerbated this problem because cash-by-the-day jobs for undocumented or marginal workers virtually disappeared.

6

#### **Environmental Impacts**

The COVID-19 pandemic has had a mixed impact on the environment in Australia's central cities. The lockdowns and restrictions on movement have resulted in a reduction in air pollution and greenhouse gas emissions. According to the City of Melbourne, there was a 25 percent reduction in carbon emissions during the lockdown period (City of Melbourne, 2020).

#### **Innovation Impacts**

To a considerable extent, globally recognized universities in the heart of Sydney and Melbourne attract science and engineering talent and firms to the city's core. COVID-19 derailed the commencement of new high- and mediumtechnology locations and talent from Sydney and Melbourne, as noted by a Greater Sydney Commission Report on COVID-19 implications for the innovation economy:

The Eastern Economic Corridor includes high value. Economic precincts from Macquarie Park in the north through the Harbour CBD are the trade gateways at Port Botany and Sydney Airport. The sharp decline in international students and visitors has heavily affected the Eastern Economic Corridor. An important part of the economic recovery in this corridor will be precincts such as Tech Central and the renewal of Circular Quay, as well as the expansion of the night-time economy. (Greater Sydney Commission, n.d. p. 20).

Blakely and Hu (2019) postulate information jobs filled with international urbanites create lively places and bring innovation capital not just buildings to central cities. Global cities take a 'global look, feel and urban form', generating, as Moss (1987, p. 535) puts it:

The challenge for students of urban life is to explain how cities may have become obsolete when communications technology reduces the cost of interaction and overcomes traditional barriers of physical space. The growing body of knowledge on the relationship of information technology to urban development emphasizes issues such as the location of office activities, the internationalization of business services, employment and labor force skills, and regional development policy—that provide the conceptual underpinning for systematic inquiry on cities and communities.

#### Knowing the Problem is Not Knowing the Answer

As we noted earlier, COVID-19 highlighted crumbling central business districts. Sydney and Melbourne's significant areas struggled to bring people to the central city and keep them. Improvements in rapid transit are bringing people to main towns. Still, improved suburban areas attract workers and nightlife away from core areas—COVID-19, as we cited earlier, is not formative but catalytic. Our examination of policy options proposed by central city policymakers is tepid. Both Sydney and Melbourne seem to put 'new wine in old bottles'. See Table 1.1.

All these things are needed now, but we must focus on what the new Central City must be for now and tomorrow.

City	Financial help	Digital tech	Collaboration
Melbourne	Revival of firms	Small business	Civic space
Sydney	New sectors	Tech workspace	Shared space

Table 1.1 Post-COVID-19 policy responses

#### RECRAFTING THE CENTRAL CORE

As we opined earlier, COVID-19 was and is a moment to reflect on the destiny of central core cities. The pandemic provides a new lens and an opportunity to craft a new civic heart.

#### Information Replaces Finance as the Core City's Economic Engine

Artificial intelligence is increasingly transforming all product and service industries into new forms of work. The old office building housing large transactional workforces is disappearing from downtowns to suburbs and soon to the cloud. City-center high-rises are already being re-engineered for urban residential and similar uses. But this transition is not yet unleashing the civic energy downtowns need. There are several reasons for this, but high-rise living fails to push energy down to the streets. See Figure 1.2.

Information firms like cities because the city provides a 24-hour environment for a transient workforce that moves among and between locations day and night. Central cities will require adaptable spaces for work performed with information as the primary tool and product. This approach suggests fewer skyscrapers, more buildings with easy access and mixed residential, business, retail, and education use. Civic leaders should move to reuse much of the current building stock rather than tearing down and then putting up buildings with even larger floor plates for fewer 9–5 workers.

8



Source: Author photo, New York City, 2017.

#### Figure 1.2 Information Work Center, Lower Manhattan

#### **Downtown Integrated Precincts**

Hudson Yards in New York is one of the new live-work precincts in global central cities. The work-home areas are built as total communities that take advantage of city centrality while offering a wraparound urban environment offering job spaces in every form of firm offices, schools, medical facilities, and even communal open areas in the heart of the city. See Figure 1.3.



Source: Author photo, Philadelphia, PA, 2017.

Figure 1.3 32nd Street Penn Station Philadelphia—a place to live, work and play in the city's heart Leipzig's SpinLab is an excellent illustration of this new form of city center anchor based on technology space, such as an incubator for new innovative enterprises. SpinLab nurtures inventors and entrepreneurs with education and assistance in designing, testing, and prototyping products for a global market. It is part of the city, so it brings energy and is part of building a collective community. In this respect, Sydney and Melbourne must continue to rebuild the core on the edges of their downtowns and the center. See Figure 1.4.



Figure 1.4 SpinLab—hosts of the 2023 GUCP conference

#### New Town in City Core Movements in Sydney and Melbourne

Recently, a desire for a classical live-work environment is emerging from Generation Z, who enjoy working and living in areas that have an intimate old-town feel, which they feel has been eroded by the increasing number of drab financial buildings. As in London, the public desire the older form of the walkable high street with side streets and formal gardens. Melbourne is recreating this older-style format with business, leisure, and community in an area more livable than the central core but connected to the center with delicate links of small streets and lanes. See Figure 1.5. Sydney is also recreating its original harbor-edge settlement in East Sydney, where ambitious developers are trying to bring back an old-town atmosphere on the edge of the central city. See Figure 1.6.



Source: HTTP://www.fishermansbend.vic.gov.au.

#### Figure 1.5 Fisherman's Bend Melbourne innovation community.



Source: The City of Sydney, 2021.

Figure 1.6 Bays Project Sydney

# TRANSPORTATION AROUND, NOT JUST TO, THE CITY CENTER

For far too long, transport took passengers only to the central city. Once in the town, there were not enough friendly options. New projects like the Cross-City Line in London ease movements and make more of the city accessible. Melbourne and Sydney are creating new innovative transport solutions integrated with all forms of ground movement, from rail to walking, bike, or cab, with better networks and more innovative technologies. This approach opens the entire city to both locals and visitors. See Figure 1.7.

Sydney and Melbourne are investing heavily in new metro connecting lines that take people to, around, and through the city, reducing auto traffic and enhancing the city experience. The central town is another node and not only an action point for city life and culture. Both towns emphasize bicycles, walking, and improved street comforts to make the central city more inviting day and night. Integrated precincts are not built with walls that divide; the place spills into the city, energizing the central city environment. Restaurants and other magnets must be added inside or close by. These spaces are the new major city anchors, not office buildings.



Source: Sydney Trains.

Figure 1.7 Remodeled, humanized, Sydney Central Train Station

#### Nature to the Core

New York's Highline is now one of a network of initiatives bringing enhanced livability to central cities. Old shipping dock areas in many cities worldwide, like Hamburg in Germany, function as the fulcrum to bring more green and playful street life to central cities. This play space makes living and working downtown possible and enjoyable for all ages. See Figure 1.8 and Figure 1.9.

Sydney and Melbourne are beginning in small ways to reconfigure street connections with nature through traffic reduction and bicycles. Still, more action must be taken to rebuild the city streets with heart and safety. See Figure 1.10.



Source: Author photo, 2016.

*Figure 1.8 New York Nature to the Street and Highline* 



Figure 1.9 Legg & Legg + Blakely 2022 sketches



Source: Author, 2023.

Figure 1.10 New Sydney Central Light Rail, integrated with bike- and walkability

#### **OBSERVATIONS AND CONCLUSIONS**

The basic observation is to move the central city back to its primary form as the *agora*, the focal point of an eclectic collection of people and places. In the twentieth century, we reduced the city to a single commercial, primarily financial hub creating a dead uninviting core. City centers grew from a mix of mutually dependent activities attracting living places, entertainment, and learning/intellectual exchange. It is now time not to re-enforce single functions but instead create places where cities are multifaceted and resilient like other bio-forms. We suggest applying the lessons of past city centers will generate long-term sustainable loci that can shape the urban future.

#### REFERENCES

- Australian Bureau of Statistics (ABS) (2023). COVID Impacts On Australian Cities. Retrieved from https://www.abs.gov.au/covid-19
- Blakely, E. J. and Hu, R. (2019). *Crafting Innovative Places for Australia's Knowledge Economy*. Palgrave Macmillan, Singapore.
- Brenner, N. (1999). Globalization as Reterritorialization: The Re-scaling of Urban Governance in the European Union. Urban Studies, 36(3), 431–51.
- *Conversation, The* (2020). How Covid all but killed the Australian CBD. Retrived from https://theconversation.com/how-covid-all-but-killed-the-australian-cbd-147848
- Economist, The (2020). Goodbye globalisation. The Economist, 16–22 May.

Fukuyama, F. (1992). The End of History and the Last Man. Free Press.

- Greater Sydney Commission (n.d.). City-shaping impacts of Covid-19. Retrieved from https://greatersydneycommission.au/city-shaping-impacts-of-covid-19
- Hu, R. (2017). *Relational Global Cities: Singapore, Shanghai, and Sydney.* The University of Canberra and Urban Taskforce Australia.
- Melbourne, City of (2020) Economic impacts of Covid-19. Retrieved from https://www .melbourne.vic.gov.au/sitecollectiondocuments/economic-impacts-covid-19

- Moss, M. L. (1987). Telecommunications, world cities, and urban policy. Urban Studies, 24(6), 534–46.
- Ortiz-Ospina, E. and Beltekian, D. (2018). Trade and Globalization. Our World in Data. Retrieved from https://ourworldindata.org/trade-and-globalization
- SGS. (2018). Economic Performance of Australia's Cities and Regions 2017–2018. SGS Economics and Planning, Sydney.
- Troyjo, M. (2017). The Clash Between Deglobalization and Regionalization: Megatrends Now Shaping the Future of "Re-Emerging Markets". *Huffington Post*. Retrieved from https://www.huffpost.com/entry/the-clash-between-deglobalization -reglobalization\_b\_586e8e2de4b0a5e600a78907
- Vogel, E. F. (1991). *The Four Little Dragons: Industrialization Spread in East Asia*. Harvard University Press.