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Introduction: Clash of the centuries?

The emergence of 'world cities', urban areas that are becoming global in character and orientation, is one of the most important phenomena of our time. World cities[1] are where much of the money, the knowledge and the decisions that shape the 21st century are generated. Their influence has propelled humanity beyond the inflection point from the 'age of the nation state' and into the 'age of cities'. And yet this new age inherits all the identities, institutions and organising principles of the nation state system. The tensions, trade-offs and opportunities that arise out of this unstable equilibrium are the subject of this book.

World cities confront nation states with a historic opportunity and challenge. These dynamic agglomerations of people, industries and infrastructure have the

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[1] In this book, a world city is defined as one that not only participates in national and regional networks, but also influences and directs global flows of trade, investment and population. World cities host high concentrations of industries whose value chains are globally integrated, such as banking, electronics, ICT, telecoms, cars and tourism. They serve as national, regional and global headquarters for globally trading firms. Their employment and productivity advantages are magnets for domestic and overseas migrants, and their political and cultural importance makes them popular visitor gateways and aviation hubs. World cities also tend to assemble major institutions of knowledge, culture and recreation. They are not always national capitals, not least because several federal nations have deliberately created alternative capital cities.

There is debate in the literature as to whether 'global city' and 'world city' should be used synonymously. We follow Christof Parnreiter in viewing the differences to be too small to demand a sharp separation in an overview of this nature. Cf. Parnreiter (2013).

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potential to help a national economy be more globally connected and productive, and to spread multiple benefits across national systems of cities through connectivity, economic specialisation and co-operation. Their activities might increase the connection of their national economy to global systems of trade, investment and talent. They also provide entry points to international markets, and are the spur for entrepreneurship and clustering activity for globally trading firms and sectors. In an increasingly urbanised global economy, world cities help to build the 'business brands' of nations and provide them with reputational advantages.

But world cities also depend on nation states and national governments in order to manage the effects of their global integration. Rapid population growth and diversification, urban restructuring and a surge in international investment can lead to multiple challenges. Inflation, congestion, stretched housing and labour markets, exposed infrastructure deficits, land-use dilemmas, ill-equipped city systems, sensitive environmental weaknesses and social divisions can all be 'side effects' of becoming a world city.

At the same time, national governments want to pay attention to the performance of other cities, towns and rural areas, and many look to address the impact the world city has on how other cities and regions within the nation develop. The world city may be understood in theory to offer competitive advantages and major contributions to fiscal resources, but the most visible effects may be de-population or de-clustering of other cities, or extreme concentrations of business, jobs and investment in one place. These challenges lie at the heart of the relationships and friction between nation states and their world cities, and lead to concerns about whether the 'world city model' is always a good one to adopt. Such apprehensions were very visible during the debate in the UK as to whether to leave the European Union and the subsequent fallout of 'Brexit', but they are also becoming increasingly influential in many other world cities and nation states.

In the current period, some world cities and national governments are beginning to embark upon a range of different forms of negotiation and collaboration around these issues that have major implications for the futures of both. These emerging dialogues and co-operation aim to address the understanding of the world city model and its needs, enhance the complementary roles of multiple cities within a national system, increase or improve governance and investment in the world cities, or develop national policies and platforms that can support different kinds of cities with specific tools and interventions. In this book we explore this new ground by examining the different ways in which world cities and nation states are contributing to each other's shared goals.

Each city's organisational and legal framework is different and complex, and the range of institutional dynamics in the world's major cities has not been compared in this way before. The book draws on the latest practical experience of 12 cities around the world – in Asia, Europe, Latin America and North America – to identify the trends and innovations in relations between central governments, state or provincial governments and their main international gateway city. Drawing upon a mix of local and governmental insight and global expertise, we identify recent innovations and reforms in governance, communication, investment and planning between different tiers of government. The book pinpoints the potential for nation states to leverage their world city to achieve mutually

beneficial national outcomes, but it also raises challenges to the world city model that should be the focus of concerted attention.

Urbanisation and globalisation: The age of world cities

History shows that cities tend to embrace international opportunities in waves and cycles (Clark and Moonen, 2013). Which cities take part in a given wave may depend on major geopolitical events, key industries, new technologies, connective infrastructures or the whims of city, mercantile and/or national leaders. What is clear is that today, more cities than ever are participants in the cycle of globalisation that began after 2008–9. Many of them have no prior global experience, while others draw on a legacy of earlier phases of outward-facing trade and engagement; as new sectors emerge and integrate, and as some countries increase or resume their global orientation, new world cities are emerging all the time.

One upshot of 21st century globalisation is that more countries have seen their leading city or group of cities become international commercial and corporate management hubs and visitor destinations, serving large customer and client markets in their wider regions beyond national borders. National policymakers find that these cities fundamentally alter the migration patterns of workers, set new business and service standards and have a major impact on the number and kind of international firms, capital and visitors that a nation attracts.

The previous cycles, in which world cities such as London, New York and Tokyo thrived, hinged on cities playing hub roles in finance, business, media, leisure tourism and commodities. In the current cycle, science, medicine, ICT, cleantech, traded urban services, higher education, design and real estate are now prominent activities for globalising cities. World cities have also become complex visitor economies – not just attracting holidaymakers but also students, researchers, events and congresses. Established and emerging world cities all compete for investors, entrepreneurs and start-ups by focusing on liveability, culture and urban regeneration.

This new cycle of world cities is shaped by a clearer grasp of the mistakes of the past and concerns for the future. The 2008–9 financial crisis exposed the weaknesses of city development approaches that had become over-dependent on one sector – be it financial services, real estate, IT or tourism. Its fall-out has also highlighted the fragile investment profile of many cities as they seek to update and renew their own systems – housing, education and infrastructure. It has also focused attention on cities' environmental and spatial resilience, and how to avoid becoming 'locked in' to an undesirable development path.

This current cycle has also homed in on the growing inequalities within and between cities, which has prompted a tide of pessimistic opinion in many countries opposed to the perceived impacts of the 'world city model'. In many cases, national leadership and public discourse have become more equivocal about whether and how to support major urban centres on their globalisation journey. This cycle of globalisation is therefore unusual because the growing international economic roles of world cities are coinciding with a rise in nationalism, separatism and hostility to immigration (Dowling, 2014; Hashi, 2014; Seib, 2014). These are difficult tensions to resolve.

The future imperatives for world cities

World cities face a number of similar or overlapping challenges that require facilitation and support from national governments. They have little choice but to adapt to increased competition for mobile firms, jobs, people, goods, capital and services (Herrschel, 2014). They face demands to address the externalities that accompany intense demand, such as housing supply constraints, income inequalities and over-burdened infrastructure. Most have to operate in a context of constrained public investment and cuts to intergovernmental transfers and grants. Sub-national public investment declined by up to a fifth within the OECD in the five years after the financial crisis, and evidence from non-OECD countries indicates this drop is even more stark (Allain-Dupre, 2015). Because even world cities have to achieve 'more with less', they have to appeal to alternative sources of international investment, which usually demands that they present a simple and consistent strategy, and assemble a clear pipeline of competitive projects for development. Given these combined imperatives, the leadership of world cities is by no means straightforward.

The distinctive elements of this new cycle of world cities – wide-ranging competition, new industry trends, strategic awareness and conflict between the 'winners' and 'losers' of globalisation – all demand a fresh set of relationships and partnerships with leaders and agencies in national government. Nation states are only just getting to grips with this new terrain. As this book demonstrates, the agenda for the future is now coming into view.

Nation states in the urban age

The 20th century is now, in retrospect, widely regarded as the century of the nation state (Waltz, 1999). The global economy experienced a sustained surge in growth and trade after 1945, and it is easy to forget that during those decades national governments deliberately tried to prevent industrial and office development becoming over-concentrated in their major cities. Subsidies, regulations, financial instruments and the relocation of business parks and public sector jobs were used to de-centralise economic activity and spread growth more evenly. Policies were also put in place to curb population concentration. This approach was evident in cities as varied as London, Paris, Seoul and Tokyo. Brazil went one step further and relocated its capital city from Rio de Janeiro to inland Brasília partly in order to de-centralise industrial activities and reduce growth in its large southern cities.

Not all national governments were proactive or successful in these efforts. Some tried to mitigate the externalities of their world city but succeeded only in disrupting cluster agglomeration and damaging overall competitiveness. Others failed to provide a consistent legal and regulatory framework or delivery mechanism to allow world cities to thrive. Many have now abandoned the hope of homogeneity on a national scale and are devising new approaches for their nation and world city (Bunnell, 2002; World Bank, 2009).

This book is about the transition that has since taken place from the age of the nation state to the age of cities. It explores how nation states are responding to

the largely unanticipated urbanisation of the global economy with new policies, reforms and methods of joint working. It analyses whether, why and how nation states really have become more place-specific in their approach to their cities, and what the implications are for city competitiveness and national cohesion (Hill and Fujita, 2011).

The twin processes of urbanisation and globalisation have required nation states to re-think traditional approaches. Not only do they face the rise of world cities, they also have to recognise three other essential trends that are explained and explored in this book:

1. Metropolitanisation;
2. Systems of cities;
3. Internationalisation of multiple cities.

The first trend that nation states have to take seriously is the emergence of city regions and metropolitan areas. As cities grow they expand beyond their set borders and boundaries, and their economic and social 'footprint' becomes ever larger. If national and state governments fail to respond to this phenomenon, what follows are large and expensive co-ordination failures between neighbouring municipalities that are politically independent of each other and yet are functionally inter-dependent, sharing a common business community, labour market, infrastructure platform and housing system. National and state governments can adjust to the growth in city regions by changing the boundaries of cities, by creating additional co-ordination vehicles, by reforming city governance or by incentivising co-operation in other ways (Arretche, 2013).

Nation states have to adapt to a second trend – the need to accommodate 'systems of cities' with complementary roles (World Bank, 2009). Within and across national borders, networks of cities often form a complementary system of different functions and specialisations. This often demands new national approaches. In China, for example, since the mid-2000s the national urban policy has begun to plan its huge scale of urbanisation by identifying large regional city clusters as strongholds of future sustainable development. The Pearl River Delta, Yangtze River Delta and the Beijing–Tianjin–Hebei regions have all become the subject of regional plans, with the aim of accelerating development, bridging regional divides and restructuring the economy.

The third trend to which nation states have to respond is the emerging capacity of multiple cities in the same nation to acquire international roles. As new waves of globalisation occur, new economic sectors internationalise and integrate, and a larger range of cities has the potential to enter the global system of trade and exchange. This can lead to nations having more than one 'world city'. While this is already common in larger nations (for example, in the United States New York, San Francisco, Los Angeles and Chicago might all be seen as world cities, and in China Hong Kong, Beijing and Shanghai all have global reach and roles), this can also occur in much smaller nations. In Switzerland, both Zurich and Geneva are world cities. Elsewhere in Europe, Barcelona and Madrid, and Munich, Berlin and Frankfurt, are all examples of more than one city developing clear international roles within the same country. We find similar phenomena in

South Africa (Cape Town and Johannesburg), Australia (Sydney, Melbourne and now Brisbane) and Canada (Toronto, Vancouver and Montreal). In many other countries, from the UK and France to Russia and Japan, a second city has a clear aspiration to become the second world city to complement their more established world city sibling.

Having learnt some painful lessons from the past, nation states are beginning to identify the opportunities as well as the threats of globalisation and the rise of world cities. National governments can leverage world cities to achieve development goals that are otherwise hard to achieve. They have also become more willing to endorse urbanisation processes because to do otherwise would weaken their attraction as a place for capital or for talent (Herrschel, 2014). This book shows that territorial approaches adopted by national governments are at different points along a continuum between 'old-style' development policies and 'new-style' approaches. The agility with which countries adapt their ways of working shapes not only how effective they are in pursuing their development objectives, but also has implications for the fortunes of their most globally oriented cities.

In this book we evaluate how far world cities are moving forward to secure mutually productive relationships with their nation states and compatriot cities, and how much farther there is to go. We argue that there are many dimensions to this challenge that make it rather more complex than simply a question of growth and productive agglomeration. In the current cycle of globalisation, world cities have to develop the tools and the leadership to plan and guide their own success, but they also need national partners to help them achieve their competitive and citizen aspirations. Equally, world cities have to contribute actively to the health and vitality of the wider national economy, not just through redistributive fiscal mechanisms but also by acting as an interface for engaging with global markets and knowledge, and as a driver of complementary development and dispersed value chains. This also places responsibility on higher tiers of government to ensure that disparities do not become too great and to create viable strategies for balanced and complementary growth. This matrix of shared imperatives is displayed in Figure 1.1.

World city success in its own right	World city contribution to the national economy
Role of national government in helping the world city succeed and compete	Role of national government in managing the consequences of its world city for the rest of the nation

Figure 1.1: The four dimensions of successful national government and world city relationships.

Different models and starting points

The relationships between national governments and world cities are important and far-reaching in all cases, and the message from this book is that their character varies widely. As we show, the mega-trends of continental integration, globalisation and de-centralisation do not play out in the same way for all world cities. Each city inherits a different set of organisations, state structures and path dependencies (see Table 1.1). As such, when it comes to finding a new path conducive to the global urban age, they have a different set of constraints and needs.

Arguably the most decisive factor that shapes the relationship between world cities and nation states is the national system of government. There are essentially four basic types of political arrangement that set the terms for the responsibilities of national government and for the nature of the dialogue between a world city and its national government:

- Centralised unitary systems;
- Federal systems;
- Specially empowered cities;
- Independent city-states.

This typology is the basis for the following sections of the book which compare and contrast the intergovernmental relationships within these distinct models.

Centralised unitary systems

In centralised government systems, the central government controls most public spending and almost all macro policy on economic competition, taxation, infrastructure planning and immigration. These countries' world cities are usually the capital city and centre of state power, which offers the competitive advantage that

Table 1.1:   Government systems and city designations in the 12 world cities

	National government system	Higher tiers of govt	Metropolitan government	Special designated city
Hong Kong	Unitary	1	No	Yes
London	Unitary	1	Yes	No
Moscow	Federal	1	Yes	Yes
Mumbai	Federal	2	No	No
New York	Federal	2	No	No
Paris	Unitary	1	Yes	No
São Paulo	Federal	2	No	No
Shanghai	Federal	1	Yes	Yes
Singapore	City-State	0	—	—
Seoul	Unitary	1	Yes	Yes
Tokyo	Unitary	1	Yes	Yes
Toronto	Federal	2	No	No

Note: Under Hong Kong's 'one country two systems model', the city has a high degree of legal and fiscal autonomy akin to a city-state, but within a Chinese national framework that controls security, defence, and foreign relations, and exercises influence more broadly.

national politicians are automatically aware of many of the city's obvious needs. In these nations the tensions between serving the needs of the world city and looking to the effects upon, and needs of, the second tier of cities and a wider set of regions, is often most acute. National leaders, therefore, tend to pay close attention to city policy and major city projects, and most large infrastructure projects depend on at least some national-level capital investment. National policies may also designate key clusters and business districts and set the standard of social housing and public services. Examples include New Zealand, the Republic of Ireland, the United Kingdom, the majority of African countries and, to a lesser extent, France and Japan.

Federal systems with a strong tier of state government

In many federal systems it is the state or provincial governments that are *de facto* world city managers. This 'middle' tier usually has the authority to decide all the policies that shape how the world city develops: governance, fiscal policy, infrastructure planning and the allocation of resources to urban development or elsewhere. Even though the world city is always by far the largest in the state, the electoral balance in state governments is often tilted towards rural areas or smaller cities. This means that state-level decisions rarely favour a pro-urban or pro-world city agenda.

Most world cities that operate under these arrangements are not national capital cities. Their relationship with the federal government is more remote, often mediated via a state or provincial government. Formally, these world cities are just one of several thousand municipalities vying for federal attention. This makes a customised relationship difficult, and puts the onus on city governments to be proactive and on the metropolitan area to self-organise. Sometimes, the regional expansion of a world city may even spill over the borders of more than one state or province – as with New York City and Brussels – giving rise to obvious co-ordination issues.

National governments in federal systems may issue directives, provide advisory support and fund programmes, but they do not become directly involved in urban governance, and the ministerial focus on the world city may be less sustained. With central grants typically comprising only 5–20% of city revenues, the government's main roles lie elsewhere: their control of economic, population and immigration policies; their ownership of strategic public land; their management of railways, ports and airports; their research and infrastructure investment programmes; their welfare and poverty initiatives; and their national urban and economic development frameworks. Examples of this model include Australia, Brazil, Canada, India and the United States.

Specially empowered cities

A number of world cities enjoy a high degree of autonomy despite being ruled in full or in part by a sovereign national government and/or operating within a federal system. These federal systems are effectively hybrids, where most of the

territory operates through a states and provinces system, but larger and important cities may attain an equivalent status to a state or province and manage their own affairs more directly. Moscow and Shanghai are examples of cities that are directly recognised by their federal governments and have gained a high level of self-governing powers and fiscal resources. Hong Kong is a rather different and unique case, possessing a high degree of autonomy within the 'one country, two systems' approach. Abu Dhabi and Dubai constitute another model of highly empowered emirate cities within a broader confederation.

Independent city-states

A very small number of cities have a fully independent or autonomous structure that means they are not administered as a part of any national government, and have their own diplomatic and military apparatus. These function as unified metropolitan areas with a highly centralised, unitary government and a single parliamentary chamber. The city-state system assigns local bodies formal advisory and management roles, and so they do not form an empowered 'lower tier' of government that is found in cities such as London and Tokyo. Unlike other world cities, being a small city-state demands constant attention to resource management (water, energy). Singapore fits the city-state model more closely than any other major city. Cities such as Berlin and Hamburg are also sometimes described as city-states because of their high degree of self-government, but within this typology they belong among the specially empowered cities because they, of course, are subject to German federal legislation.

Other inherited factors

This book highlights three other important factors which shape the character of city-state relationships in the modern age:

- Size and scale;
- Political polarisation;
- The national system of cities.

First, world cities emerge in their own spatial context and evolve to have rather different population sizes and geographical scales (see Table 1.2 and Figure 1.2). Size alone is no determinant of the degree of global orientation or world city status. Dubai, for example, has rapidly emerged as a world city despite having a population of less than three million, whereas Mexico City and Cairo have only very limited functions of a world city despite their huge populations. Size and scale not only affect how world cities compete, but also affect their ability to thrive in inherited institutional frameworks. Land-limited cities such as Singapore have not spilled over into a manufacturing hinterland, whereas Hong Kong has been able to through its relationship with the Pearl River Delta. But, for many emerging world cities, the major challenge is dealing with scale and getting

**Table 1.2:** Size and scale of world cities and world city regions

City	City population/m.	City size/km²	Region	Regional population/m	Region size/km²
Hong Kong	7.3	1100	Greater Pearl River Delta	65	55,000
London	8.8	1500	Greater South East	24	39,700
Moscow	12.2	2500	Moscow and Moscow Region	19	47,000
Mumbai	12.6	440	Mumbai Metropolitan Region	21.5	4350
New York	8.5	1100	Tri-state region	23	34,000
Paris	2.2	105	Île-de-France	12	12,000
São Paulo	12	1500	São Paulo Metropolitan Region	21	8000
Shanghai	24.2	6200	Yangtze River Delta	100	100,000
Singapore	5.5	720	—	—	—
Seoul	9.8	605	National Capital Region	26	12,000
Tokyo	13.5	2200	Tokyo Metropolis	36	14,000
Toronto	2.9	630	Greater Toronto Area	6.7	14,000

Sources: Census and Statistics Department, The Government of the Hong Kong Special Administrative Region, 2015; Greater London Authority Datastore, 2015; INSEE, 2016a, 2016b; Russian Federation Federal Statistics Service, 2014; Municipal Corporation of Greater Mumbai, 2015; IBGE, 2015; National Bureau of Statistics of China, 2015; Department of Statistics Singapore, 2015; Seoul Metropolitan Government, 2015; Tokyo Metropolitan Government, 2014; Ontario Ministry of Finance, 2014; Statistics Bureau of Guangdong Province, 2015; Office for National Statistics (UK), 2014; United Nations Department of Economic and Social Affairs, 2014; United States Census Bureau, 2014; EMPLASA, 2016; Statistics Korea, 2016; Geographical Information Authority of Japan, 2014; OECD Stat., 2016.
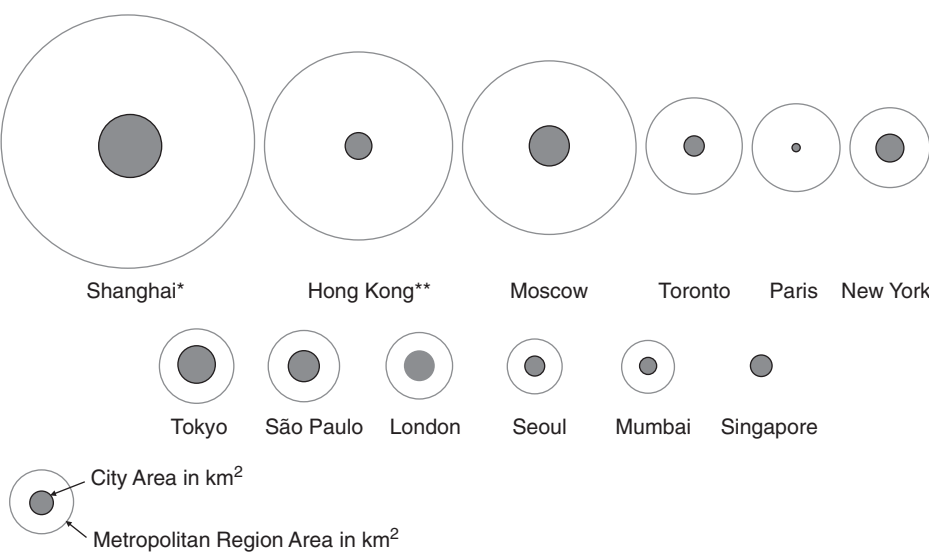
* Metro area = Area of Yangtze River Delta Economic Zone
** Metro area = Area of Pearl River Delta Economic Zone

Figure 1.2: Comparative size of world cities and their metropolitan regions.
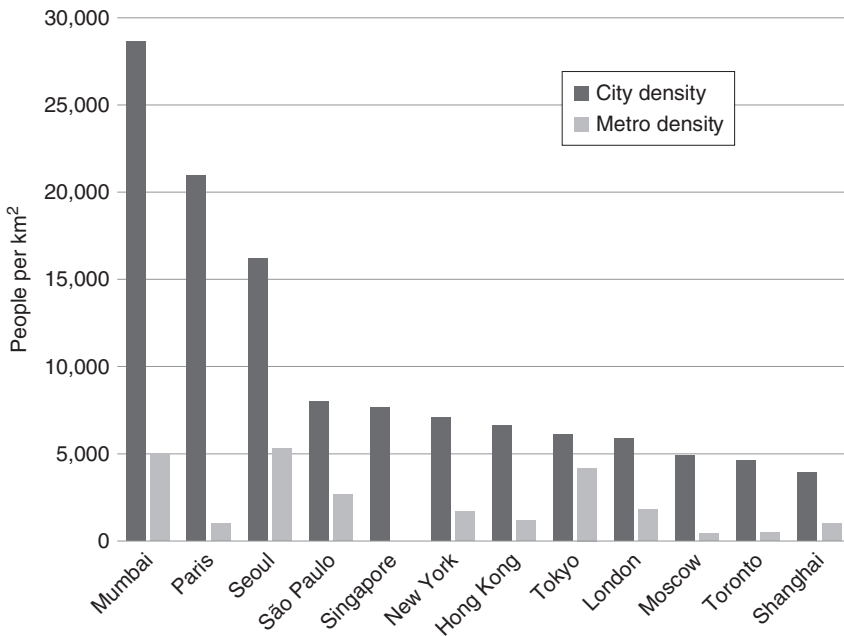
NB: Population and area data for metro regions from OECD where available, otherwise based on independent sources. Wider city-regional data used for Hong Kong and Shanghai.

Figure 1.3: Comparative density of 12 world city government units and their metropolitan regions.

the national system to adapt to realities of massive urbanisation (Figure 1.3). Weak growth management resulting from underpowered city government and/or weak alignment between institutional and functional geography, often results in congestion, low productivity, inequality and inflation.

Given the different models of governance described above and the different patterns of 'shared authority' implicit in all of the models, it is clear that a high degree of negotiated collaboration between world cities and nation states is desirable. However, negotiated working is not always easy to achieve because of a second factor: intergovernmental conflict. Division along party political lines often influences the speed of progress for world cities. This is especially true in cities that are deeply polarised politically and ideologically, which, from this book's case studies, include São Paulo, Toronto and Paris, but also include cities such as Milan, Madrid, Brussels and Buenos Aires. In federal systems, the incumbent state government is often ruled by a different party to the city government. Inter-party rivalry can result in deadlock and tension, and brief periods of political alignment represent an important opportunity to build trust, deliver reform and push through projects.

A third factor is the national system of cities within which world cities sit. Capitals such as London, Moscow, Paris and Seoul have historically always been much larger than their national counterparts due to their lead roles in industrialisation, commerce, trade, institution hosting, diplomatic and media functions,

Table 1.3:   Size of world cities' metropolitan areas compared to their nation state

	% of national population	% of national GDP
Singapore	100	100
Seoul	50	46
Tokyo	28	32
Paris	19	31
London	19	28
Toronto	17	17
São Paulo	10	18
Moscow	8	30
New York	5	8
Shanghai	2	4
Mumbai	1.5	7.5
Hong Kong	0.5	4

decision-making and even empire. The urban system may have evolved over time, but their position at the top of the hierarchy is absolutely unchallenged. This means that these cities dominate the political, economic and cultural life of their nations, and central governments are usually vigilant about their impact on national affairs. World cities that tower above the rest of their country's urban system have great advantages of agglomeration and political influence. However, sometimes they must also manage political grievances that emerge when disparities are perceived to grow too large.

In other city systems, world cities have developed in a context where some compatriot cities are as large, if not larger, than them and where they are not the automatic gateway for investors and decision-makers. At certain points in the last 50 years, Mumbai, Shanghai and Toronto have all been less favoured by their national governments compared to other large cities (Delhi, Beijing and Montreal, respectively), and each operates in a more evenly balanced system with three to six other major population and corporate centres. To a lesser extent, a diffuse national system is also visible in the cases of New York and São Paulo, where competitive or antagonistic relations with other big cities are much less common (Table 1.3). In this book we argue that the character of the national system of cities is important if world cities are to manage some of the negative externalities that accompany their own growth and success.

Overview of the book

This book is divided into five sections. Section I sets the scene for substantive case studies and analysis later on. In Chapter 2, we put the current dilemmas between world cities and nation states in historic context and review the existing literature that addresses this specific question. The status of the nation state amid the rise of world cities has been neglected and under-estimated. The chapter examines the new wave of optimism about cities' capacity to shape their own policies and destinies. It urges caution about this optimism and proposes a more

comparative international perspective. Recent work on a wider mix of world cities and changing national governance is highlighted, which lays the groundwork for the approach taken in the rest of the book.

Sections II, III and IV examine the changing world city/nation state relationships on a city-by-city basis. Each section addresses different types of government systems which provide many of the initial conditions for how multi-level governance can unfold and evolve.

Section II examines 'unitary' systems, nation states whose sovereignty is concentrated within a single centralised government. This system remains the most popular in the world, adopted in more than three-quarters of nation states. There are several reasons why unitary systems were established. Frequently, they evolved from systems of monarchical rule where authority was enforced from a core power base. They were also a popular solution for countries that, when founded, were relatively ethnically and linguistically homogeneous. In this system, the spectrum of powers and autonomy that sub-national units such as cities or regions can exercise may vary, but always depends on decisions made by central government. In unitary systems, the largest and most globally oriented city is nearly always the capital city, which brings distinctive tensions in how the city itself is governed. Indeed, there are many examples where central governments have been known to abolish city or metropolitan governments altogether. The proximity of national politicians to the city itself, however, does ensure that the world cities featured in this section are always uppermost in public and political debate.

Chapter 3 picks up the story of London, a historically independent and assertive city in a highly centralised unitary government arrangement. London, in many respects, epitomises the challenges currently facing world cities, especially in terms of growth management, investment, national inequalities and political hostility. This chapter reviews the important cycles of improvement in city governance over the past 30 years and the role of actively engaged ministries and units within central government. Despite success with eye-catching co-funded projects, the city is now confronting the implications of a highly centralised public finance system and the unusually weak recent economic performance of the UK's large secondary cities. Despite the risks to London presented by the UK's decision to leave the European Union in 2016, the institutional development in and with cities since 2010 promises a new era of more negotiated intergovernmentalism and a more empowered system of metropolitan governments and combined authorities across the UK.

In Chapter 4 we review the other leading world city in Europe, Paris. As the capital of an archetypal centralised state, Paris has experienced a great deal of institutional re-shuffling in recent years amid the push to build a metropolitan approach to innovation, housing and social cohesion. This chapter describes the renewed engagement of senior national officials in the Grand Paris project, which has coincided with the ongoing fragmentation of the whole capital region into numerous spheres of authority. It assesses whether the latest cycle of reforms has the practical effect of enhancing Paris's capacity to deliver change at the pace and scale that is needed to address existing gaps. The Paris experience offers lessons about effective and ineffective state interventions in an institutionally overcrowded metropolis.

With a capital region of nearly half the national population, the city of Seoul plays a fundamental role in shaping the Korean economy and society. In Chapter 5, the role of the national government in supporting Seoul's transition into an

upper-income world city is explored. As a designated 'special city' with its own metropolitan government and directly elected mayor, Seoul is emerging out of a long history of centralised rule. The city and nation state now have to negotiate the externalities of the capital's growth, including its under-managed regional scale of development and the limited attractiveness of Korea's second-tier cities. The chapter underlines the importance of national governments adopting different approaches to their world cities in new cycles of development.

The case of Tokyo, explained in Chapter 6, reveals the challenges of governing the world's most populated urban area in the context of persistent low economic growth and deflation. Tokyo is still the only city in Japan governed as a metropolitan prefecture, and has special fiscal and political autonomy that give it unusually wide tax-raising and service delivery capability. Policy co-operation between the city and the national government has been essential to revitalise the urban fabric and make Tokyo more open to investment, but the limits of its world city model are now being reached. The chapter provides perspective on the constraints that a national government can come up against in seeking to make reforms in the interests of the competitiveness of its world city.

Section III examines the challenges for world cities that exist in federal states where political power is more dispersed and when attention on leading cities is more inconsistent. Many of the largest and most diverse and influential countries have a federal character. In federal systems, state and provincial government units share sovereignty with the national government, which prohibits unilateral changes or reforms from the national level. In many cases, it is the states and provinces themselves which are unitary and have the authority to amalgamate or empower local municipalities. Different federal systems organise distinctive powers and responsibilities in governmental tiers, and so the relationship between the world cities and the national governments varies among the four systems outlined in this section.

Chapter 7 turns to India to explore the challenges of Mumbai, as a megacity and national financial hub, in negotiating support and reform from above. Mumbai is an example of a world city whose higher tier of government has failed to create the institutions or the planning and co-ordination mechanisms required to govern the metropolitan space. This chapter describes the mixed effects of past reforms and investments and explains how the Government of India policy has not created the conditions for the state government to overcome short-term political imperatives and act in the long-term interest of its major city. The current national government has been a cause for optimism around smarter and more business-friendly growth, but the chapter reflects on the urgency to make a step change that will allow Mumbai to avoid becoming permanently locked in to an unsustainable and unequal growth model.

New York City, the subject of Chapter 8, today has arguably the most remote relationship with its national government of any of the cities featured in this book. The lack of attention paid by the federal government to its main business hub in the past 20 years is contributing to unmanaged regional growth, under-investment, an affordability crisis and environmental vulnerability. This chapter shows how federal support for New York City now tends to manifest in the form of crisis response. It highlights the risks that are even posed to world-class

cities if national governments disinvest, apply rigidly prescriptive policies and become polarised along ideological lines.

Located 1000 kilometres south of the capital Brasilia, São Paulo's attempts to engage its federal government in recognising its position as Brazil's world city are the focus of Chapter 9. The city has still not come to terms with its earlier 50-year surge in in-migration and continues to face a substantial infrastructure deficit and major investment needs which require help from higher tiers of government. The chapter illustrates how fruitful relationships between federal and world city governments in emerging economies require committed leadership, especially in a context where large metropolitan areas lack recognition in national public life. São Paulo has worked hard to show it can be more than simply a tax resource for poorer regions and needs to be supported through fiscal reforms, funding disbursements and changes to regulation.

Chapter 10 returns to North America to explore Toronto's changing relationship with higher tiers of government. As Canada's first world city, the city shares responsibility and resources with the provincial government and the federal Government of Canada for different dimensions of urban development. The chapter highlights how strong government alignment and partnership was critical to Toronto's earlier emergence as a high quality 'city that works', but more recently fragmented financing and co-ordination have resulted in congestion, housing shortages and weak clustering. The failure of Canadian federalism to devise a focused and integrated approach to the distinctive needs and opportunities of its five major cities is analysed, as is the role of business and civic alliances in building bridges with Ontario and Ottawa.

The rich and complex history of some world cities is such that they have developed unusual arrangements that grant them a special degree of autonomy. These cities are the subject of Section IV. Some have attained semi-autonomous or autonomous capacity as a result of historic colonial relationships. Others have been nominated as 'special' cities, nominated or designated by national governments to be granted self-government rights and privileges. In this section we highlight how, for these 'special' cities, autonomy and empowerment can work as a double-edged sword. Increased independence brings well-known and well-understood benefits but also places burdens and expectations on cities, and can present trade-offs in terms of how they compete and position their economies in global markets.

In Chapter 11 we review the special autonomous region of Hong Kong, whose relationship with mainland China has been the subject of major scrutiny and debate since the British handover in 1997. In the two decades since, Hong Kong has received careful and timely support from the Chinese central government which has enabled it to open up a vast market as an economic hinterland and to retain its own policies on immigration, currency and media. The chapter emphasises Hong Kong and China's inter-dependence as they pursue their development goals, in spite of the controversy over Beijing's desire to retain its role as gatekeeper to the city's leadership. Hong Kong is well placed to benefit from further approved integration with the Pearl River Delta, support for its global renminbi trading status and license from central government to play the role of laboratory for Chinese and Asian urbanism.

Moscow is a federal city of Russia and has far-reaching budgetary and strategic capacity compared to nearly all other Russian cities. In Chapter 12 we focus on

the role of the federal government in enabling Moscow to attract international capital and traded sectors, but also in managing (or not) the asymmetric patterns of development in Russia that threaten to overload demand on the capital city. Moscow's powerful city government maintains a close, complex and largely positive relationship with the federal government, and the latter has offered support for high-profile projects such as metro modernisation, Moscow River upgrades and the 2018 World Cup. This chapter witnesses the process of centralisation and concentration underway in Russia and the importance of consistency and coherence in national policy to prevent and mitigate negative side effects.

As a city with the powers of a province, Shanghai also has a distinct relationship with Beijing in the Chinese government system. In Chapter 13 we trace how the city's 30-year period of growth has been navigated and negotiated with central government. In particular, Shanghai stands out for its pragmatic and opportunist leadership that is prepared to take risks and draw on personal connections with national leaders to pursue ambitions for the city. Equally, Shanghai's success is an important element of the legitimacy of the Chinese Communist Party. Despite occasional scandals, central government support for Shanghai has been remarkably successful but new tactics will be required to achieve a more sustainable and regional model of urbanisation.

The final case study in Chapter 14 of this book belongs fittingly to Singapore, the only world city that is a fully independent city-state. For more than 50 years the island nation has not had to negotiate intergovernmental relationships in the same way as other cities. This chapter reflects on the handicaps as well as the advantages of not having a nation state above and around the city, and the role these have played in fostering openness to global investment and expertise. The dividends of a highly integrated government with minimal co-ordination failures are discussed to show Singapore has avoided many of the critical mistakes or problems that afflict other established world cities. The chapter concludes by underscoring the incomplete model of the city-state's success, and the potential to incorporate non-governmental sources of leadership to help address deficits in the next cycle.

Together these 12 case studies reveal a great deal about the changing intergovernmental nexus world cities have to navigate. In Section V we summarise and evaluate the findings across these dozen cities. In Chapter 15 we focus on the putative needs of the world cities themselves, and how national governments have been reacting to new imperatives. But the needs of the world city are only one half of the story. In Chapter 16 we turn the tables to evaluate how world cities are responding to the unintended consequences that globalisation has had on national development patterns, and, in particular, the spatial imbalances that have appeared as agglomeration in globalised urban areas has intensified.

"Over the long run and at a distance, cities and states have proved indispensable to each other," wrote Charles Tilly in his 1990 classic *Coercion, Capital, and European States, AD 990–1990*. This book's essential contribution is to show why this mutual inter-dependence is not set to evaporate in the so-called urban age, with all its talk of the 'rise of city-states'. Instead, a spirit of partnership between them will be essential to their survival, sustainability and success.