THE URBAN ECONOMY

Sustaining a successful relationship between economic productivity and urban development has characterised the rise and fall of cities throughout history. The once solid bond between urbanism and industry has become fragile in the last half-century with post-industrialisation causing many cities to struggle to adapt to massive urban change. To survive the 21st century, cities need to provide a platform for constantly evolving economic and industrial enterprises and foster productive partnerships that can adapt to change.

Sustaining a healthy balance between industrial change and urban development has proven difficult. The migration of manufacturing industries from the west to the developing world has posed immense challenges for urban centres across the globe, with cities in developing nations struggling to deal with the social and economic impacts of massive urbanisation.

The UK’s post-industrial cities have implemented various approaches to urban regeneration in the last quarter-century in an attempt to stimulate economic renewal. Sheffield has navigated a relatively successful transformation from wool production to professional services, becoming a northern centre for legal and financial industries, and has pumped significant money into revamping its town centre to attract and retain the educated talent it needs.

Similarly, Manchester and Liverpool have undergone several urban regeneration projects, converting post-industrial landscapes into attractive living and working spaces for the creative industries, and transforming their waterfront infrastructure from sites of industrial production into vibrant centres for leisure and entertainment.

The Taiwanese government has realised that one of its greatest assets is its knowledge-based economy, aiming to be a world centre for the creative industries in the next 10 years. The Taiwanese government has undergone many significant economic transformations in the past few decades, from a manufacturing base in the 1980s to a high-tech centre. As its manufacturing plants are steadily migrating to cheaper locations in China, the island is capitalising upon its talent and transforming itself into a knowledge-based economy, aiming to be a world centre for the creative industries in the next 10 years.

Detroit is a chilling example of the effect of economic decline – once a major hub for the American motor industry, the city is now a devastated ghost town with little hope of economic or urban renewal in the near future. Between 2000 and 2010, the city’s population declined by 25 per cent, 257,500 people left the city, a rate only exceeded by the residents of New Orleans following Hurricane Katrina in 2005. The decline of ‘Motor City’, home to General Motors, Ford and Chrysler, is entwined with its rapid de-industrialisation. Between 2000 and 2009, Detroit’s Wayne County alone lost more than half of all its industrial jobs. These conditions raise many pressing questions about how cities, as physical, spatial and regulatory entities, can evolve and adapt to economic change.

Economic prosperity in the next century will not be created in large industrial factories or manufacturing plants. Nor will it be stimulated by short-term urban regeneration projects. A more dynamic relationship between public and private sectors, government and industry, intellect and entrepreneurship, will create a broader territory of productive relations for continual economic and urban evolution. This will take place in interconnected cities that provide integrated urban environments for innovation to take place.


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