**Tokyo: Shaping a World City in the Face of Economic Turbulence**

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1. **Introduction**

The creation of Tokyo as a world-leading international city is the goal of urban development. External economic changes have had a significant impact on the city’s global status.

We research into globalization and world city formation and explore their relevance to Tokyo. To do that, we identify boom in the 1980s and afterwards a decade of economic crisis and withdrawal. We will argue that a new, more competitive, direction is emerging in the context of what Machimura calls a *'re-*globalisation*'*. We will focus on the planning polices in this most recent phase.

1. **Main Subject**
2. **Tokyo: world city?**

Tokyo is classified with London and New York as the top three world cities, there is considerable debate over the degree of similarity between them. The economies of Japan and Tokyo were booming in the 1980s, Tokyo is almost universally categorized as a leading world city. Most of the world city typologies give greatest attention to the location of the head-quarters of the world’s largest corporations or banks. Tokyo has extended its business reach to overseas countries by expert, merger and investment in a period of boom. Many analysts have also noted another dimension of Tokyo's economic structure that differs from London and New York. They are based on multinational companies owned by Japan. In fact, Tokyo not fully opens the door to the world. It remains true that it is still Japanese city, not a world city.

Perhaps the most powerful argument for difference Tokyo from other world cities relates to the progresses of government. Japan is well-known as a country that has a history of state-guided economic development through the ‘capitalist development state’. The process of formation of global city has a common subject to show the characteristics of Tokyo. The Japanese financial system is also ‘state centre’ and ‘a policy tool for national development by the state’. The mechanisms that enabled the economy to succeed were based on close links between Japanese politicians, bureaucrats and business. This was a closed system that allowed little involvement from outside. The organizational system that generated the successful economy was at the same time a system that prevented Tokyo becoming a world city in the sense of being connected with the rest of the world.

The shifting economic fortunes of Japan and the degree which Tokyo’s national context that Tokyo's position as a world city of the top rank is no longer certain. World city status is the rapidly changing circumstances. The change in Tokyo’s position is particularly striking. The Tokyo Metropolitan Government (TMG) certainly seems worried that the rise of other Asian cities such as Singapore and Hong Kong.

Japanese approach is termed the 'capitalist development state'. The public and private sectors and government is highly centralized. Tokyo is integrated into national bureaucratic structure in a variety of ways. Saito points out the need to explore these relationships in detail. The exercise of strategic national policy through carefully crafted institutional arrangements. The public and private sectors maintained a delicately balanced relationship with consensus and conformity within the framework of the capitalist development state.

1. **Strategic planning in the boom years of the 1980s**

The economic changes of the 1980s had a major impact on Tokyo’s urban structure. The growing dimensions in the urban economy were concentrated in central Tokyo and created a demand for office space on an unprecedented scale. National government, led by Prime Minister Nakasone, was keen to press for a greater emphasis on the role of Tokyo as a world city and the development of Japanese economy. But political opposition developed from the rest of Japan based on preserving the postwar economic principle of 'even development'. The resulting policy combined the concentration of global economic functions in the more central parts of Tokyo with the relocation ofback-office and research and development functions elsewhere.

The policy of reinforcing Tokyo was developed by policy-makers at the city level. In 1987 the TMG produced its Second Long Term Plan for Tokyo and affirmed the framework of policy set out by the national government. The three central wards were designated as the global finance and information centre, and relevant infra structure projects were given priority. However, several subcentres were proposed to prevent the further expansion of the central business district.

The term ‘world city’ was much used in the policy. This is illustrated in the TMG’s Second Long Term Plan. It constructed a positive future vision for Tokyo using globalization with a good meaning. According to Machimura, the usage of the ‘world city’ in the plan was very vague and often unrealistic. He suggested using the **‘**global city’. This mean functioned as an urban ideology to inform the idea of Tokyo’s leading position in the world economy to a wide audience.

1. **Crisis and re-globalization: shifting attitudes about Tokyo’s world city role**

**(1) The ‘lost decade’**

The Japanese economic bubble burst in the early 1990s and economic recession followed. It showed negative growth between 1991 and 1994, while the national average was positive. Tokyo was also badly hit by losses in its financial activity. Tokyo's share of the world foreign exchange market dropped, from 12.4 percent to 10.3 percent between 1989 and 1995, while other major markets showed an increase.

The 1990s have been named the 'lost decade'. Japan had lost it direction and opportunities were not taken to remedy its basic problem. The traditional grip of the Liberal Democratic Party (LDP) was under strain and issues of corruption hit the headlines. In 1996 Prime Minister Hashimoto tried to make structural reforms, but was soon confronted by opposition from those who had a considerable stake in the existing system.

However, Aoshima of an independent won a victory over the ruling Liberal Democratic Party, which had led Japan for the past few years. Then, he took a desire for a new approach. Aoshima’s political slogan was the ‘resident-friendly city’. The urban white paper of Tokyo Metropolis for 1996 was subtitled Towards the Creation of a rich Urban Environment and the edition for 1998 *Social Capital for a Liveable Tokyo*. By the late 1990s, "world city" had become an outdated phrase, which reminded most people in Tokyo of the bitter memories of the "crazy" bubble economy and society.

**(2) The emergence of a new national direction**

It became even clearer that national economic reform was urgently needed and by the end of the millennium a new approach was emerging. In March 1990, the then Prime Minister Keizo Obuchi established the Commission on 'Japan's Goal in the 21st Centry' by appointing leading private citizens from diverse fields of expertise to discuss desirable future directions, and to encourage a broad national debate on the matter.

This national commission and subsequent report therefore illustrate the increased urgency that was developing concerning the crisis. One of the most important political priorities is to increase the attractiveness and international competitiveness of cities, as they are the source of national vitality in the 21st century. The committee also supported more use of public-private partnership and instrument such as the Private Finance Initiative (PFI).

**(3) Re-globalizing Tokyo in a competitive world**

Government attitudes to the role of Tokyo had also been changing. In 1999, governor of Tokyo Ishihara proposed to revitalize Tokyo again as Japan’s leading city and an important world player. This policy discusses five issues: economic vitality, high-quality living environment, urban culture and tourism, safety of citizens and functional transportation network.

It recommended that the goal for urban planning in Tokyo should be to create an attractive and practicable international city that can survive inter-city competition. Tokyo should be an active economic and cultural place leading to a fascinating and attractive “Welcoming World City”.

**(4) Current strategic planning priorities**

Current planning thinking is city competition. Some key strategic planning debates are the reconsideration of the role of the CBD, the location of the new capital, airport development and reassessing the role of the Waterfront development.

They emphasize a shift in the function of the project from the provision of a central business district (CDB) to an 'amenity business core', and the project has been called ABLE city, which means Amenity, Business, Life and Environment. As a result of the competitive approach more emphasis is being placed on the quality of urban life.

Another strategic issue is the idea to relocate the capital city functions. In 1990 the prime minister proposed that a new location should be found for central government functions. However a purpose of the Tokyo Megalopolis Concept was to reverse this decentralization policy.

An efficient international airport can be regarded as an essential public establishment in the age of globalization. It has been increasing competition between cities such as Shanghai, Bangkok, Kuala Lumpur and Singapore to establish as the Asian regional air hub. TMG decided increase the capacity for international flights at Haneda Airport, to improve the access from the city centre of Tokyo to Narita Airport and to use Yokota Air Base for civilian aircraft.

**3. Conclusion**

Japan has experienced some dramatic changes in economic fortune over the last twenty years and this has affected strategic planning in Tokyo. We have particularly observed how there has been a shift in attitude towards Tokyo as a world city with implications for planning priorities.

Faced with these economic changes, the priorities and ideas about strategic planning policy have also changed. We would like to suggest that over the last few years has developed regarding Tokyo’s world city role. Tokyo had a concentration of the world’s top companies and banks because of the success of Japanese companies, not because it attracted foreign companies. Similarly, physical development was mainly carried out by Japanese construction companies with Japanese finance. The close relationship between Japanese business, politicians and bureaucracy meant that there was little interference from outside. Tokyo at this time was a Japanese city with global reach rather than a world city.

TMG suggested four functions for the Tokyo. First, there are the hub of logistics and international trade for the Port of Tokyo and Haneda Airport. Second, there is a space for new leading-edge industry for the twenty-first century such as IT, environmental management and biotechnology. Third, they emphasize a high-quality residential environment with creative industry such as media. Fourth, there is a leisure space with a comfortable and attractive waterfront. These functions can strengthen city competitiveness.

Encouraging open attitude is important. To enhance urban competitiveness, Tokyo makes many different strategic planning to survive in rapidly changing ages. It is associated with the need for strong action to compete in a global city.

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