

Comparing London and Frankfurt as World Cities

A Relational Study of Contemporary Urban Change

Presentations in London and Frankfurt

London, Anglo-German Foundation, 19 Nov 2001

Frankfurt, Finanzplatz e.V., 30 Jan 2002

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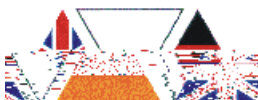
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Globalization and World Cities Study Group and Network (GaWC)

Anglo-German Foundation for the Study of Industrial Society



1 London a

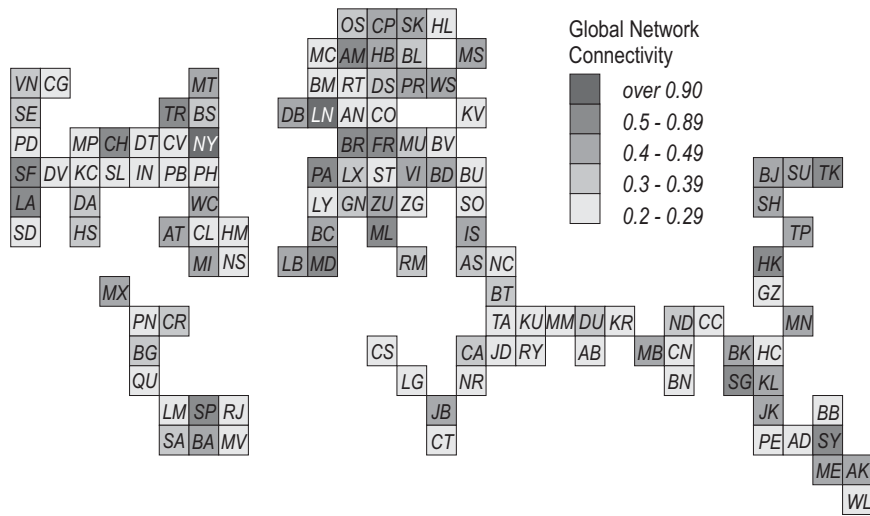
Table 1 Global service firms: the GaWC 100

ACCOUNTANCY

AGN International
Arthur Andersen
BDO International
Ernst & Young
Fiducial International
Grant Thornton International
HLB International
Horwath International
IGAF. International Group of
Accounting Firms.
KPMG
MacIntyre Sträter International
Moore Stephens International
Moores Rowland International
Nexia International
PKF International
Pricewaterhou

0312

Figure 1 The GaWC archipelago



Allgemeine Zeitung

Frankfurter

1.2 The impact of the euro

The German market is expanding and very important

Frankfurt is strengthening its position relative to London but will always be in a 'second league' of world cities

Increasing strength of Frankfurt is feeding into London, not draining away from it.

Frankfurt is cheaper to do business than London and increasingly liberalised

London and its institutions cannot be complacent

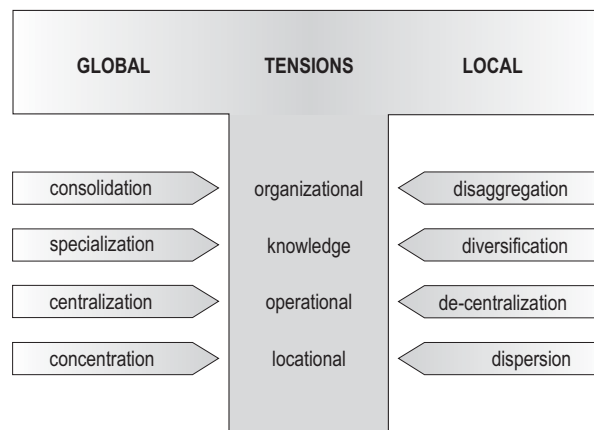
2 Inter-city relations – business competition and tensions

2.1 Business drivers and complexity

cross-border services
cross-border markets
globalization

global
local
rationalization

Figure 2 Tensions in inter-firm competition



2.2.1 Local-global tension

accountancy and management consulting

legal services

2.2.2 Organizational tension (consolidation vs. disaggregation)

Figure 3 Networks within the world city network

N e t w o r k S o c i e t y	
W o r l d C i t y N e t w o r k	KNOWLEDGE NETWORKS
	CULTURAL NETWORKS
	POWER NETWORKS
	GOVERNANCE NETWORKS

3.1.1 Knowledge networks – knowledge and relationships in ‘people business’

‘Local’ flows of knowledge between London and Frankfurt are highly interconnected with wider inter-city network flows.

ICT and E-commerce are opening new spatial relationships between firms and markets

The benefits of London's openness to foreign ownership outweigh the risks.

3.1.4 Governance networks - regulation and public-private governance

Regulation through state and inter-state intervention is a key determinant of cross-border business flows.

Harmonisation of accounting standards will have future key effects on European and German markets and services.

Institutional conflicts of interest are damaging to cross-border business suggesting a need for policy integration.

3.2 Conclusion - 'Network cities'

3.2.1 In what ways does geography matter?

location matters less

Concluding Questions

London

- **First, how can inter-city public-private relationships be strengthened for mutual benefit?**
- **Second, how can city-based networks contribute to sustainable development?**
- **Finally, what are the implications of our analysis and approach for networks and cities given current concern for the events of September 11th?**

Frankfurt

Development and Change

World Cities in a World-System

The Global City: New York, London, Tokyo

Cities in a World Economy.

<http://www.lboro.ac.uk/gawc/>

Frankfurt Conference Questions and Discussion

London and Frankfurt Conference Media Coverage

Financial Times, 20 November 2001

NATIONAL NEWS:

Frankfurt fails to steal London's crown as financial capital

By Vincent Boland/Capital Market Editor

joint Anglo/German study

Financial Times, 24 November 2001

COMPANIES & FINANCE UK:

A touch of paranoia about one's place in the world:

Despite periodic hand-wringing about Continental competition, London's financial services industry is still pre-eminent in Europe by a long way

By Martin Dickson

Wimbledonisation of London

Frankfurter Rundschau online, 31 January 2002 - ENGLISH TRANSLATION

London remains Number One Financial centre Frankfurt only the gateway to the German market

By Detlev Fechtner

In the view of decision-makers from major banks, accounting firms and advertising agencies, Frankfurt cannot compete with the City of London as a financial centre. This at least is the conclusion of a joint

.

Frankfurter Allgemeine Zeitung, 1 February 2002

London und Frankfurt profitieren voneinander

Der Euro und die Zentralbank stärken die Stadt am Main / Eine neue Studie

Von Rolf Ackermann

*neue Studie der „Deutsch-Britischen Stiftung
für das Studium der Industriegesellschaft“ in London (www.agf.org.uk)*

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Die Woche, 8 February 2002

WIRTSCHAFT

Und der Verlierer ist: Frankfurt a. M.

High Potentials machen Karriere in London, München gewinnt an Bedeutung:

"Mainhattan" gleitet ab in die zweite Liga

Von Sonia Shinde

Die Zeit, 14 February 2002

Kopflos glücklich

**Führende Bankmanager verlassen Frankfurt am Main. Trotzdem wächst das
Finanzgeschäft in der Stadt**

Von Marc Brost, Robert von Heusinger, John F. Jungclaussen und Marcus Rohwetter

Die Zeit, 14 February 2002 - ENGLISH TRANSLATION

Blissfully happy

**Leading bank managers leave Frankfurt am Main. All the same, the city's
finance sector keeps growing**

By Marc Brost, Robert von Heusinger, John F. Jungclaussen und Marcus Rohwetter

