Beginning in the late twentieth century, with the deepening of globalization and information, the deepening of the international division of labor and the rapid development of information technology stimulated frequent flows of capital, talent, and information, which began to gather in center cities, leading to the rise of world cities such as London, New York, and Paris. These world cities, which are at once centers for multinational headquarters, international finance centers, high-end production services centers, and centers of dissemination of scientific and cultural information, are undoubtedly more competitive in this era of continuous gathering of flows of information, flows of capital, flows of goods, and flows of people. In 1966, British geographer and planner Peter Hall made the following classic interpretation of world cities: World cities are international first-class cities that have had a global influence on the entire world or on the majority of countries. Later, “world cities” gradually evolved into large, versatile cities with direct influence on global affairs on economic, political, and cultural levels.

Concurrent with the expanding sizes and functions of world cities, more and more frequent exchanges and links with other cities have gradually formed a more interconnected city network system. Through the input and output of the various “flows,” the city network system has been broken into functional cities such as global centers, regional centers, and nodal channels. As the “center” of the city network system, world cities have used this dynamic “network” to gradually strengthen their political, economic, and cultural “dominance,” guiding the direction of the world development process. First, the ability of world cities to dominate economics is mainly seen in the business activities of multinational businesses. Friedmann and Wolff (1982) hold that the rapid shift of global city economies from manufacturing to production services and finance is a spatial expression of these processes of global change and that many local issues of cities around the world can be understood as the results of supranational influences, particularly the rapid and irregular flows of transnational capital. Thus, the economic dominance of global
cities has mainly come from the headquarters of multinational companies gathered therein. Global cities have become gathering places for multinational headquarters, and multinationals have implemented their global strategies through centralized management and unified decision-making and allocated resources according to the principle of profit maximization.

The global economic operating method thus changed. Production chains, consumption chains, and management chains underwent a separation in form, but in fact were also closely linked together, firmly in control of the global economy. Thus, the economic dominance of global cities is first manifested in the resource allocation function and management decision-making function. The economic dominance of global cities is also manifested in the research, development, and innovation function. Multinational companies will increase research and development efforts and improve capacity for innovation. To this end, multinational companies generally place research and development centers under the direct management of headquarters. From a practical point of view, the separation of the headquarters and R&D centers of multinationals is rare. R&D centers are generally located in cities where high-end talent gathers, information flows freely, and hardware and software facilities are well established. This to a certain extent also improves the city’s R&D and innovation capacity.

For this reason, the world cities formed within the constant development and evolution are not only closely connected to the economic development of the countries in which they are located, but they are also intrinsically connected to the development of the world economy.

With the intensification of globalization, the concentration and linkage of factors of production have moved forward in breadth and depth, and the center of gravity of world economic development has begun to shift toward the Asia-Pacific region. In terms of the urbanization of emerging industrial economies in East Asia, this will usher in an unprecedented opportunity. As the United Nations conference held in Tokyo in the 1990s foresaw, the twenty-first century would be a “new urban century.” In the early twentieth century, the world’s 150 million urban dwellers made up approximately 10% of the world population. By the end of the twentieth century, the number of urban residents had grown to more than 3 billion, increasing more than 20 times, and making up half of the world population. It is predicted that by 2025, the global urbanization rate will rise to 65%, with the rate in developed countries rising slightly to 83% and that in developing countries increasing substantially to 61%! According to Northam’s S-curve rule, the current global urbanization rate of 50% is in a stage of rapid development. The rate in developed countries already exceeds 70% and will slow when it reaches 80% or so, with the urbanization rate exhibiting a steady rising trend. The urbanization rate of 45% in developing countries is in an accelerated development stage and will be much faster than in developed countries. This will undoubtedly provide the opportunity of an era for some cities in newly industrialized countries with the potential to become world cities.
Through more than three decades of reform and opening and rapid development, China’s economy has grown rapidly and urbanization has risen continuously. China has become the world’s region of fastest economic growth, most economic potential, and most dynamic economic development, and its goal of building world cities is achievable. China already has a number of cities with the potential to become world cities. The agglomeration and linkage effects of these cities are becoming increasingly prominent. They are becoming core growth poles of the national economy, driving overall economic growth, and leading the elevation of Chinese cities in the spatial structure of the global city network system. Overall, Beijing and Shanghai have begun to take the shape of world cities, while Chengdu is one of the western interior cities meeting the conditions for becoming a world city.

The state council has designated Chengdu as the western center for China’s logistics, commerce, finance, and science and technology industries, and as the “engine” of the development of western China. Globally, the World Bank has identified Chengdu as a “standard city” for international investment. Currently, Chengdu is approaching an envious situation: Half of the world’s Fortune 500 companies have established subsidiaries in Chengdu. In other words, in the contemporary global economic context, Chengdu is a highly successful city within China’s rise.

Chengdu’s economic success can be illustrated with population and gross national product (GNP) growth statistics from the 30 years between 1981 and 2010: population growth of 38 % and GNP growth of 11,226 % (an astounding figure), from 4.9 million yuan to 55.5 billion yuan. In the Eleventh Five-Year Period in particular, GNP grew 14.4 % annually, and per capita disposable income of urban residents increased 12.9 % annually! This significant growth comes from introducing new and high technology and modern business practices to existing industries (agriculture, manufacturing, and commerce), while at the same time attracting growth in leading-edge fields. Eighteen institutions of higher education constantly providing high-tech talent have supported this growth. We can see the global significance in the growing number of countries opening consulates in Chengdu. From building a western economic core and even the goal of a world-class growth pole, the Five Big Strategies of “Transportation First,” “Industry Doubling,” “Establish an Excellent City,” “Three Circles One Entity,” and “Development of All Sectors” have undoubtedly pushed Chengdu onto the world stage.

Today, Chengdu is in a key period of development in the Twelfth Five-Year Plan, and those following its development are thinking about how the city can conform to the historical development process, inherit the fruits of victory since reform and opening, and establish a world-class, modern garden city that possesses both the general character of the world and a large dose of its own charm.
Therefore, this project prescribes Chengdu as the first sample city in the Global and World City (GaWC) Network’s “Global Urban Research.” This study, based on Chengdu’s historical development, explores its achievements over the past two decades and, combined with the Five Big Strategies currently being implemented; conducts a comprehensive examination of transportation, infrastructure, the industrial level, institutional environment, and other factors; and thereby comes to a general model for rapid urban development.

Reference

Global Research of Cities
A Case of Chengdu
Taylor, P.; Ni, P.; Liu, K.
2016, XVIII, 205 p. 28 illus., 5 illus. in color., Hardcover