

THE GLOBAL CITIES INDEX

WE ARE AT A GLOBAL INFLECTION POINT. Half the world's population is now urban—and half the world's most global cities are Asian. The 2010 Global Cities Index, a collaboration between FOREIGN POLICY, management consulting firm A.T. Kearney, and The Chicago Council on Global Affairs, reveals a snapshot of this pivotal moment. In 2010, five of the world's 10 most global cities are in Asia and the Pacific: Tokyo, Hong Kong, Singapore, Sydney, and Seoul. Three—New York, Chicago, and Los Angeles—are American cities. Only two, London and Paris, are European. And there's no question which way the momentum is headed: Just as more people will continue to migrate from farms to cities, more global clout will move from West to East.



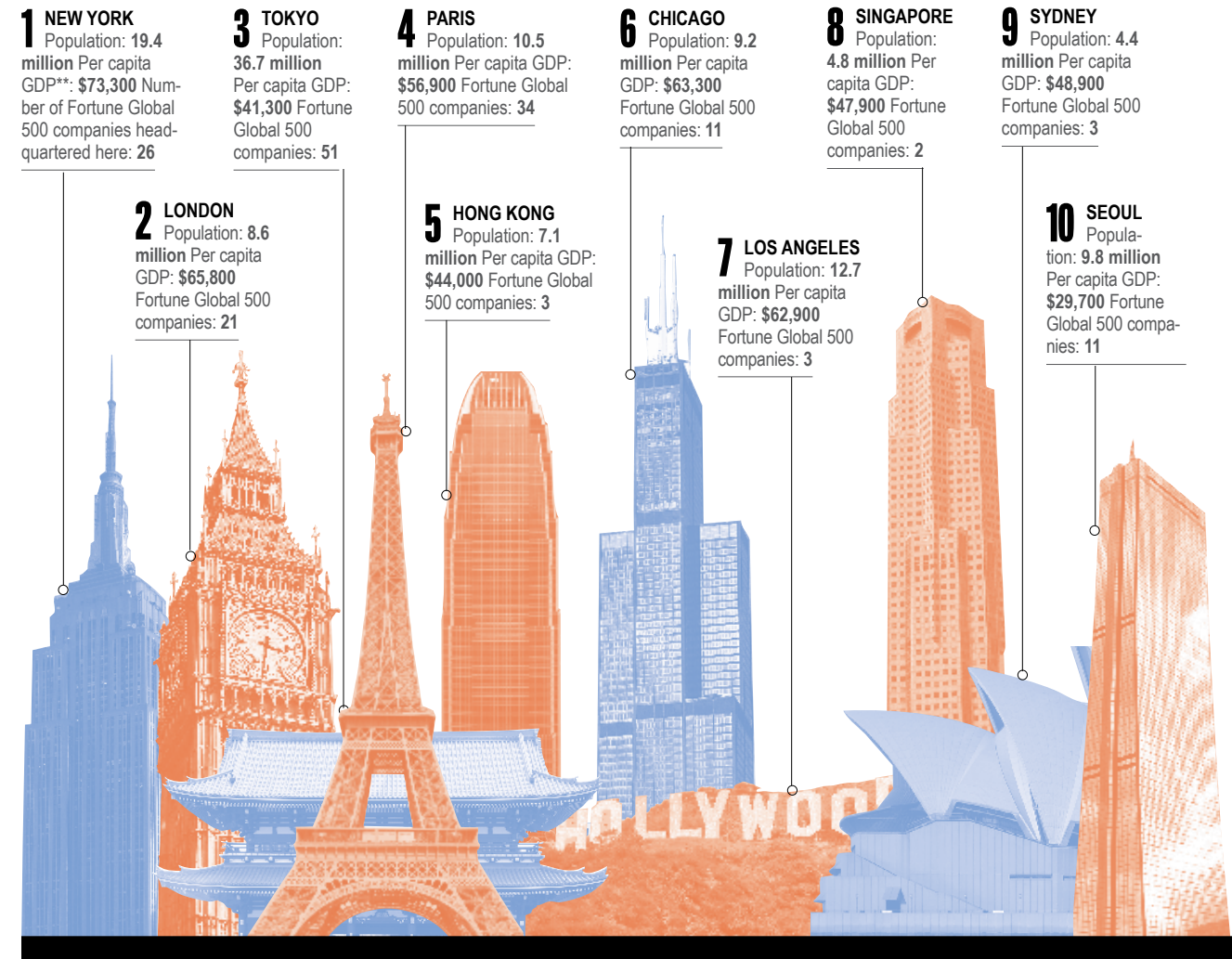
And yet, even as we see the dramatic effects of globalization at work in the rise of up-and-coming cities like Bangalore, Sao Paulo, and Shanghai, what's also remarkable is just how dominant the great capitals of old-school commerce remain. New York, London, Tokyo, and Paris are the top four, as they were in the first Global Cities Index two years ago, and they are ahead in most of the criteria that make a truly global city. Influential networks boost global impact, and having a giant head start—as New York does in market capitalization, Tokyo in Fortune Global 500 companies, and London in international travelers—will only amplify those advantages in the future. Success breeds success.

So what makes a Global City? Not size alone, that's for sure; many of the world's largest megalopolises, such as Karachi (60), Lagos (59), and Kolkata (63), barely make the list. Instead, the index aims to measure how much sway a city has over what happens beyond its own borders—its influence on and integration with global markets, culture, and innovation. To create this year's rankings, we analyzed 65 cities with more than 1 million people across every region of the globe, using definitive sources to tally everything from a city's business activity, human capital, and information exchange to its cultural experience and political engagement. Data ranged from how many Fortune Global 500 company headquarters were in a city to the size of its capital markets and the flow of goods through its airports and ports, as well as factors such as the number of embassies, think tanks, political organizations, and museums. Taken together, a city's performance on this slate of indicators tells us how worldly—or provincial—it really is.

The seats of traditional political power aren't necessarily the most global. Only four of the top 10 cities are national capitals. Washington comes in at No. 13. Beijing (15) edges out Berlin (16), which trounces Moscow (25). Two of the top 10 global cities are laws unto themselves, operating outside the jurisdiction of a separate national government (Hong Kong and Singapore). The sun set a half-century ago on the British Empire, and yet London continues to shine at No. 2. For now.

2010 GLOBAL CITIES INDEX RANKING		RANK BY POPULATION*	RANK BY GDP**
1	New York	6	2
2	London	28	5
3	Tokyo	1	1
4	Paris	20	6
5	Hong Kong	31	14
6	Chicago	25	4
7	Los Angeles	12	3
8	Singapore	38	23
9	Sydney	43	24
10	Seoul	22	19
11	Brussels	54	48
12	San Francisco	46	16
13	Washington	42	10
14	Toronto	36	20
15	Beijing	13	33
16	Berlin	48	46
17	Madrid	34	22
18	Vienna	55	40
19	Boston	41	11
20	Frankfurt	64	20
20	Shanghai	7	21
22	Buenos Aires	11	12
23	Stockholm	59	52
24	Zurich	61	58
25	Moscow	19	13
26	Barcelona	37	31
27	Dubai	56	49
28	Rome	49	37
29	Amsterdam	63	60
30	Mexico City	5	8
31	Montreal	44	35
32	Geneva	65	61
33	Miami	58	54
33	Munich	35	18
35	Sao Paulo	3	9
36	Bangkok	32	42
37	Copenhagen	60	59
38	Houston	40	17
39	Taipei	53	26
40	Atlanta	39	15
41	Istanbul	21	30
42	Milan	52	39
43	Cairo	17	36
44	Dublin	62	55
45	New Delhi	2	32
46	Mumbai	4	25
47	Osaka	16	7
48	Kuala Lumpur	57	65
49	Rio de Janeiro	14	27
50	Tel Aviv	50	40
51	Manila	15	34
52	Johannesburg	45	43
53	Jakarta	24	47
54	Bogotá	29	45
55	Caracas	51	62
56	Nairobi	47	64
57	Guangzhou	27	38
58	Bangalore	30	53
59	Lagos	18	63
60	Karachi	10	50
61	Ho Chi Minh City	33	56
62	Shenzhen	26	28
63	Kolkata	8	44
64	Dhaka	9	50
65	Chongqing	23	57

ASIA RISING: THE NEW TOP 10



FROM LEFT: ROB LOUDGETT; IMAGES FOR GOTHAM ORGANIZATION; BRYN LENNON; IMAGES; KOICHI KANOSHIDA; IMAGES; JACQUES DEMARTHON/AP/GETTY IMAGES; WIKIPEDIA; MARK SCHMEETS/STRAPPIGETTY IMAGES; WIKIPEDIA; ROSLAN RAHMAN/AP/GETTY IMAGES; MATTHEW FIELD/WIKIPEDIA; WIKIPEDIA

THE WORLD'S DETROITS

At the height of its wealth and power, Timbuktu was an important crossroads for trans-Saharan caravans laden with exotic spices and a storehouse of knowledge, boasting as many as 25,000 scholars and some 80 private libraries. In 1324, its ruler, Mansa Musa, brought so much gold on his pilgrimage to Mecca that it sparked hyperinflation in Cairo. By the time French explorers stumbled upon Timbuktu in 1828, it had become a dusty backwater, the forgotten capital of a long-forgotten empire. Today it's not even one of the five largest cities in Mali, one of the poorest countries on Earth. • History is littered with the carcasses of once-great cities that couldn't—or wouldn't—adapt to changing circumstances. Political scientist Douglas Rae calls cities “among the least agile creatures ... they move slowly, reactively, and awkwardly in response to change initiated by more athletic organizations.” It has taken a century for the former trading hub of Istanbul to arrest the slow decline that began in 1498, when Portuguese explorer Vasco da Gama made a daring trip around the Cape of Good Hope in a bid to cut the Ottoman Empire out of the Asia trade. Detroit, in a death spiral with the collapse of its car business, might never succeed at such reinvention. • That's why the top cities on this index all have one trait in common: They hedge their bets. Cities with a diverse mix of industries, like Chicago and Hong Kong, find it easier to retool when times change, while those that do only one thing well—Pittsburgh with steel, Glasgow with shipping, and Detroit with those cars—risk being casualties of globalization. Consider Chelyabinsk in Russia, an industrial powerhouse of the Soviet era that was dubbed “Tankograd” during World War II. Once home to some 2 million people, it's now half that size. Ivanovo, another Russian city that was one of the world's top producers of textiles, has shut down the extensive tram system it no longer needs. • Could today's rising giants, like Wuxi, a rapidly growing Chinese city of 5 million, become tomorrow's white elephants? Wuxi is home to Suntech, a leading manufacturer of solar panels. But Suntech has bet its future on old-fashioned silicon, while a more flexible rival technology, thin-film solar, gains market share. Some day, will we be calling Wuxi China's Detroit?

Left Behind

- Ivanovo, Russia**
Dying industry: Textiles
Production decline, 1989-1998: About 80%
- Riga, Latvia**
Dying industry: Manufacturing
Population decline, 1990-2003: 17%
- Liverpool, Britain**
Dying industry: Shipping
Fall in employment rate, 1971-1986: 20%
- Leipzig, Germany**
Dying industry: Cotton
Population decline, 1989-2003: 18%