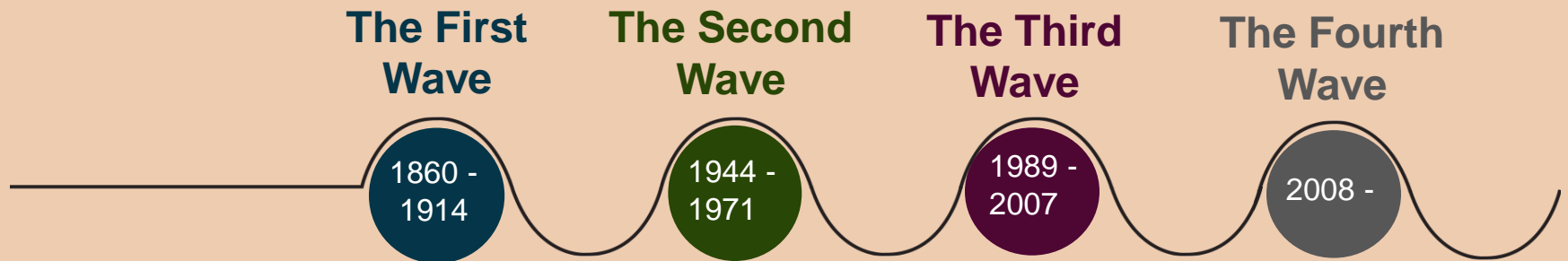


# Stockholm Business Region

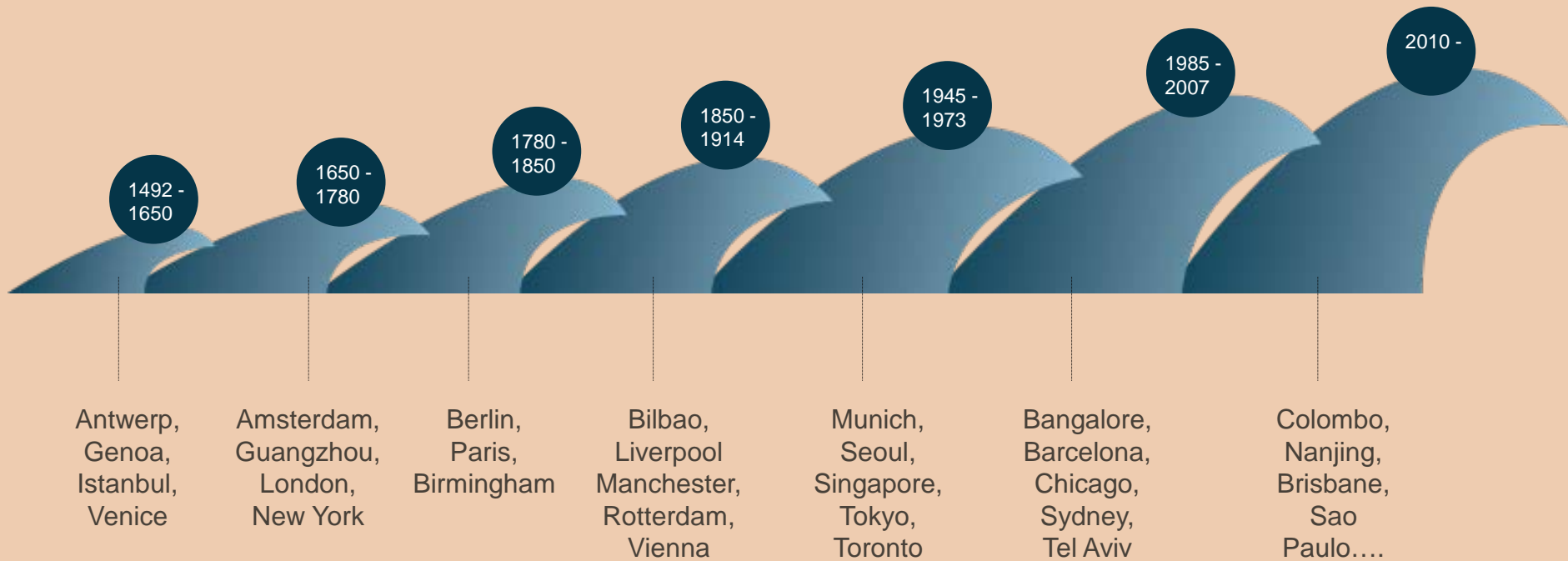
Prof Greg Clark CBE

# The new cycle of globalisation

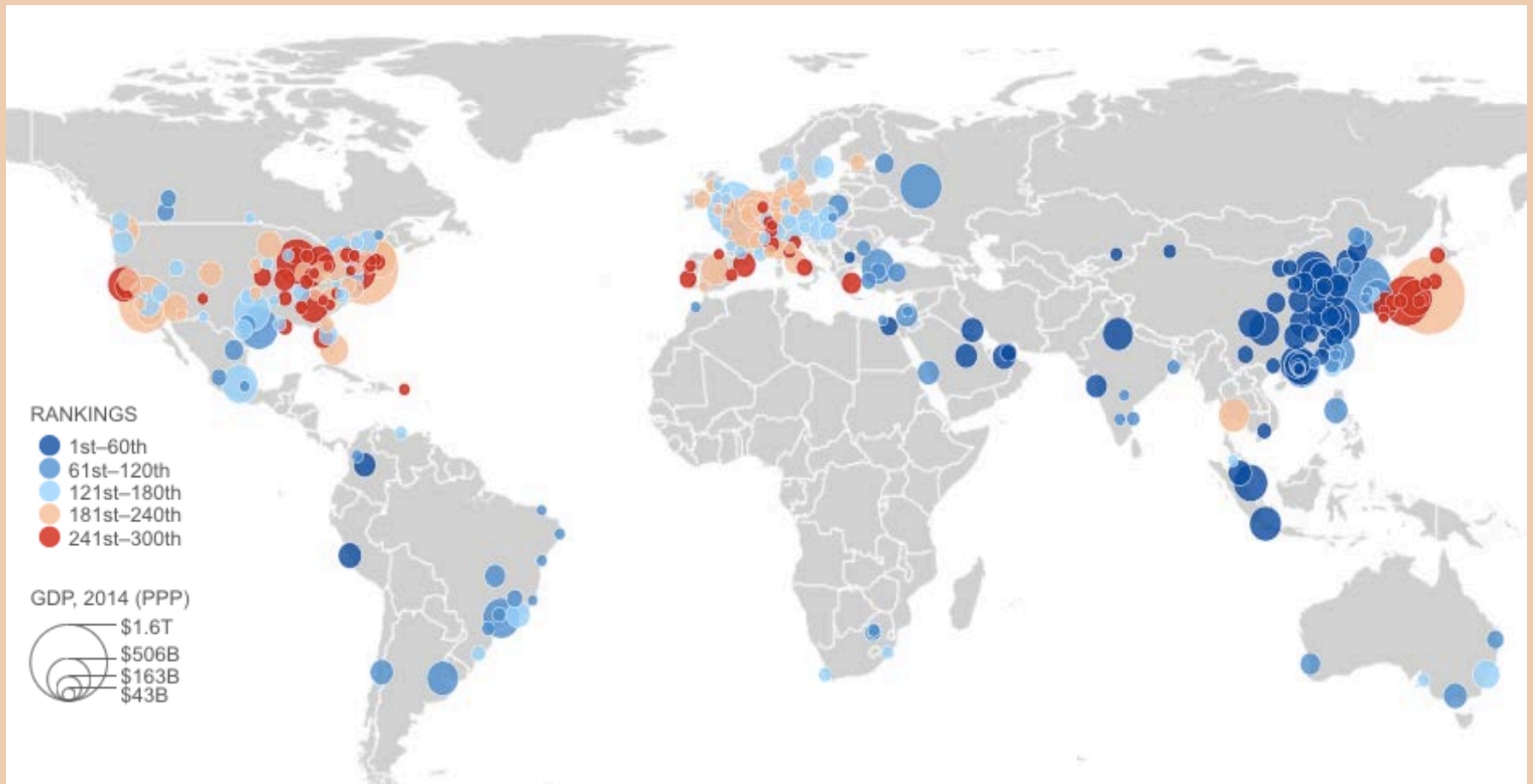


# Globalization of cities happens in waves

Cities (re)entering a global path



# New patterns of growth and change



Growth since 2000. Source: Brookings Global Metro Monitor (2015)

# 200 city indexes in 2015



# Different Types of Globalising Cities



What is a type?

Origins  
Performance  
Aim  
Path  
Point in cycle

# Strategic imperatives for different city types

	Examples	Strategic imperatives
Established World Cities	London, NYC, Hong Kong, Tokyo, Paris	Managing externalities of success; two-tier and two-speed economies; sector competition.
Emerging World Cities	Istanbul, Nairobi, Sao Paulo, Jakarta, Jo'burg	Metropolitan infrastructure; urban restructuring; quality-oriented growth; co-ordination.
New World Cities	Barcelona, Brisbane, Cape Town, Santiago	Build profile in education, knowledge, tourism; attract international talent; leverage events; air links
High Quality of Life Cities	Auckland, Copenhagen, Seattle, Vancouver, Zurich	Entrepreneurship, sustainability, preserving affordability, building scale.
Specialised centres	Abu Dhabi, Bangalore, Manila, San Jose	Diversification; adjust to new needs of innovation economy; rise up value chain; spread job creation.
Port and Airport cities	Atlanta, Busan, Hamburg, Rotterdam	Modernise and upgrade logistics capacity; manage re-development; re-boot brand; grow productivity.
Visitor destinations	Bangkok, Las Vegas, Macau, Prague	Build business and investor brands to complement tourism.
Knowledge hubs	Helsinki, Nanjing, Stockholm, Tel Aviv	Networks and positioning in key markets; liveability, housing and affordability.
Re-emerging capital cities	Bogota, Budapest, Bucharest, Riga	National reforms; business leadership, broader investment system; retain and re-attract graduates.
New gateway cities	Antalya, Lagos, Shenzhen	Adjust to new sources of growth; efficiency, design.

# Established world cities

- Still a 'Big 6': London, New York, Singapore, Hong Kong, Paris, Tokyo

## Why?

- Depth of institutions, skills, information, experience
- Strongest reputations as 'safe havens', tolerance and diversity.
- Highest FDI among upper income cities
- excellent transport coverage and air connectivity.

BUT: unaffordability, ageing infrastructure, vulnerability and insecurity

#	City	EIU/Citigro up Hotspots	PwC Cities of Opportunity	AT Kearney Global Cities Index	MORI Global Power City Index 2014	IESE Cities in Motion Index	Global Liveable Cities Index	Average Percentile Position
1	New York City	1	2	1	2	3	17	7%
2	London	2	1	2	1	2	22	7.5%
3	Singapore	3	3	9	5	-	3	8%
4	Paris	4	6	3	3	5	13	10%
5	Hong Kong	4	8	5	9	-	9	14%
6	Tokyo	6	13	4	4	1	18	15%



# Emerging World Cities: a typology



Beijing,  
Shanghai, Dubai



Moscow, Istanbul, Sao Paulo, Mexico  
City, Taipei, Buenos Aires, Bangkok



Mumbai, Jakarta,  
Manila, Nairobi



Warsaw, Bangalore,  
Shenzhen



Kinshasa, Dhaka,  
Lagos, Karachi

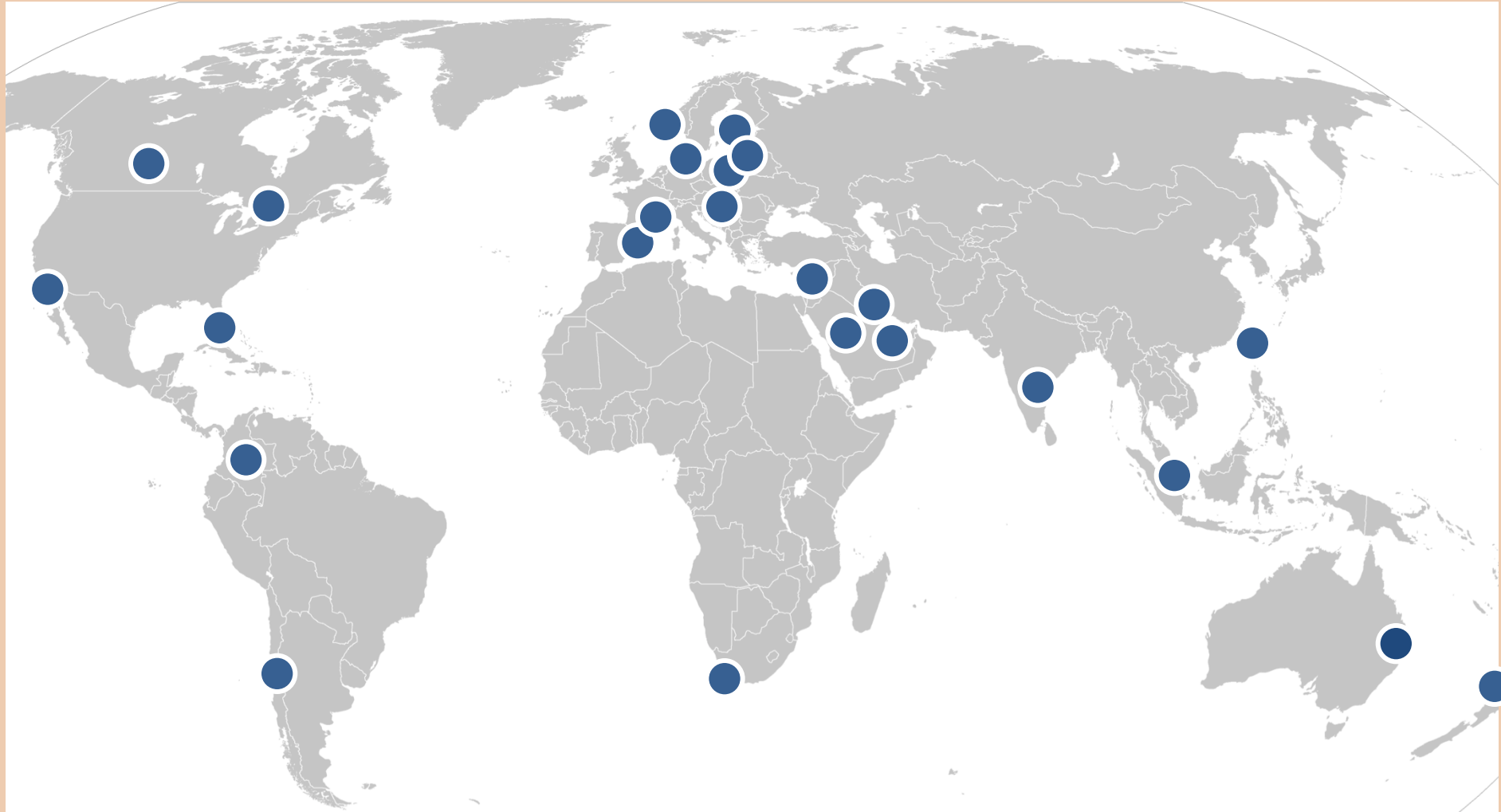
# New World Cities

- Hubs of digital, scientific, and environmental industries
- Produce film, TV, and cultural content for global consumers
- Provide R&D sites for global firms.
- Incubate and spread innovation
- Offer SMEs eco-system for trade
- Draws for enterprising migrant
- Attract students from 2+ continents
- Destinations for tourists, conventions, decision makers

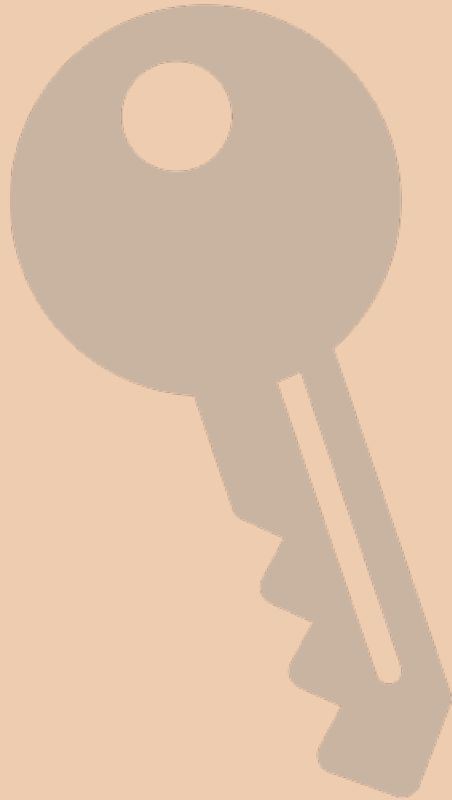
## Compete in contested markets



# Mapping the New World Cities



# Cities and business: 6 key trends



- 1  Cities are Emerging Markets for Businesses
- 2  Businesses are (Re)Urbanising
- 3  The rise of Tradable Urban Services
- 4  Cities are Hubs of Business Innovation
- 5  Rebranding for city markets and consumers
- 6  Businesses restructuring to meet City goals

# Associated trends



**Tourism**  
is  
re-urbanising



**Retail**  
is  
re-urbanising



**Housing**  
is  
re-urbanising



**The  
Knowledge  
Economy**  
is  
re-urbanising



**Urban Real  
Estate**  
is now an  
Investment  
Asset

# The Global Cities Initiative

## *The* **10 TRAITS of GLOBALLY FLUENT METRO AREAS**

INTERNATIONAL EDITION



Leadership with a Worldview

Compelling Brand Identity

Enabling Government

Securing Investment for  
Priorities

History of Global Orientation

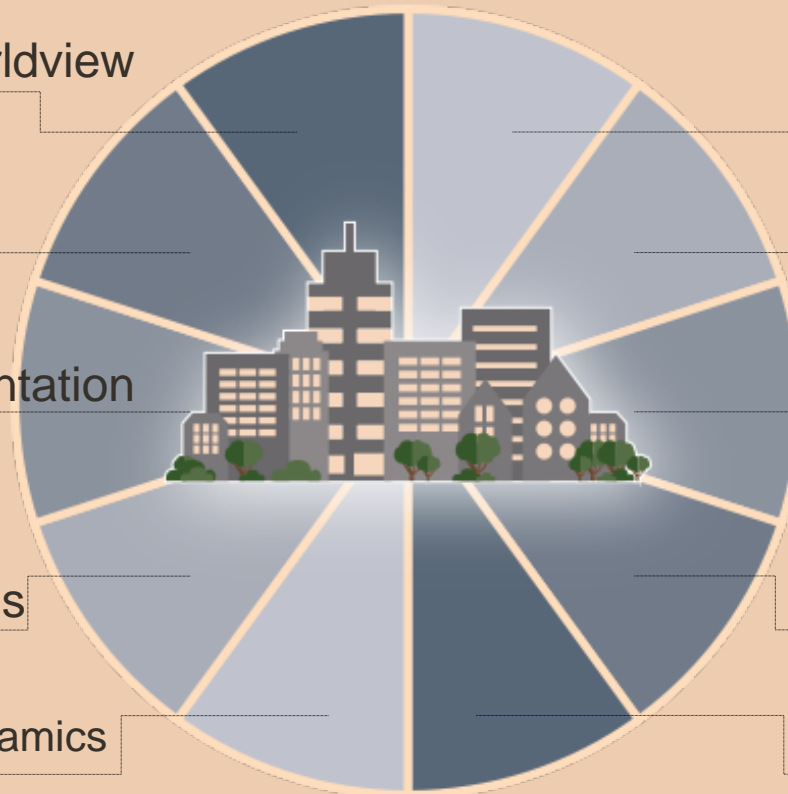
Connectivity

Distinct Specializations

Opportunity and Appeal

Adaptability to Global Dynamics

Culture of Knowledge  
and Innovation



# San Diego

**Improving city's  
global visibility**

51<sup>st</sup> biggest economy  
but only 114<sup>th</sup> most  
visible in global city  
indexes



**COMPELLING GLOBAL  
IDENTITY**



# 4 Cycle City Strategy

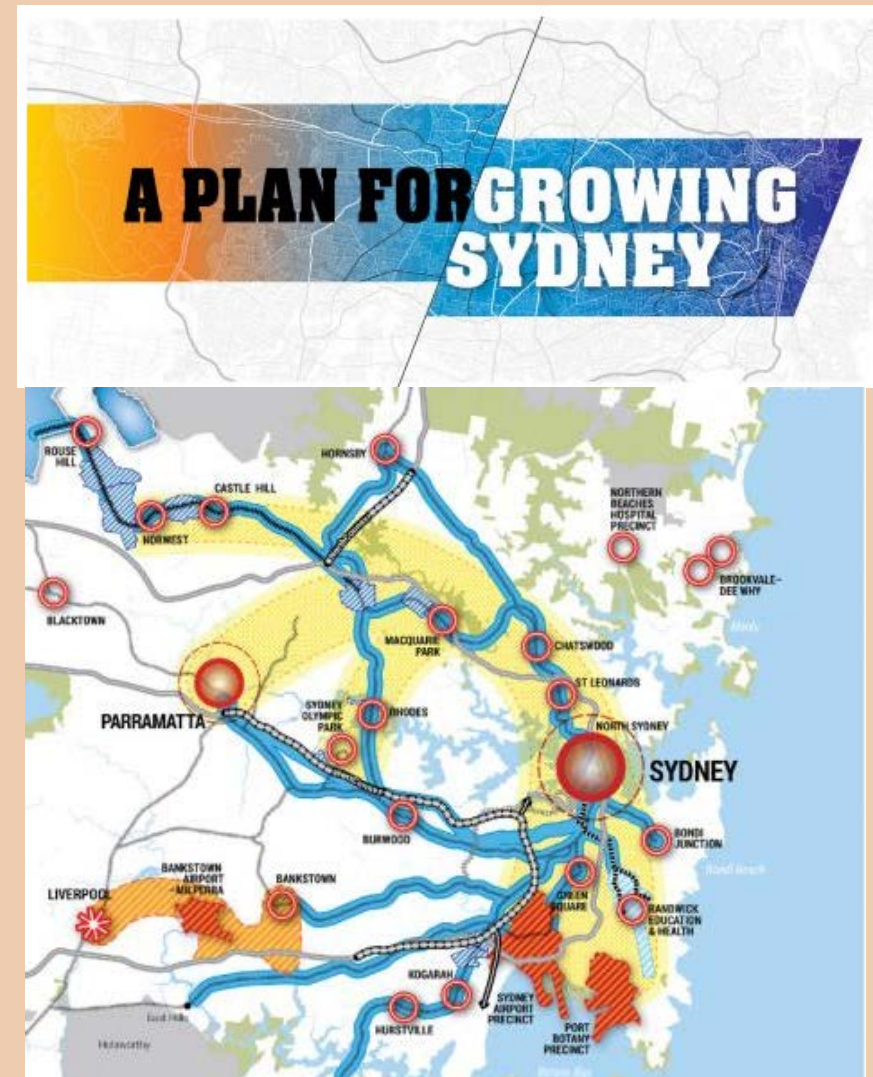




# Sydney

## Greater Sydney Commission

Review of governance and options for governance reform for metropolitan Sydney



# OECD Reports: Stockholm Case Study

Delivering Local Development:  
New Growth and Investment Strategies



Local Economic Leadership



# City Economies and City Government



Most local governments **not designed** to develop local economies

- Geographies
- Time Frames
- Tools
- Investment Capacity
- Risk
- Decision making
- Assets management

Leaders have to 'invent' the means to shape local economies.

**Leadership dividend x Leadership deficit**

Leadership imperative	Leadership skills	Leadership dividend
Many actors and spillover geographies	Coalition building across boundaries and sectors.	A co-ordinated approach that avoids zero-sum.
International mobility and competition	Understanding local assets and competition	Credible, evidence-based local economic strategy
Siloed sector responses (innovation, land use etc)	Integrated vision	Coherent and aligned actions
Inflexible skills and education systems	Understanding demand side needs	Labour market operates efficiently
Low public finance resources	Financial innovation – new tools	Optimisation of own resources and leverage 3rd party finance
Potential for varied external investment	Investment readiness to ensure credible framework	Investors attracted to bankable opportunities
Lack of competent bodies for new roles	Launching new organisations	New capacity created and projects executed

# Post-crisis growth and investment strategies

## Growth



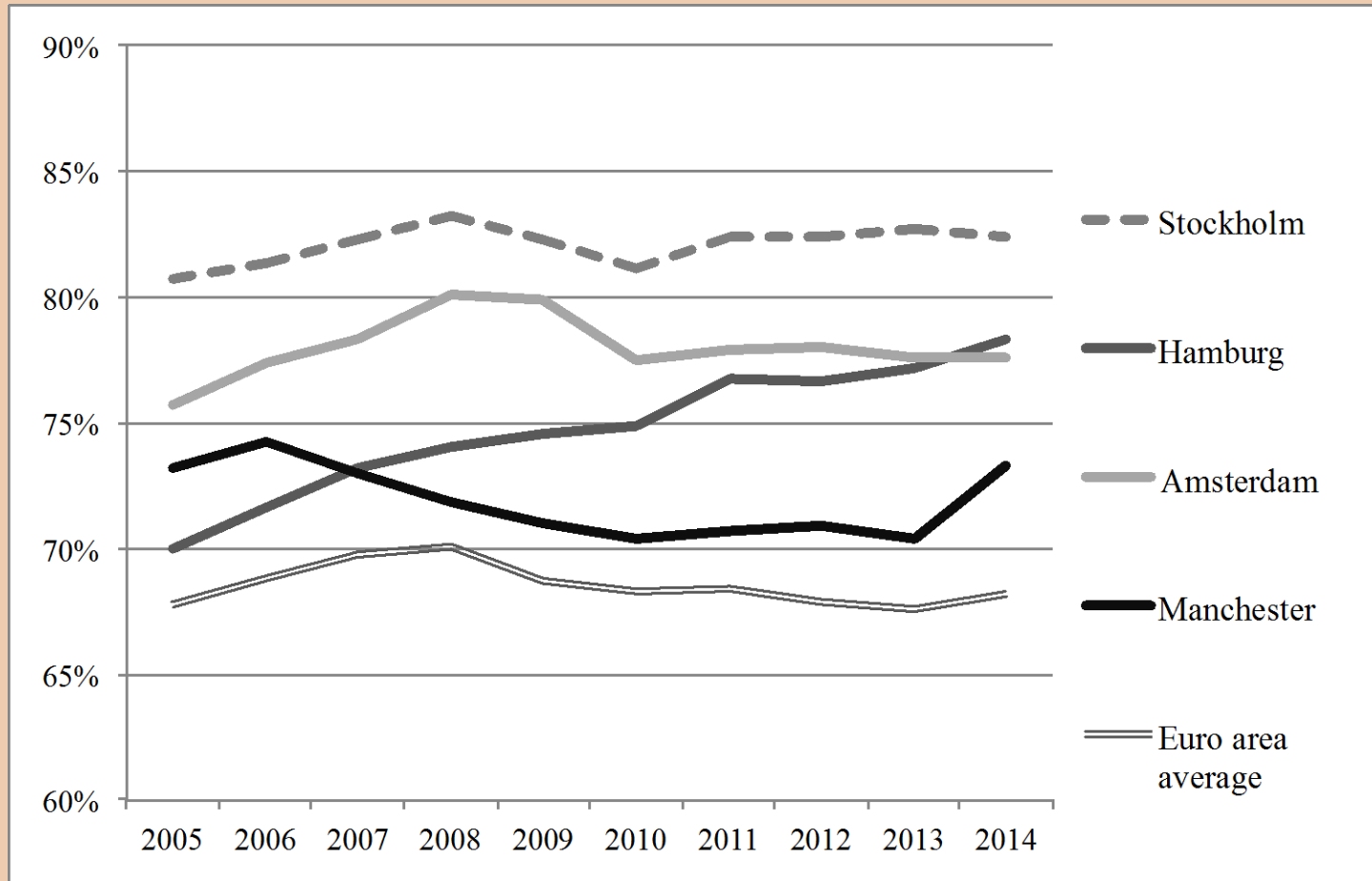
- (1) New growth profile - more balanced, diversified, private sector-led development
- (2) More strategic cluster consolidation
- (3) Clearer support for SME research base around universities
- (4) Maximising reach into new global markets

## Investment



- (1) Retention of revenues (eg. Manchester)
- (2) Consolidation of regional investment capabilities (e.g. Cape Town)
- (3) Accessible Business-friendly Zones - compete for investment in infrastructure, real estate, technology and FDI

# Case Study 1: Stockholm: successful leadership through the crisis

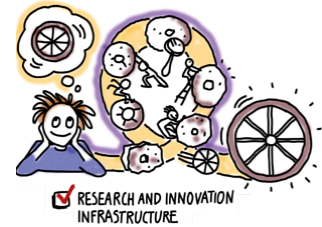


**Employment rate of 20-64 year olds (NUTS2 region)**

# Regional collaboration



**2025**  
STOCKHOLM



**THE WORLDS MOST  
INNOVATION-DRIVEN  
ECONOMY**

Action programme for the Stockholm region

# Stockholm challenges

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## Managing the externalities of growth and success

- Housing development to match population growth
- Imbalances in labour markets demands investment in road and rail infrastructure
- Social integration and economic inclusion.
- Improving international profile and hospitality.



# Metropolis Off or On ?

Metropolis Off

Metropolis On

Madrid

Barcelona

Vienna

Zurich

Milan

Turin

Berlin

**Stockholm**

Atlanta

Miami

Bogota

Amsterdam

Toronto

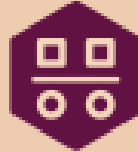
Vancouver

Sydney

Melbourne

# Comparing the options

Sectoral policies lead



Integrated planning

Autonomous bodies



Cross cutting objectives

Hierarchical system



Networked governance

Metropolis Off



Spatial variation

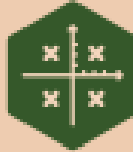


Spatial cohesion

Metropolis On



Low co-ordination



High co-ordination

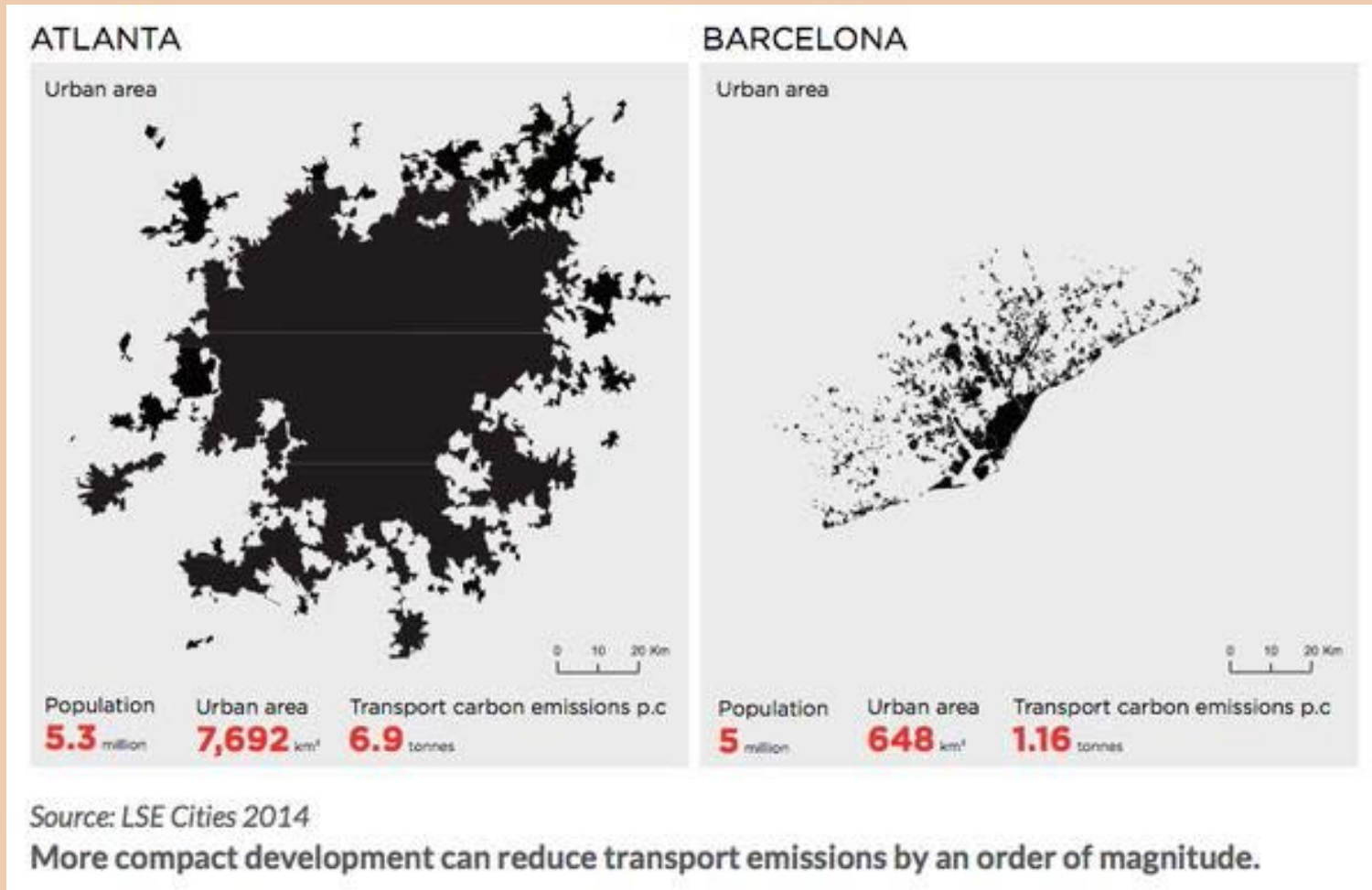
Tax and transfer payments



Financial innovation and leverage



# Comparative Densities of similar populations



# 3 fundamental options for global population growth and urbanisation



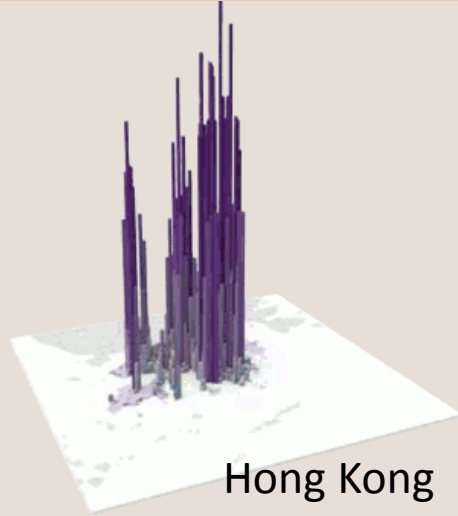
Allow Cities to Sprawl



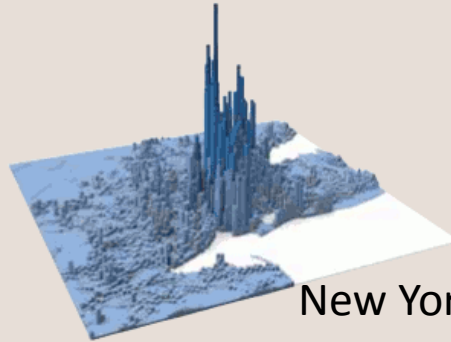
Build New Cities  
(or Districts)



Densify Existing Cities



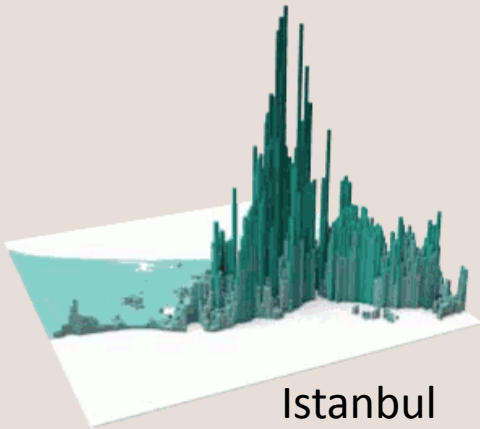
Hong Kong



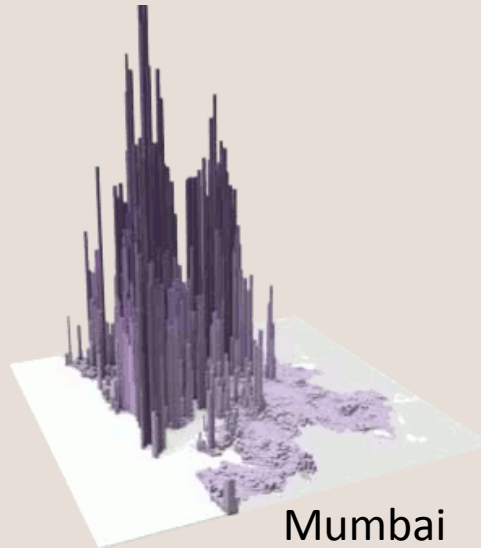
New York



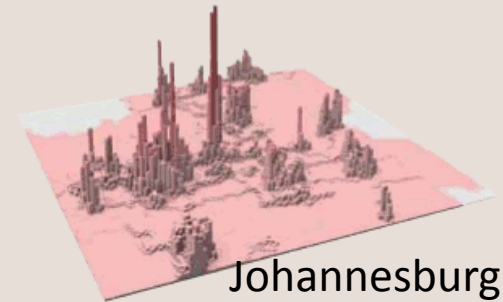
London



Istanbul



Mumbai

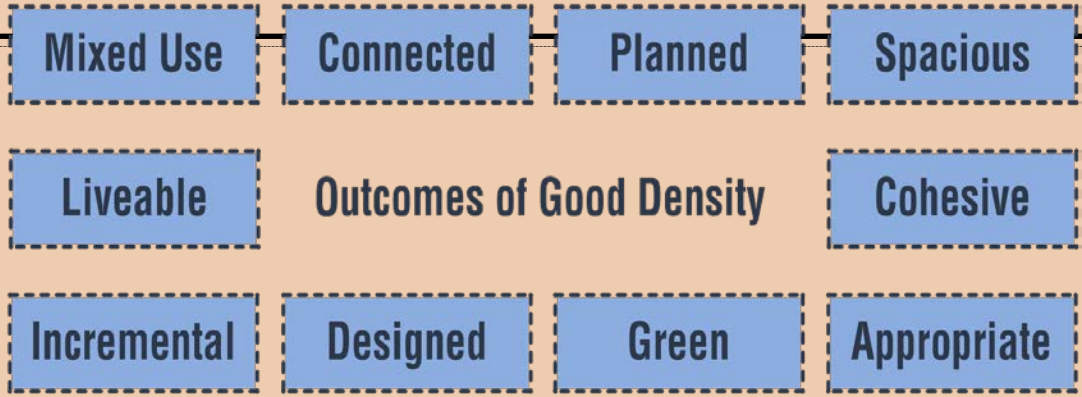


Johannesburg

Source: LSE Cities

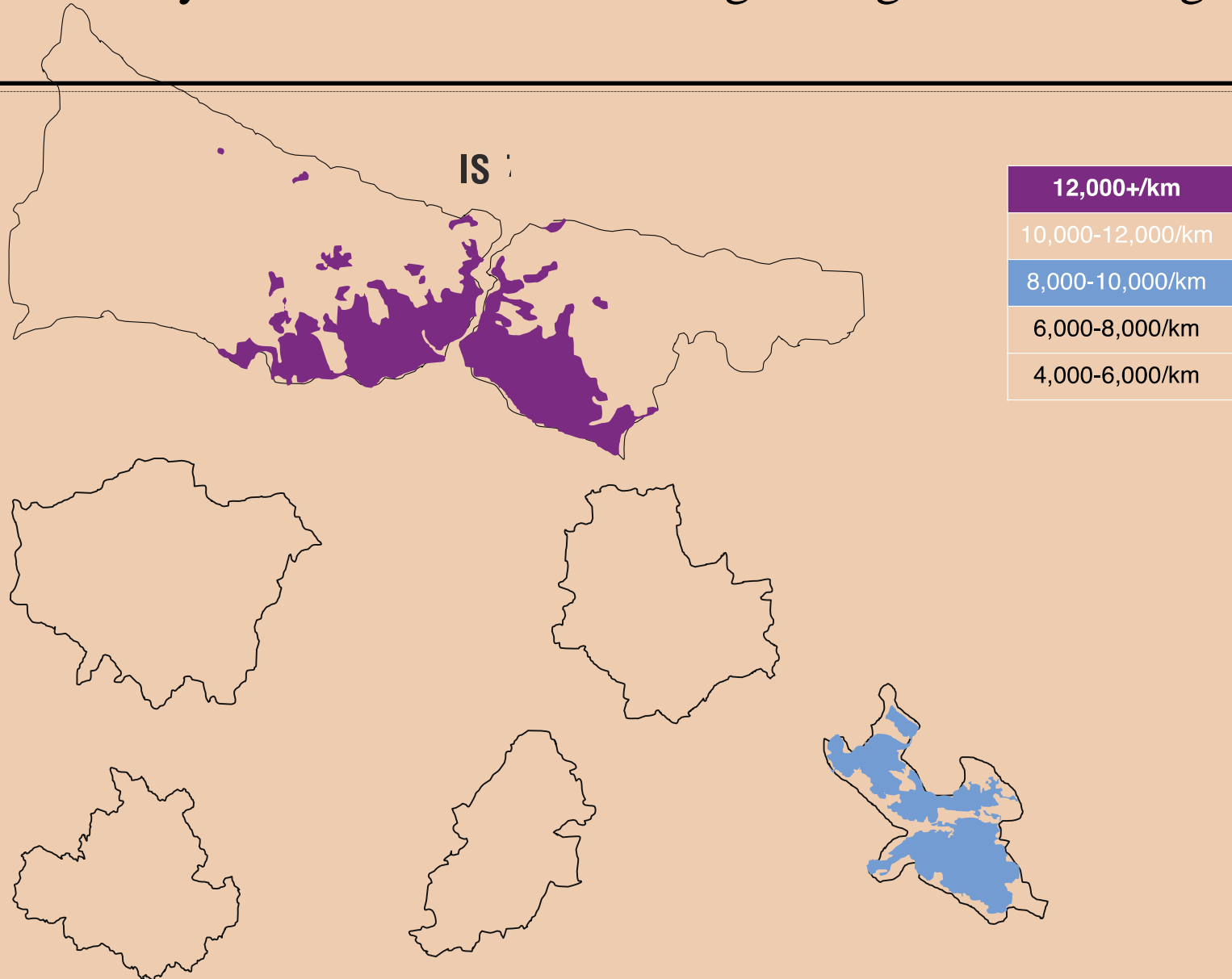
# Doomed Density: memories, myths, and mixed feelings



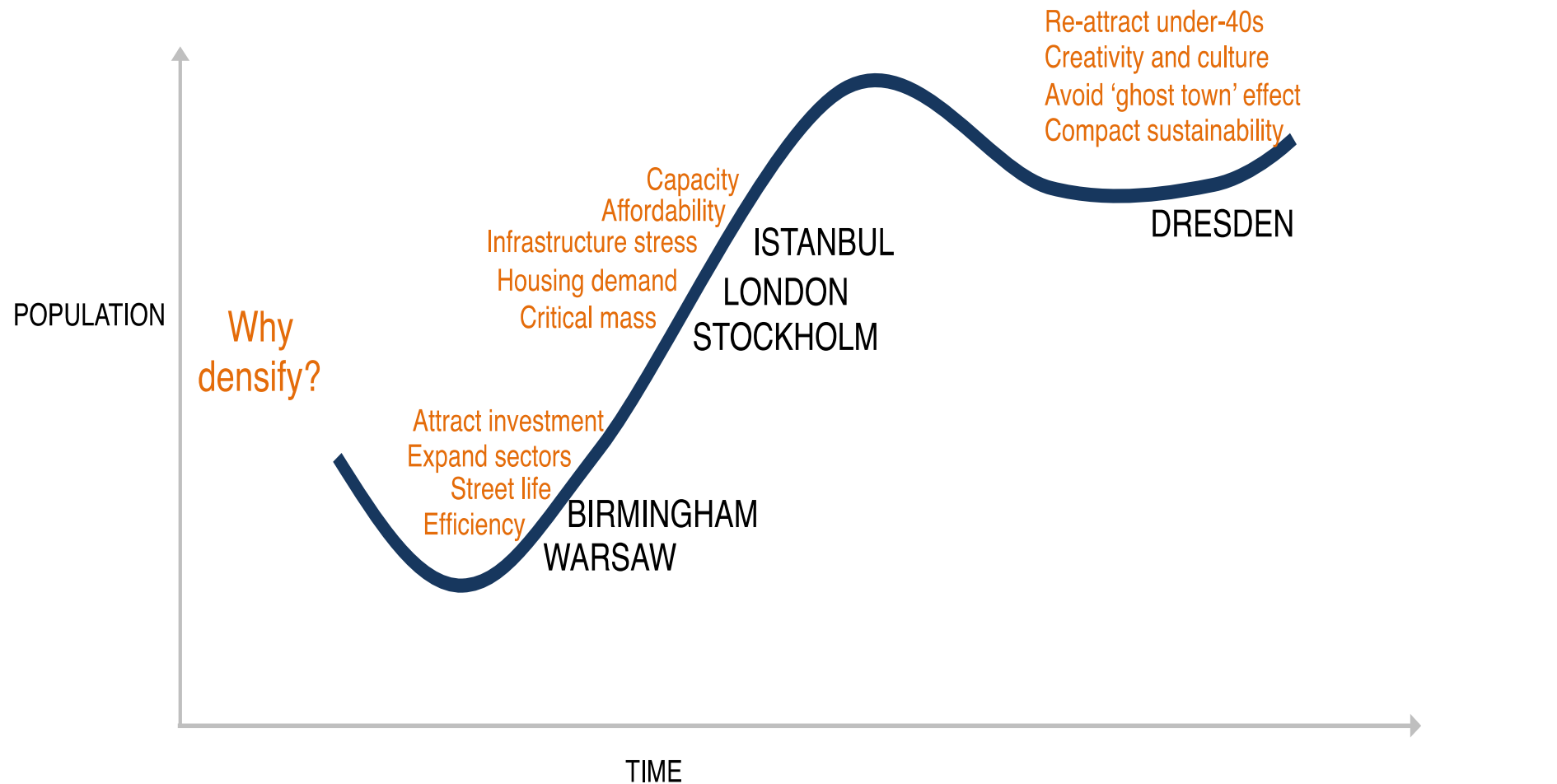




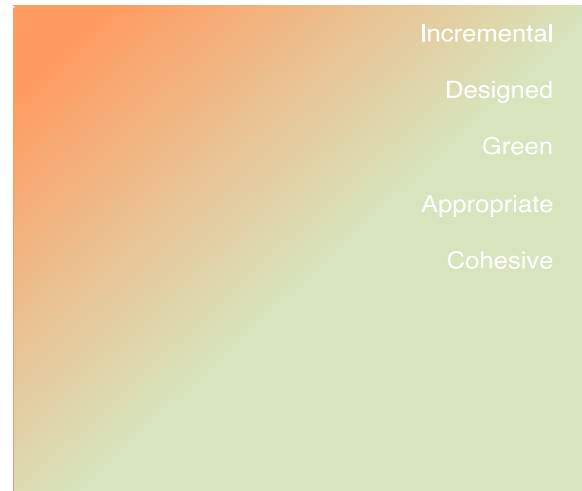
# “The Density Dividend: solutions for growing and shrinking cities”



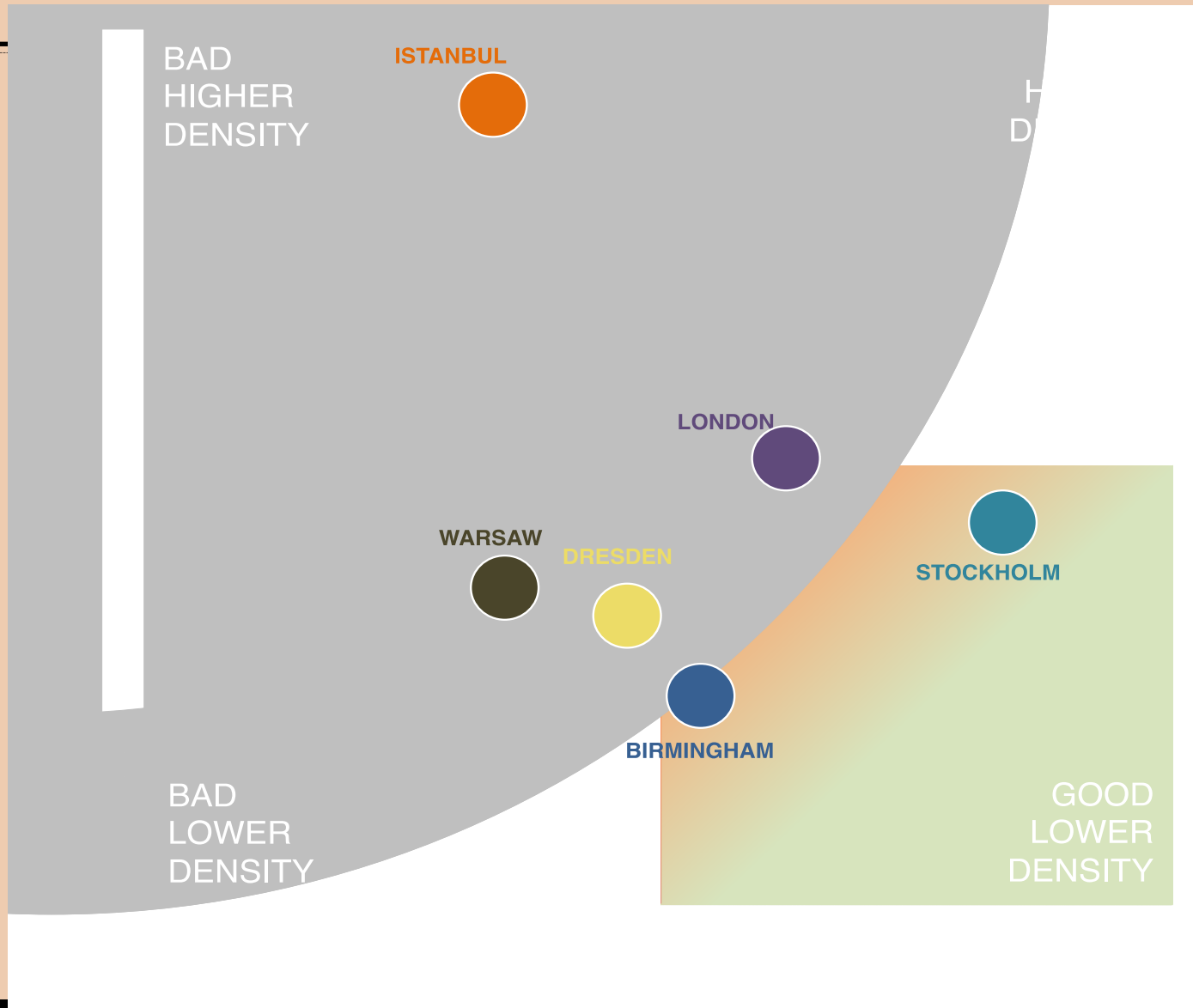
# Different cycles and paths for cities



# The journey to good density



# Current Location of the 6 cities



## What's working?

- City-wide frameworks
- Utilising PPPs and private initiatives
- Concentration on prioritised areas
- Financial tools
- Design and planning for place-making

## Who's leading?

- Public authorities (e.g. Birmingham Municipal Housing Trust)
- Development corporations
- Public landholders
- Experienced Developers



# Key demonstration projects

e.g. Vastra Kungsholmen, Stockholm



e.g. Powiśle, Warsaw

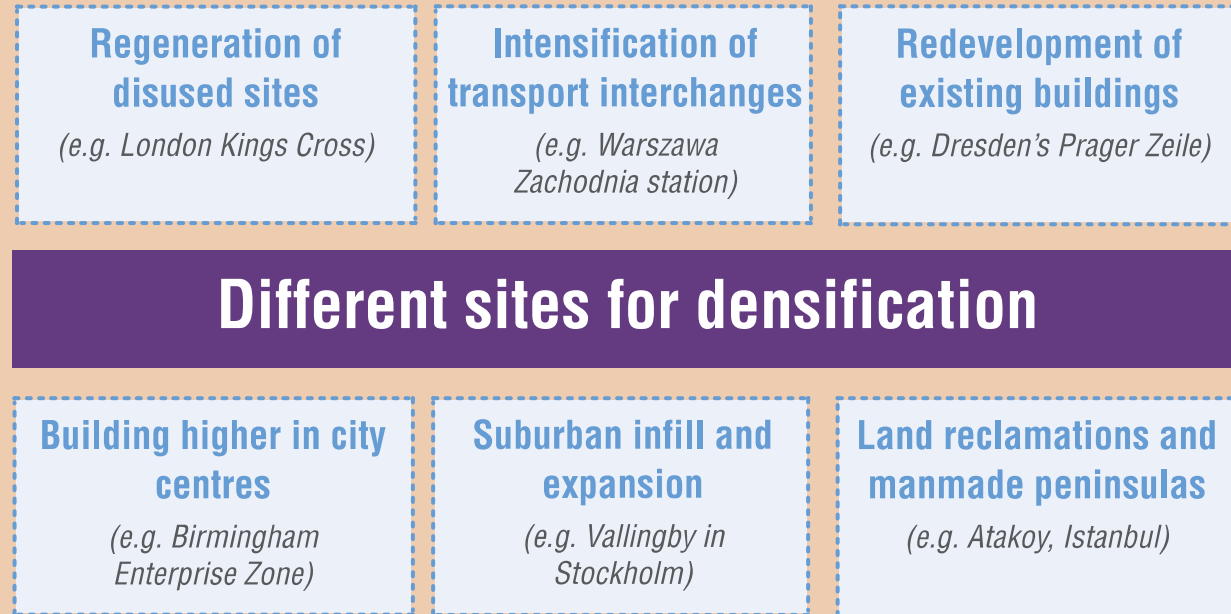


e.g. Greater Icknield, Birmingham



# Tactics of Density

- Right mix of locations
- Sequenced and integrated projects
- Quick wins
- Regional collaboration
- Re-imagining the suburbs



# A new Equation on Density

## Fundamentals

## Execution

## Momentum

Leadership and vision

Tactics

Multi-cycle approaches

Plan

+

Scale

+

Demand

=

Progress on  
Densification

Branding

Financing, legal and  
land-use tools

Positive psychology

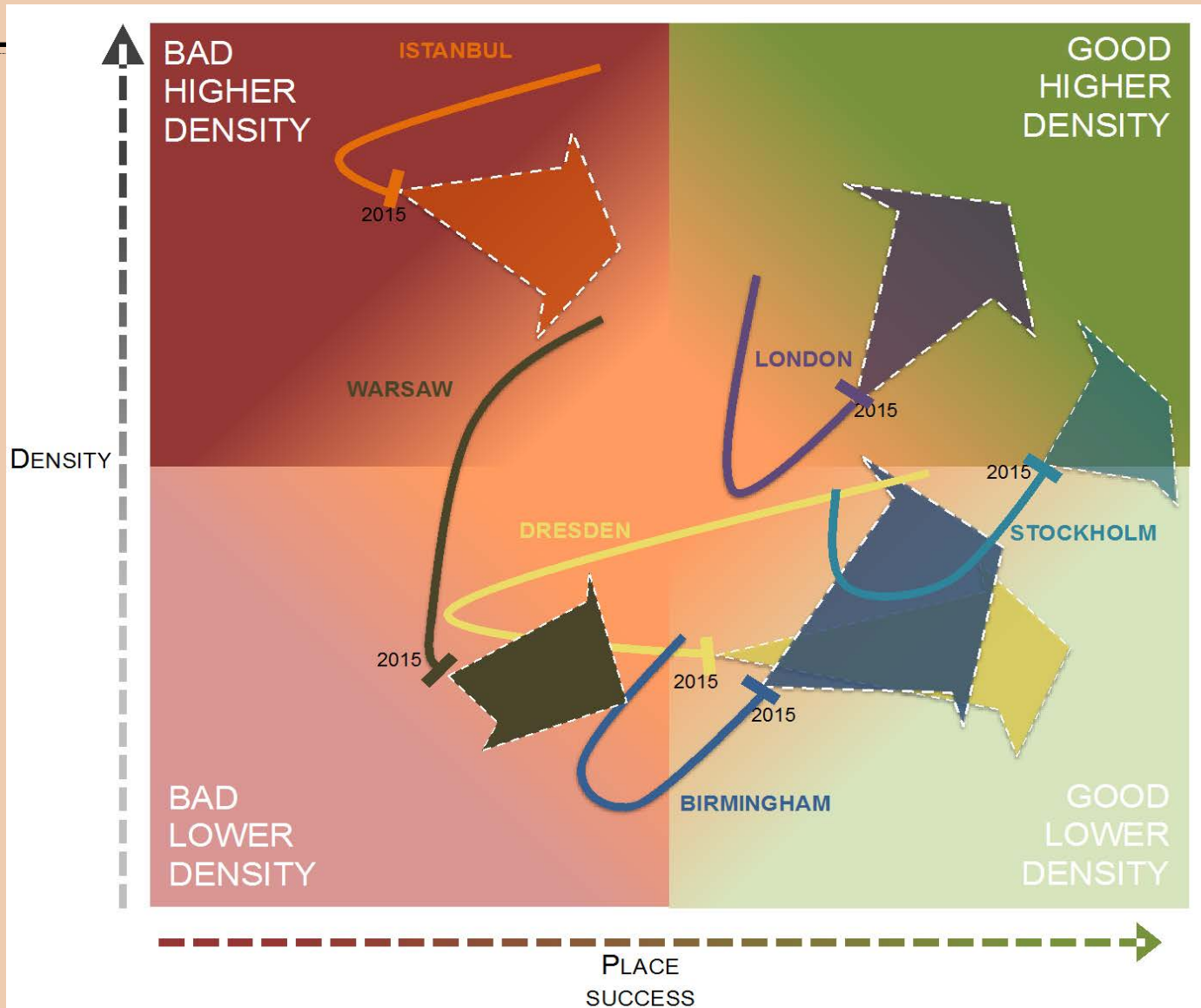




# Positive Psychology of Density

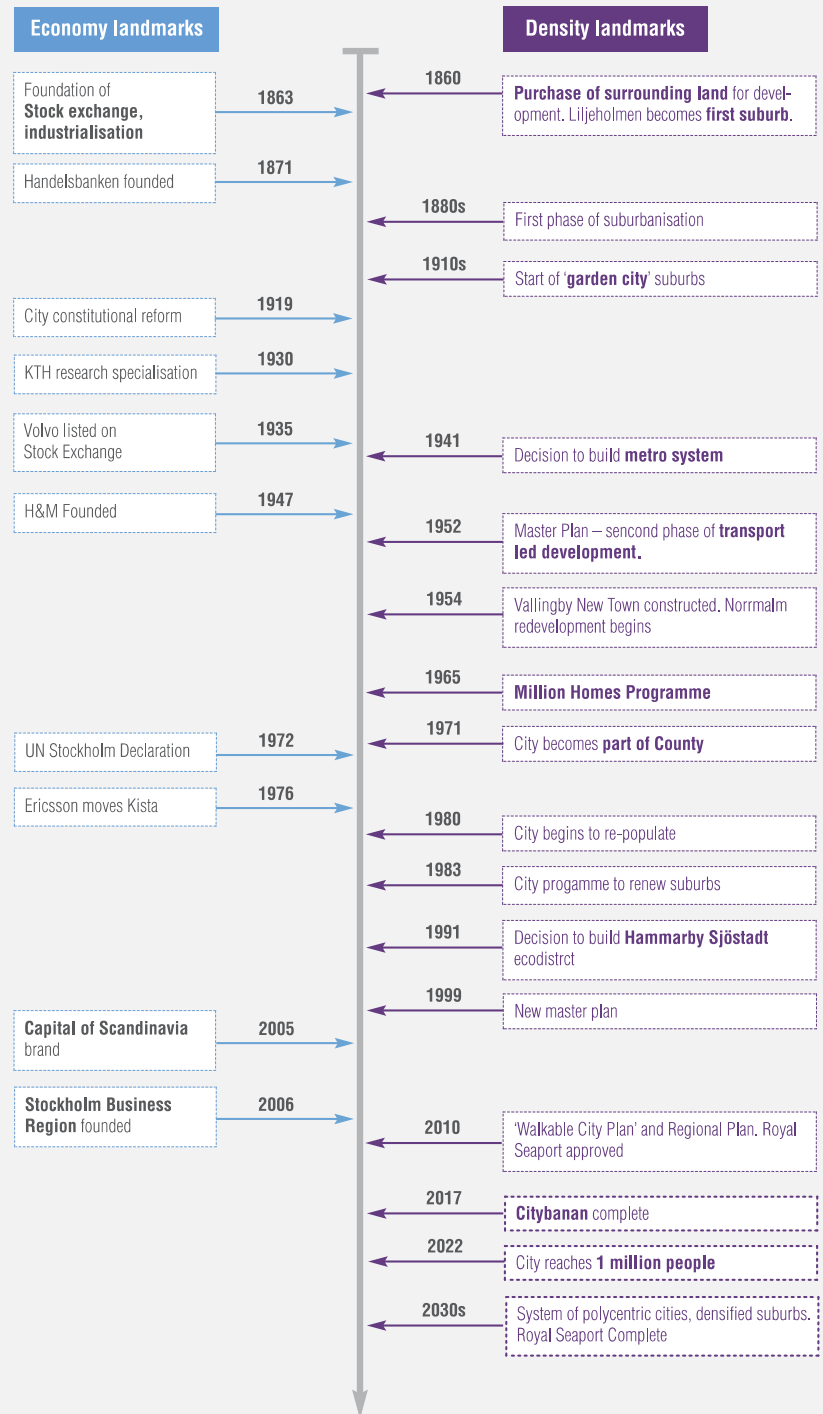


# The path of each city



# Case Study 2

## Stockholm timeline



# 1<sup>st</sup> Cycle

# 2<sup>nd</sup> Cycle

# 3<sup>rd</sup> Cycle

Hammarby Sjöstad



Royal Seaport



West Kungsholmen



Hagastaden



??

Liljeholmen

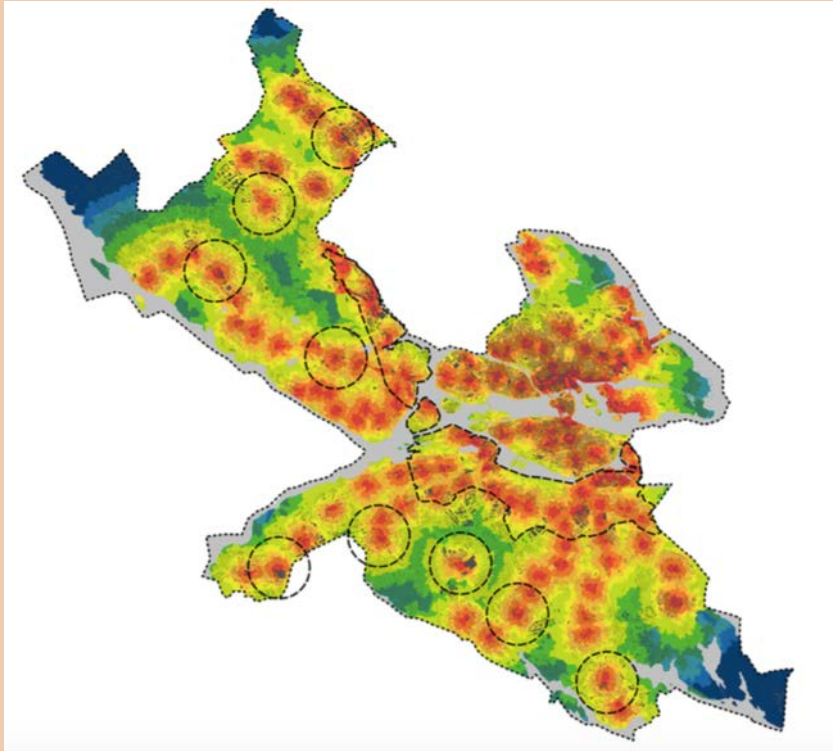


Nacka

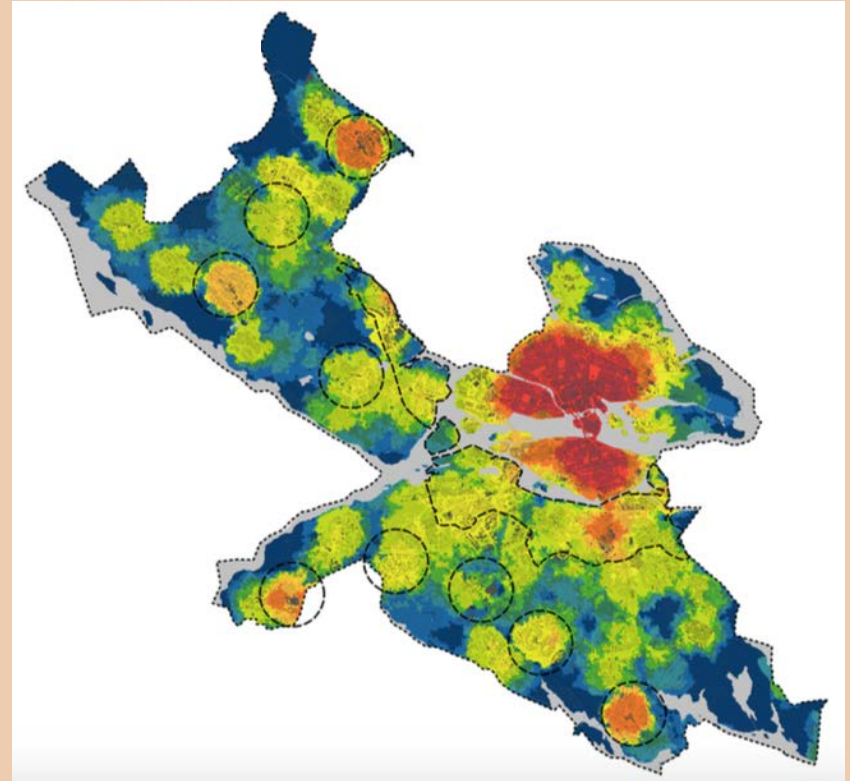


# Still a monocentric city?

Access to public transport

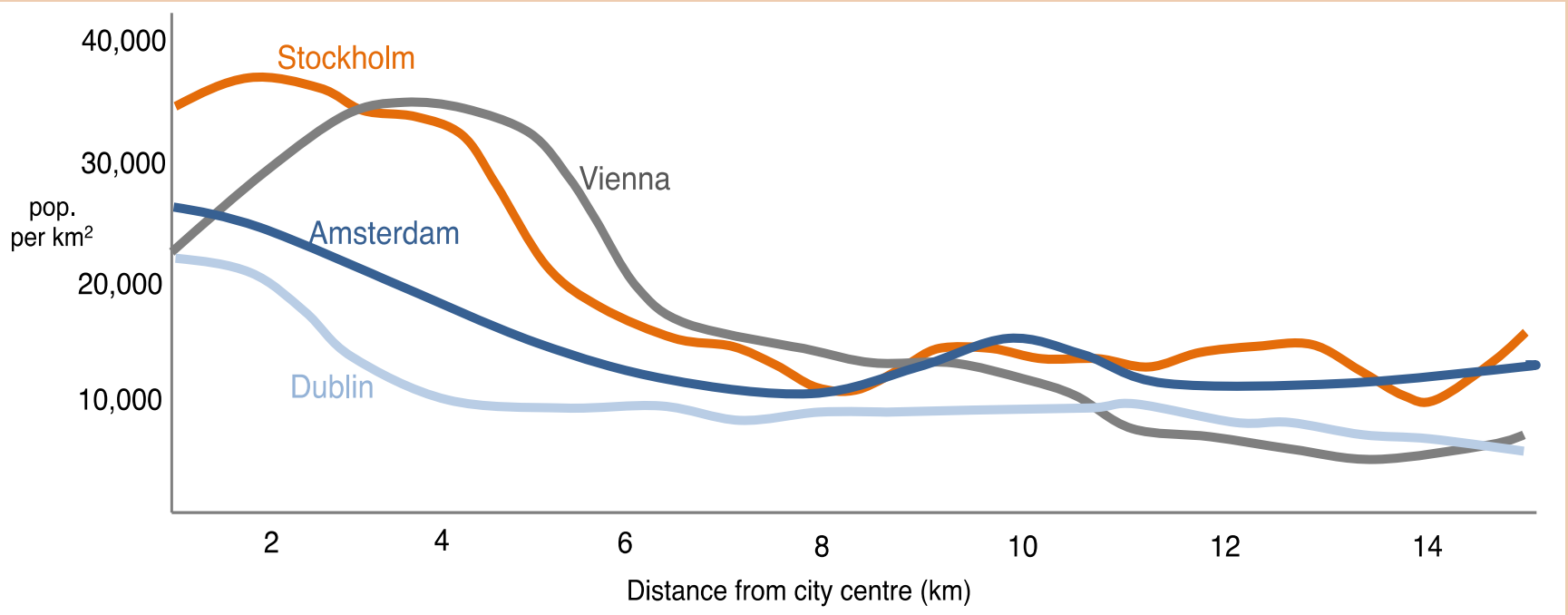


Urban vitality



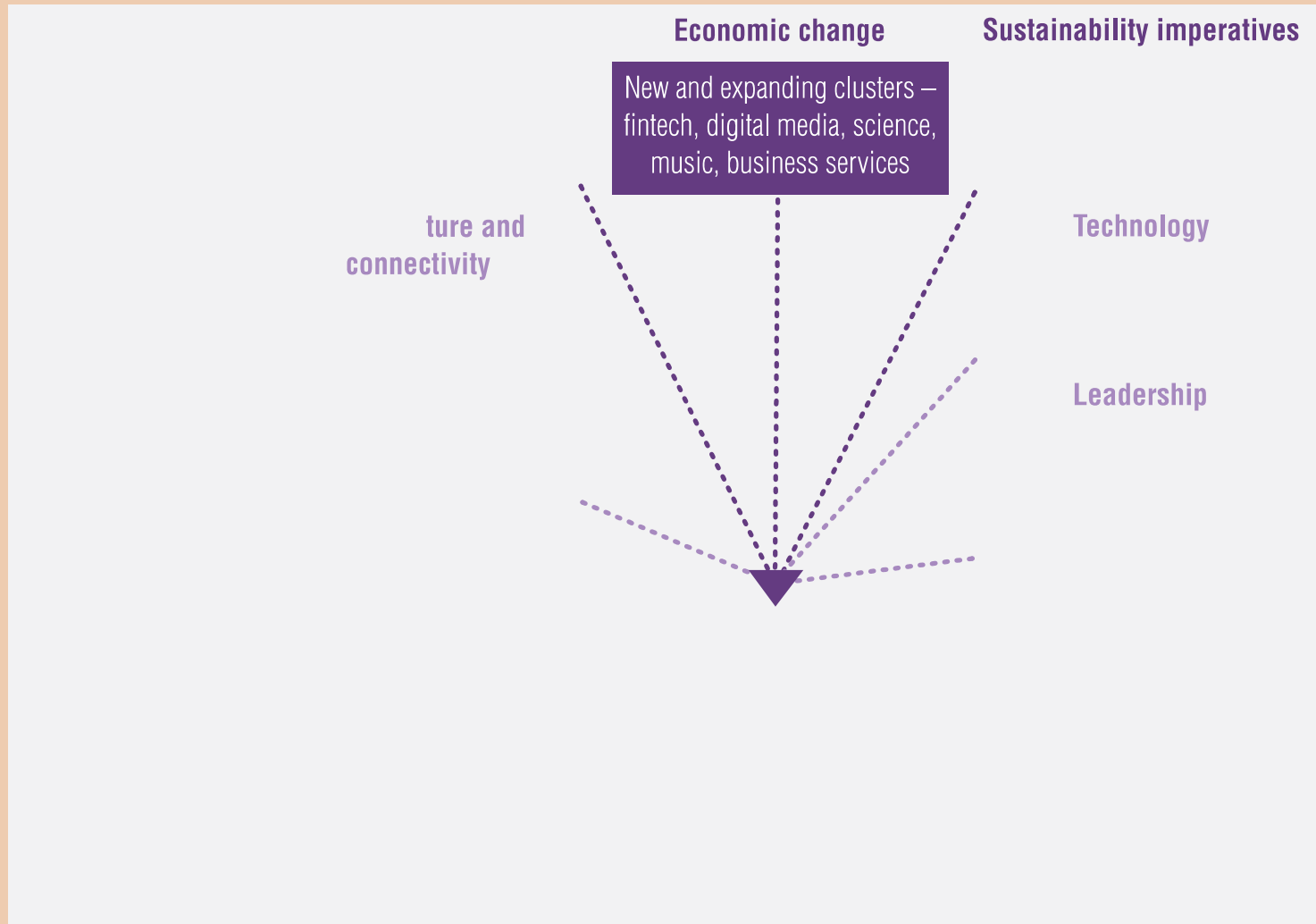
Access to commerce, restaurants and culture

Source: Spacescape



Source: Batista e Silva, F. et al. (2012), [https://ec.europa.eu/irc/sites/default/files/lewis%20urbanisation\\_workshop\\_27may2015.pdf](https://ec.europa.eu/irc/sites/default/files/lewis%20urbanisation_workshop_27may2015.pdf)

# Drivers, enablers and barriers to density in Stockholm



# Stockholm's density equation?

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ycle approaches

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Demand

Positive psychology



Cities Research Center | 2015

## *The Business of Cities 2015*



Cities Research Center | 2015

## *Globalisation and Competition: The New World of Cities*





Global Cities 2015:  
The Race Accelerates

**The World City  
Business Brand  
Barometer**

Cities of opportunity

**Global  
Power City  
Index 2015**



**The Global  
Financial Cities  
Index 17**



IESE  
Cities in  
Motion Index



2015  
**SUSTAINABLE  
CITIES INDEX 2015**



**MasterCard**  
2015 Global Destination Cities:  
*City Momentum Index*

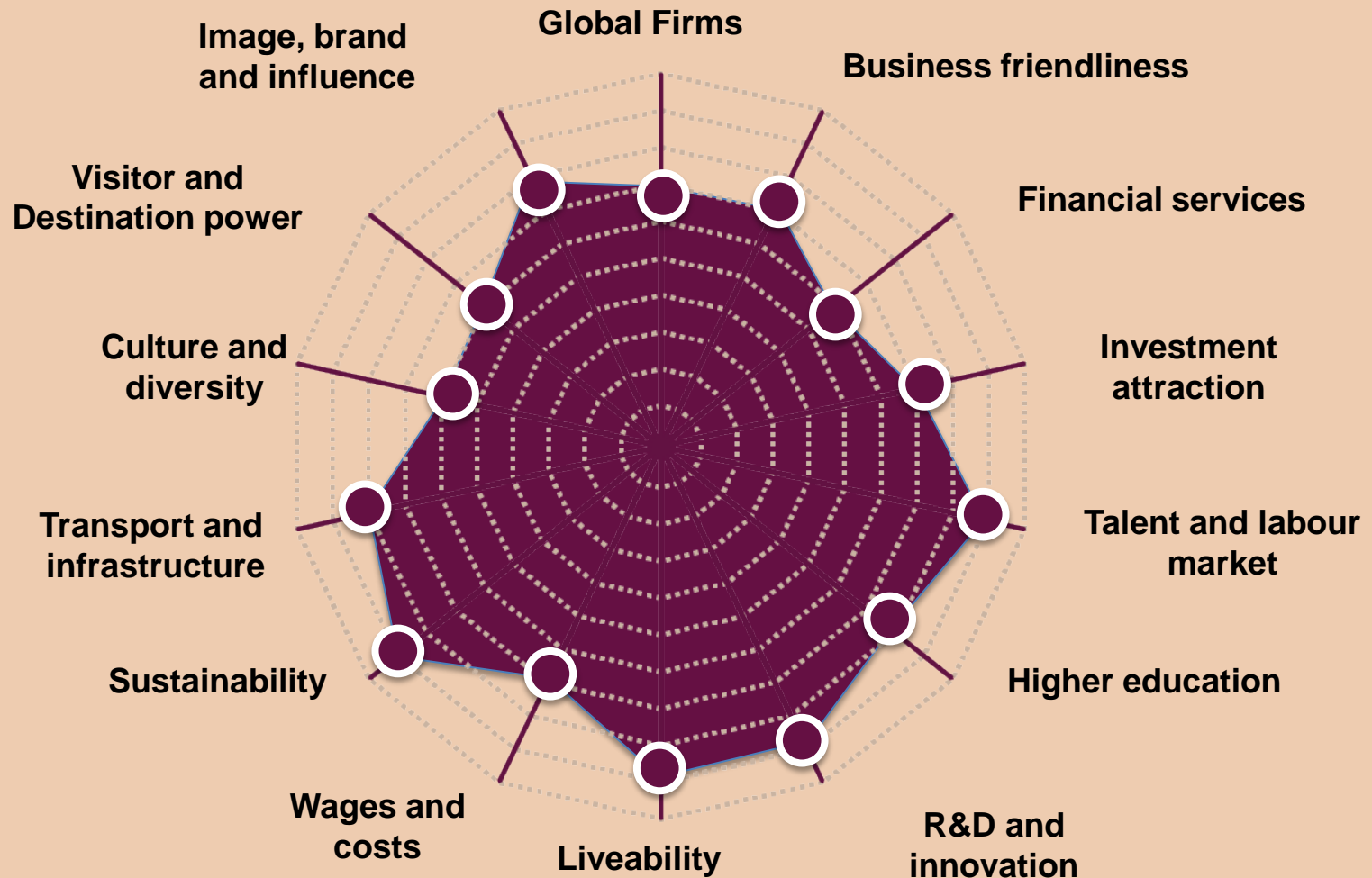
**TORONTO AS A GLOBAL CITY:**  
Scorecard on Prosperity – 2015



# European cities since the global financial crisis



# Stockholm: initial performance spidergram



# The most competitive cities

		PwC Cities of Opportunity	AT Kearney Global Cities Index	MORI Global Power Index	IESE Cities in Motion	EIU City Competitive ness Index	Average percentile score
1	London	1	1	1	1	2	3%
2	New York	2	2	2	2	1	4%
3	Singapore	3	6	5	9	3	10%
4	Paris	7	3	3	4	4	10%
5	Tokyo	14	4	4	7	6	18%
6	Hong Kong	10	5	7	17	4	19%
7	Vienna	-	18	10	6	25	20%
8	Amsterdam	4	25	9	5	17	23%
9	Zurich	-	31	13	12	7	23%
10	Frankfurt	-	26	11	28	11	24%
11	Sydney	9	15	12	7	15	25%
12	Seoul	15	11	6	3	20	25%
13	Boston	-	23	23	11	10	27%
14	Washington	-	10	30	19	8	29%
15	Toronto	5	13	16	36	12	29%
16	San Francisco	6	22	21	21	13	33%
17	Berlin	12	17	8	25	31	34%
18	Chicago	11	7	27	18	9	35%
19	Los Angeles	13	6	14	41	19	35%
20	Brussels	-	12	25	33	34	36%
21	Geneva		39	28	8	13	36%
22	Stockholm	8	33	15	24	20	37%
23	Dubai	17	27		30	40	39%

## THE BIG SIX

Singapore now among top 4

Many European cities still excel

Los Angeles and Chicago falling

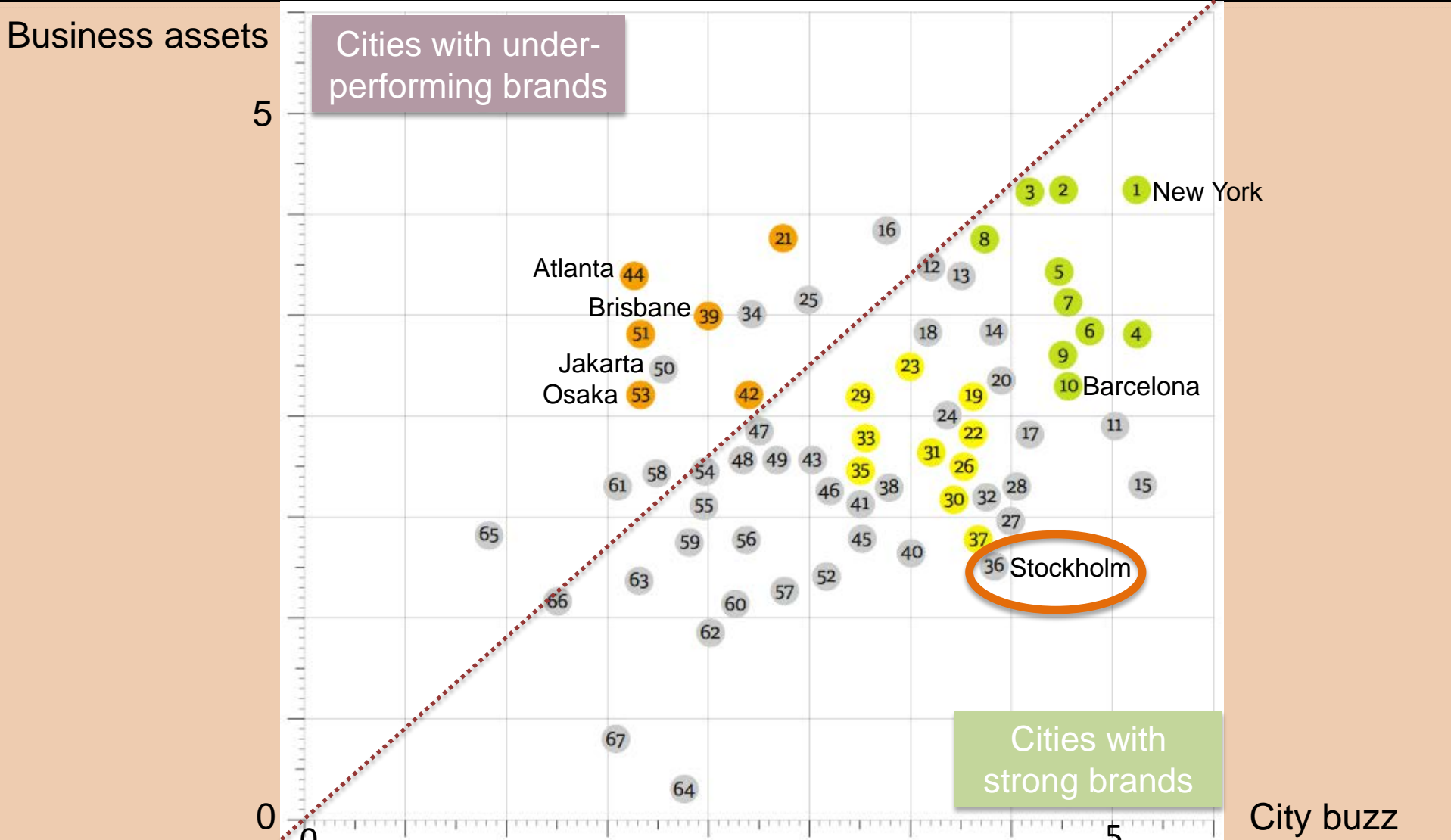
# Top 10 High quality of life cities



	Mercer Quality of Living Survey 2015	EIU Liveability Ranking 2015	Global Liveable Cities Index 2014	PwC Cities of Opportunity 'Demographics and Liveability' 2014	Monocle Quality of Life Survey 2015
<i>No of Cities</i>	230	140	64	31	25
Vienna	1	2	-	-	2
Melbourne	16	1	10	-	4
Zurich	2	10	2	-	10
Sydney	10	7	12	1	5
Berlin	14	21	8	4	3
Toronto	15	4	-	9	-
Vancouver	5	3	14	-	7
Helsinki	31	10	4	-	8
Copenhagen	9	22	4	-	10
Stockholm	19	15	7	8	6

# Saffron Business Brand Barometer

# The World City Business Brand Barometer



# So ?

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Congratulations.....Stockholm

New cycle priorities:

- Externalities
- Productivity & Scale
- Global Identity