



“Global Urban Competitiveness Report (2009-2010)”

Press Release

Led by Professor Pengfei Ni (Chinese Academy of Social Sciences) with Professor Peter Karl Kresl (Bucknell University, USA), economic experts and scholars from many countries and regions, as well as the members of the Global Urban Competitiveness Project group completed the “2009-2010 Global Urban Competitiveness Report” (hereinafter referred to as Report) and the Report will be released on June 22, 25th, 2010 in Seoul and Nanjing.

The theme of this report is "Innovation: Source of Urban Competitiveness." The report has collected data on 6 indices including scale of Green Economic GDP, Green Economic GDP per capita, Green Economic GDP per square kilometer, economic growth rate, number of internationally recognized patent applications and multinational corporation index from the perspective of output. ,then compiled the Global Urban Competitiveness Index (GUCI) for the 500 sample cities worldwide, so that we can gain insights into the development and competitiveness of cities around the world by comparing and analyzing the GUCI of these 500 sample cities and their specific components in the indices. Findings are as follows:

The pattern of urban competitiveness in the world is changing rapidly. First, the United States and European cities continue to occupy the peak of city's top competition system, indicating a strong competitive power. The cities which have better elemental environment have more potential, such as New York, London, Tokyo, Paris. Secondly, the newly industrialized countries' central areas and metropolitans play an outstanding performance, which are growing very rapidly. Meanwhile its front rankings in elemental environment highlight its huge development potential, indicating that they will quickly catch up with top city and into the higher level echelon. For example, Shanghai is globally ranked 37 in comprehensive competitiveness into the world's top 50, upgrading up by 9 positions. Beijing and Shanghai are ranked in 8 and 15 in elemental environment competitiveness. Third, the newly industrialized countries significantly improve significantly. On the whole, these cities are prominent in the future development potential with performing well in elemental environment. On the other hand, the emerging cities are fiercely catching up with top cities. This situation will stimulate and intense the rapidly changing patterns of global urban competitiveness.

Comprehensive competitiveness: New York and London rank the top 2, while San Jose and Shanghai are making the greatest progress.

The top 10 cities in terms of global urban comprehensive competitiveness are New York, London, Tokyo, Pairs, Chicago, San Francisco, Los Angeles, Singapore, Seoul, and Hong Kong. Among the top 50 cities, 20 are in the United States, and

another 16 are in Europe. Besides, 3 cities in China are included in the top 50, i.e. Shanghai, Taipei, and Hong Kong. Among the top 100 cities, 38 are in the United States, and another 33 are in Europe. Among the 500 sample cities, United States holds the leading position with 64 of its sample cities ranking within the top 200 cities. 66 of the top 200 cities are located in Europe, and 13 of the top 200 cities are located in China. 52 cities from Asia are ranked 200-300, and most cities from Asia and other continents ranks in post-200.

Economic scale: China presents miracles, while Europe and the U.S. experience slight fall amid steady development. The top 10 cities in terms of economic scale are Tokyo, Paris, New York, London, Los Angeles, Seoul, Hong Kong, Osaka, Mexico City, and Sydney.

Development level: San Jose, San Francisco and Oakland continue to hold the top 3, while Asian cities are showing huge potential. The top 10 cities in terms of urban development are San Jose, San Francisco, Oakland (US), Washington, Leeds, Huston, Los Angeles, Geneva, Boston, and New York.

Economic aggregation: European cities are top cities, with high degree of income concentration. The top 10 cities in terms of economic concentration are Geneva, New York, Chicago, Barcelona, Dublin, San Francisco, Macao, Seoul, Santa Ana and Nagoya.

Economic growth: Chinese cities continue to lead, while Asian economies are growing rapidly. The top 10 cities in terms of economic growth are Erdos, Baotou, Yantai, Hohhot, Baku, Dongguan, Zhongshan, Rizhao,

Patent application: per capita wealth promotes technical innovation, while China reveals obvious weakness in technical innovation. The top 10 cities in terms of patent application are Cincinnati, Wilmington, Portland, Windsor, Seattle, Palo Alto, Quebec, Minneapolis, Stuttgart and Plymouth.

International influence: Asian cities are improving rapidly, while the trend of internationalization for cities with medium and low income levels is strengthening. The top 10 cities in terms of international influence are New York, Tokyo, Singapore, London, Hong Kong, Beijing, Paris, Shanghai, Moscow and Seoul.

Element environment competitiveness: the world is showing an uneven pattern, while regional differences are significant.

The top 10 cities in terms of element environment are New York, London, Paris, Tokyo, Hong Kong, Singapore, Seoul, Beijing, Amsterdam, and Brussels. China occupies two seats in the top 10, and Shanghai ranks 15th. A total of 30 cities from the EU and the United States is in the top 50, and most of the top 50 cities are multifunctional. most cities from the EU and the United States are ranked in the top 300, and most cities in China and India are located after 200.

Enterprise quality: China's core cities have outstanding advantages, while functional cities have high enterprise quality. The top 10 cities in terms of enterprise quality are New York, London, Paris, Tokyo, Beijing, Hong Kong, Seoul, Shanghai, Moscow, and Sao Paulo.

Local element: European and Asian cities have similar strength in elements,

while the advancement of science and education will make a difference. The top 10 cities in terms of local elements are Paris, Tokyo, New York, London, Dublin, Seoul, Osaka, Chicago, Washington, and Brussels.

Local demands: urban agglomeration facilitates Europe to take the lead; while developing countries are lagging behind. The top 10 cities in terms of local demands are Paris, London, New York, Tokyo, Manchester, Milan, Hamburg, Munich, Stuttgart, and Bremen.

Local connection: Oceania cities have superior performances, while Asian and African cities are lagging behind. The top 10 cities in terms of the local links are London, Barcelona, Sydney, Melbourne, Rome, Beijing, Toronto, Canberra, Shanghai, and Tel Aviv.

Public institution: Hong Kong and Singapore are leading all over the world, while the cities in Europe and America are performing well in overall strength. The top 5 national or regional economies in the terms of public system are Singapore, Hong Kong, the United States, Chile and Canada.

Global connection: financial support is significant, and the metropolitan effect is obvious. The top 10 cities in terms of global connectivity are New York, London, Paris, Tokyo, Hong Kong, Singapore, Beijing, Madrid, Shanghai, and Moscow.

Industry chain competitiveness: New York, Tokyo and London rank the top 3, while comprehensive and financial centers have obvious advantage. The top 10 cities in terms of industrial value chains are New York, Tokyo, London, Paris, Hong Kong, Singapore, San Francisco, Zurich, Sydney and Osaka. Among the top 50 cities, 19 are in Europe and 15 are in Asia, and 8 are located in the United States. The top 50 cities are mostly from developed countries or the political center of major developing countries with a large population. Among the top 100 cities, the United States accounts for 26, the EU accounts for 31, China accounts for 5, showing the obvious advantages of industrial competitiveness in European and American cities.

Table 1 The distribution of the top 20 cities in the Global Urban Competitiveness Index System

Rank	2007-2008 global urban Comprehensive competitiveness	Country	2009-2010 global urban Comprehensive competitiveness	Country	2009-2010 global urban Element environment competitiveness	Country	2009-2010 global urban Industrial chain competitiveness	Country
1	New York	USA	New York	USA	New York	USA	New York	USA
2	Tokyo	Japan	London	UK	London	UK	Tokyo	Japan
3	London	UK	Tokyo	Japan	Paris	France	London	UK
4	Paris	France	Paris	France	Tokyo	Japan	Hongkong	China
5	Los Angeles	USA	Chicago	USA	Hongkong	China	Singapore	Singapore
6	San Francisco	USA	San Francisco	USA	Singapore	Singapore	Paris	France
7	Chicago	USA	Los Angeles	USA	Seoul	South Korea	Beijing	China
8	Washington,	USA	Singapore	Singapore	Beijing	China	Seoul	South

	D.C.							Korea
9	Singapore	Singapore	Seoul	South Korea	Amsterdam	Netherlands	Sydney	Australia
10	Seoul	South Korea	Hongkong	China	Brussels	Belgium	Sao Paulo	Brazil
11	Hongkong	China	Washington, D.C.	USA	Chicago	USA	Taipei	China
12	Dublin	Ireland	Houston	USA	Milan	Italy	Moscow	Russia
13	Stockholm	Sweden	Seattle	USA	Los Angeles	USA	Madrid	Spain
14	Boston	USA	Geneva	Swaziland	Madrid	Spain	Shanghai	China
15	Geneva	Swaziland	Dublin	Ireland	Shanghai	China	Buenos Aires	Argentina
16	Osaka	Japan	Stockholm	Sweden	Toronto	Canada	Zurich	Swaziland
17	Seattle	USA	San Diego	USA	Sydney	Australia	Dubai	United Arab Emirates
18	Houston	USA	Boston	USA	Washington, D.C.	USA	Los Angeles	USA
19	Miami	USA	Miami	USA	Frankfurt	Germany	San Francisco	USA
20	San Diego	USA	San Jose	USA	Moscow	Russia	Bangkok	Thailand

On the basis of qualitative analysis, the report carries on an econometric analysis, (including regression analysis and cluster analysis) about 500 cities worldwide, finding the most critical elements of the Global Urban Competitiveness is global connectivity and technological innovation.

Regression analysis is conducted on the basis of the indicator tests, using the explanatory indicators (including the level-I indicators, and key level-II indicators) as independent variables, and GUCI as the dependent variable. In the meantime, another regression analysis is conducted using Green Economic GDP per capita as the dependent variable and the explanatory indicators. Here are the findings:

1. The regression analysis on the six level-I explanatory indicators shows that global connectivity has the biggest influence on global urban competitiveness of a city.

2. The regression analysis for the 50 level-II indicators of comprehensive competitiveness reveals that the most influential indicators is global corporate brand.

3. The regression analysis for the six level-I explanatory indicators of the Green Economic GDP per capita shows the public system has the biggest influence on Green Economic GDP per capita.

4. The regression analysis for the 50 level-II indicators of GDP per capita indicates that the most influential indicators is global corporate brand.

Through the cluster analysis of the global urban comprehensive competitiveness, It is found that, in the world today, the rapid development of urbanization brings more elements having influence on cities. In addition to economic developments,



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technological innovation and international influence is increasingly important to promote a city's comprehensive competitiveness. There are many cities without big economic scale, but the technology innovation and international influence in these cities have upgraded soon which help to enhance the comprehensive competitiveness of these cities. At the same time, element environment play an increasing important role in enhancing the city's comprehensive competitiveness, that directly affects the city's internal and external demand and supply, the provision of public goods and private product capabilities. Besides, element environment will profoundly leads the international resources to flow among the world city. Only with the sound environment, city might attract more international resources, to deep into the rapidly growing global trend of urbanization.

Meanwhile, cluster analysis also shows a positive signal. With the globalization, the top cities such as New York, London, Tokyo and Paris, are still going to strengthen its element environment, in order to improve their hi-tech innovation capacity and international influence. Meanwhile, the international emerging countries are also taking place earth-shaking changes, especially cities in China, Mexico, India, Brazil four countries. Many cities are gradually developing toward world-class standards, which have challenged the traditional top cities invisibly.

The report conducts a research from a regional perspective. In terms of five different regions in the world, we find that North America has maintained its top position, and Europe is featuring separated powers, while Asia shows great potential and its prosperity seems only a matter of time. In North America, the United States has absolute advantage in terms of comprehensive competitiveness, with all indices of this continent ranking top in the world. The comprehensive competitiveness of European cities is quite strong but separated by countries. Although top cities in Europe have substantial advantage in terms of industrial chains, the top 10 European cities in the global industrial chain ranking are distributed in 10 different countries. In addition, with the emergence of Asia and other regions, more resources are gradually concentrating to central cities in emerging economies such as Asia and South America, which leads to general decrease in European cities' competitiveness. Asian cities are showing huge potential and they are promising to prosper. Among them, Chinese cities are improving their ranking the fastest, and Japan has maintained its advantages in several indices.

The report also have selected in accord with implications of functional centers, 7 types of functional center cities from the 500 sample cities worldwide, i.e. comprehensive centers, financial centers, shipping centers, tourism centers, science and technology centers, manufacturing centers and political centers, each consisting of about 100 cities.

Viewing in global terms in general, functional center cities in developed countries in Europe and the U.S. hold absolute advantages in both scale and quality. While some emerging cities in Asia are developing rapidly in recent years, they still need to be improved in quality. Africa is relatively underdeveloped, but bears huge potential for future development.

Comprehensive centers: These cities have superior strength in the world 500



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selected cities, with New York, London, Tokyo continuing to lead, Singapore, and Seoul springing up everywhere. The element environment competitiveness of comprehensive centers is outstanding and Beijing are in the top ten.

Financial centers: America-led developed countries take the overall lead, while fastest growth rate are showing in Asia, Africa and Latin America with quality remains to be improved.

Shipping centers: European and American cities are taking the lead, while regional differences are significant.

Tourism centers: the U.S. ranks 1st, while Los Angeles and Washington have moved down the ranking.

Manufacturing centers: Houston rises to the top, while European and American cities are leading the world.

Science and technology centers: European developed countries and the United States have an obvious advantage, while emerging economies in Asia are performing well.

Political centers: strong cities are becoming stronger, with economic development playing a determinant role.

Finally, the report has done case studies, in order to find the best experiences to enhance the city's competitiveness. Recommended by international experts, 24 cities are selected as the best case of cities by the research group. The 24 cities are: Chicago, Munich, Milan, Austin, Osaka, Incheon, Melbourne, Edinburgh, Fukuoka, Copenhagen, Montreal, Sao Paulo, Hyderabad, Nanjing, Guangzhou, Chengdu, Hefei, Qingdao, Suzhou Nantong, Nanchang , Wuxi, Ningbo, Taichung.

This “2009-2010 Global Urban Competitiveness Report” will be published by the Edward Elgar Publishing Limited. It is the third Biennial report written by the Global Urban Competitiveness Project group. The Report is composed of general report, regional report, function city report, best city case report and city statistics report. The rich content and detailed data also provide important significance and reference value for government, especially for the city government departments, enterprises at home and abroad, research institutions, as well as the social public.

Center for City and Competitiveness, Chinese Academy of Social Sciences

Telephone: 86-10-68063478 Contact: Xie Huizhen

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