GLOBALIZATION AND URBAN CHANGE

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Introduction

Kota-kota besar memilki peran yang cukup penting di dalam proses perubahan, terutama yang berkaitan dengan globalisasi sekarang ini. Namun demikian, tidak berarti bahwa setiap kota memiliki kesadaran yang sama di dalam proses ini, dan perbedaan-perbedaan yang muncul jelas merupakan tanda yang lain dari globalisasi. Kenyataan ini disebabkan oleh proses nacionalisasi yang terjadi mengingat globalisasi, hal-hal globalisasi dianggap sebagai integrasi ke dalam suatu sistem dunia, sedangkan kota-kota kolonial pun berkembang dan berencana untuk mengintegrasinya ke dalam suatu sistem administratif dan ekonomi.

Tulisan ini ingin mengkaji peristiwa kemunculan dan pemodernisasi sekarang ini, dengan berpusat pada perbandingan dan interpretasi hasil untuk tujuan akhir dan pola hubungan yang ada sekarang masih lemah bersama.

Looking through recent sociological writings, the number of articles and books declaring the end of once held assumptions is astonishing. The end of the 'great theories' is declared, as well, as the end of the world, the end of the cold war etc. This contrasts with the so-called found articles dealing with the beginning of something new. Are new thus confronted only with ends? Are the beginnings lost? Is this the condition of post-modernity? We can't believe anything anymore and everything is right in its own discourse and wrong in another? In difference to the postmodernists, I think the current situation is actually still quite modern. Modernity and rationality have certainly not yet found its end. Certainly we are in a period of world wide changes and a restructuring of global space in which the developments of one country, region and city has direct and far reaching impacts on the development of other places. We only have to look at the environment to understand that the globe is in fact one space. The changes we are confronted with are present not following one pattern, but rather we can observe several processes following different dynamics. In general, however, this is what can be defined as modernization. A modernization less concerned with the developing countries, but a modernization of modern societies. As such, the processes find their focus in the large city of the first and third world, thereby dissolving a separation between region and instead leading toward a differentiation of political power structures.

1. Sociology of Development Research Centre, University of Bielefeld, The following paper is based on lecture given at the Populace Studies Center, Gadjah Mada University and the Faculty of Social and Political Sciences, University of Indonesia, during a visiting lectureship sponsored by the DAAD, 1993.
2. Somehow, the reminder of the popular expression of Chaos theory (or non-linear equations) that the blizzard in New York is connected to the wind of the butterfly in the Himalayas.
closer related to the aristocracy in general than to the peasants of their state. Even up to the modern times, the colonial empires were states covering different social, economic and cultural units. They were not integrated territorial states, but regions integrated into one administrative and exploitative system. Through globalization this identification of different units within one territory becomes obsolete. This does not mean the nation state disappears. Certainly not. Still today the basic unit of international politics is the nation state. The globe is split into states. Whether the de facto control of these states covers the whole territory they define as belonging to the state is an open question. In international relations, however, this is assumed. The challenge coming from globalization is thus not the dissolution of the nation states but that the nation states become just one unit besides others. Culture, society, economy and politics do not overlap anymore. It is, however, very difficult for social theories to theoretically grasp a society which is not identifiable with a territory. For example it is somewhat complicated to imagine that society, or German and Indonesian society without reference to the red line on the maps.

Coming to globalization. What actually is globalization? The term emerged in the late eighties, somehow as a substitute for the increasingly old-fashioned term "post-modernity".  

The focus of both is on similar aspects. However, while post-modernity was brought about, as a term, by philosophers (especially French), globalization was developed as a term in the context of empirical studies, mainly urban studies. One reason is that urban sociologists always faced the problem of overlapping units. Even the very object of urban sociology, the city, has different borders if we discuss it in economic, sociological or political - administrative terms. Furthermore, cities usually have linkages to other cities, as they are always integrated into city systems. These go beyond the limits of states, especially for the larger cities and metropolitan. The city is thus simultaneously integrated into global, national, regional and local systems, that articulate within the cities.

From a Multi-National System Towards Trans-Nationalization

With globalization, initially the re-structuring of the world system was looked at. Due to the development of new technologies, especially in the field of information, rationalization of production processes (automatization) and transportation, the modern world system transformed from an international division of labor, based on multi-national companies, towards a trans-national system. Competition was not limited to national markets or limited within national economies, but occurred on global scale. One crucial  

Singapore can be cited as an example. As long as wages were low, Singapore was a location for factories. Now, many of these factories moved to Thailand or Indonesia, as the wages in these countries are lower. Another example was mentioned in the Bangkok Post. A Korean enterprise run out raw-materials and the workers were put on leave for two weeks. When they returned to work, the whole management had left already. This trans-nationalization is more than an international division of labor, although this certainly is an important aspect of it. In terms of trans-nationalization, the production process itself is globally distributed to serve a global market. An example is the so-called world car. Different parts are produced in different countries and then assembled to serve all markets. This trans-nationalization does not only concern the location policies of enterprises but their ownership structure as well. Most of the largest companies are owned "internationally", have close contacts, associations and joint ownership with other trans-national companies etc.

The new information technologies accelerated globalization. They allowed the remote control and remote administration of enterprises. This enabled centralization as well as

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6 An example are the "new trade zones" and growth triangles. With these we have economic systems crossing political borders. Sometimes these growth triangles are economic relations between states but between provinces within different states. A further example is petty cross-border trade like we find it in Southern and Northern Thailand.


10 With the rise of these trans-national service firms, it was not only those enterprises able to set up and finance departments for international relations etc. But smaller companies gained access to necessary information and services to set up plans or offices in other countries.
decentralisation. A specific pattern has emerged so far: the production processes tend to be decentralised, partly marketing functions are decentralised to better act in specific markets. Even administrative tasks are decentralised in accordance with the decentralisation of production and marketing. What is more centralised are top management functions, and research and development.

From the Production of Goods to the Production of Information Knowledge and Space

As has been mentioned already, the base for these changes is the emergence of new technologies of information processing, transportation, production etc. These lead to a shift. Not anymore the production of commodities has prime importance, as it is the case in industrial societies, but information and, related to this, knowledge. Through knowledge new means and ways of information processing are developed, the production processes rationalized and new organisational patterns for the companies are formed. Through these changes, information as well as knowledge are transformed into commodities. Knowledge and information are not spread and disseminated for scientific or academic purpose, but they are traded. Important is not the quest for knowledge to understand the world, but the development of knowledge to sell on the highest bidder. An example is the so-called knowledge about who discovered the AIDS virus. AIDS is a danger for mankind in total, one might think the work for a cure is a task of mankind and that all information should be spread as fast as possible. However, the reality is that it is a business affair and that knowledge is traded. Here Lyotard argues that knowledge has become the most important commodity, and Castells speaks about information as a commodity.

We have to go one step further though. Information and knowledge provide the base for a global re-structuring of the economy, society and even culture. At the same time they gain importance through this process. This global re-structuring lead to a crucial and far reaching shift. Formerly specific political, social, economic and spatial conditions existing at a particular place were the reasons for the location of production processes there. Given advantages were used. Now, it is possible to produce the demanded commodity at more or less any place. The international division of labor was initially based on given advantages of certain regions, countries and areas. Advantages like low wages, tax holidays, closeness to markets, availability of skilled labor power, natural resources.

11 From this perspective industrialization could be defined as a form of "underdevelopment".
13 Interesting is how the recent growth of business gardens in southeast Asian countries providing all important information for those interested to engage in business. Usually those books are amazingly expensive. Another example are the data base companies selling searched for information. This is quite different university libraries, research documentation centers etc. where information is freely available.

political security etc. were decisive factors for foreign investment. Now many companies follow a policy of shifting foreign investments with the setting up of special boards of investment, industrial estates, specific laws and securities etc. Only these companies gain investment that can offer attractive conditions. Thereby a global competition emerges. This in turn transforms space as a condition for production itself into a commodity. Here Leibrecht argues that the production of commodities in space has been substituted by the production of space itself as major commodity. What does this mean? The international division of labor was based on existing advantages of certain regions, while now these advantages and conditions are themselves producible and traded.

The production of space occurs on two levels:
1. The production of space in time of specific places, like industrial estates, office towers, tourist clubs, shopping centers etc.
2. The production of a global space. This production has two angles to look at: On one hand, it is the global restructuring of the economy. On the other hand, it is the global flow of people involved in the global economy, namely managers, expatriates, technocrats, scientists but as well cheap labor in form of illegal migrants.

At the core of globalization is the ascent of information, knowledge and space as commodities. These do not substitute other commodities, but emerge as the crucial one those providing the base for the highest profits in the process of commodification, they became standardized so that they can be traded on a global scale.

Globalization and the Role of the Cities

With globalization, Sassen raises the question: "What are the conditions that make international transactions become?" There is no global state and no global police enforcing contracts and agreements. There is even no real global law. While Sassen is of the opinion that as long as the USA and the USSR were the dominant powers, these acted as enforcing agencies in their respective realms. With the end of the blocs, new means of coherence had to develop.

Sassen regards the rise of the global cities, namely New York, London and Tokyo as such a means for gaining coherence, as the global financial markets are concentrated in these three cities. I would argue that the need for coherence of international commercial and economic relations is not a new phenomenon, but rather an old one, and it has always been solved in the same way: by centralization of the world economy in a city. Thus New York, London and Tokyo are not the first "global cities" but are integrated as a longer list of global cities.

Following Braudel world economies existed since the 16th. Initially different world economies, namely one centered on the Mediterranean and one covering Asia from Japan to Oman existed in the center of these world economies we find...
Venezia and Malaka. With the European challenge, the new world economies become closer integrated and soon Amsterdam took over the pivotal role in a first real world economy. In the sixteenth century London took over from Amsterdam. Especially after the second world war, New York has been defined as the center of the world system. The world economies were characterized by long distance trade. During colonialism a first worldwide division of labor was established between the raw-material producing colonies and the industrial mother-lands. In this process the world economy shifted towards an integrated world system. In this world system cities still played the main role as command centers, as places from where the world economies were integrated. The modern world system was integrated through control centers in form of "world cities"17 this changed, I think with globalization. The global re-structuring concerns the cities and especially those which act as control centers for the integration and coherence of the world system. Instead of real cities, a somehow "virtual" city consisting of internationalized parts of different cities develops. Quarters of this "global city" would be the Wall street, City of London, Munich, Silicon Road etc. While in Amsterdam, London and New York the traders, managers, sailors etc. could meet each other easily for the exchange of information, including gossip about those who do not follow the rules, the new information technologies allow information exchange without direct interaction across long distances. In addition, the modern transportation technologies make it easy for personal meetings to be held if required. In the global city, all needs of the satellite 'C', the latest news can be followed or the latest versus of soap operas. This global city, covering the whole globe can not be connected by streets or subways, but by airport, satellites, telephone lines, E-mail and computer data exchange.

Not each city and certainly not each quarter of a city is part of this global city. Why some cities (and some quarters) are integrated and others not is due to four main reasons:

1. The capital invested already into real-estate. These investments are profitable only if a degree of internationalization exists, allowing for a differentiated land-use.
2. The equipment of certain places with the needed technologies. Only where information lines, airport, apartment houses etc. exist internationalization makes sense.
3. The availability of required services. A city without appropriate hotels, bars, apartments etc. will hardly be important on a global scale.
4. An innovative milieu has to exist. Peter Hall develops an interesting argument in regard to this innovative milieu. With information and knowledge playing a pivotal role, innovations


Income important, through innovations new knowledge is produced, which makes old knowledge outdated and allows increases of profit. Innovations do not, however, emerge automatically. For new ideas the exchange of information is important. On one hand this can be achieved in a specialized environment like an university, a research center etc. On the other hand, this can be achieved through the contact between different groups of people, like manager, scholar, technocrat, banker and artist. Through the heterogeneity of the people, new ideas emerge, new thoughts are thought and creativity improves. We only need to look at developments in the sphere of music, art and fashion, who are closely related to an urban, innovative milieu. For such an innovative milieu not only the availability of different people is important, but also that they come into contact with each other, that particular 'scenes' and meeting points develop. An example for such old fashioned meeting points are the Kafeethekas in Vienna, or in Paris.

In the global city we find a cosmopolitan, innovative milieu. To this milieu belong two major groups: Firstly, those working in the global context as technocrats, scholars, managers etc. Sassen (1992) defines them as 'high-income workers'. They earn a high income, however, this income is not high enough to allow for a life of genuine luxury and leisure. They are usually employed by an enterprise, work in front of independent sub-contracting of companies, are employed by public institution or work independently as artist. These high-income workers demand specialized services and goods, which can only be satisfied by a specialized labor power and hardly by mass-production. However, the prices for these services have to remain moderate. Thus those catering for the demands of the 'high-income workers' can only make profits by paying low wages or through illegal employment. An example is the hiring of illegal Mexican or Philippine maids. Through this demand of a low-paid work, an informal sector emerges. This requires the existence of a second group, being part of the innovative milieu: low paid workers, often illegal or semi legal immigrants. The mobility of the high-income labor force finds a pendant in the mobility of low-income workers. In most Southeast Asian cities, migrants from peripheral rural areas supply low-paid labor. But there too, increasingly illegal immigrants become a factor. In Thailand, for example, we find migrants from Burma, Laos and even Southern China searching for low-paid work.

This leads to another issue: the globalization of culture or rather cultures. Globalisation of culture is easily mistaken as westernization or Americanization. In fact, walking through the cities in Southeast Asia, even the smaller ones, we see signs of McDonalds, Kentucky, Californian and elsewhere fried chicken. The logo of the department store chains, the trade marks on the shirts, jeans etc. It appears that an international mass-consuming culture has been evolved worldwide. However, while walking through European cities, we find the Indonesian, Chinese and Thai restaurants, the courses offered on martial arts, Ikebana etc. An examination
of the trade mark shirts, jeans and sports wear indicates that most is produced in Asia. In this regard, globalization is as much westernization as it is easternization. There is, I would argue, one difference though. As much as the seemingly western cultural artifact are used and applied in a different system of meaning in the east, as much is a different meaning attached to the eastern artifacts.

The global culture is not a globally expanded national culture, but a culture of itself in which aspects of diverse cultures are integrated and redefined. Globalization is selective and in itself divers. It picks from different cultures and establishes an own cultural pattern. Thereby globalization is directly linked to localization, as a form of diversity. For example, McDonalds certainly provides a diversity in regard to food in an Asian city, as much as a Thai restaurant adds diversity in a German city. The same is true for trans-national enterprises. The establishment of seaport companies close to Bangkok diversifies the production structure of Bangkok, and global migration leads to a diversification of labor power. What is important though is that globalization although leading to diversity in real cities implies the establishment of an integrated culture in the global city, or the virtual global society.

Globalization is not only the spread of transnational enterprises and high income workers, expatriates etc. The global technologies are used as well by migrants and others. Furthermore, globalization is connected to economic re-structuring by which social groups are affected. Last but not least, the internationalization of parts of cities is accompanied by the removal of those who used this space before. This altogether intensifies the competition within the city between different social groups. They have to compete for access to urban land, for jobs, for goods etc. These groups usually lack political power, which itself is the reason that they are pushed towards peripheries. Peripheries of the labor market and the cities.

Here Elias\textsuperscript{18} develops an interesting argument. He found in a study of a British small town, that existed two groups which did not differ in regard to social status, economic position etc. However, one group obviously monopolized power positions in the town, while the other group was marginalized. He found out that the reason for these power-differentials were in the degree of social coherence existing among the two groups. He concludes, that the degree of social coherence implies power differentials between otherwise equal or similar groups. If we take this for the analysis of processes in large cities, to the above mentioned competition for land and jobs, the degree of social coherence of a group can be crucial in having an edge over the other. To gain social coherence, different means can be applied, like the propagation of ethnicity, tradition etc. Although this might be purely fictive, it makes sense if an advantage is reached in the competition. Thus local characteristics tend to become important. From another angle, these local characteristics are used by the employers in a 'divide et impera' policy, to reduce wages, skip benefits etc. From the restructuring of the occupational structure through globalization Castells\textsuperscript{19} draws the conclusion: 'A new type of labor demand is creating new types of jobs, characterized by a bifurcated distribution in which the bulk of new jobs pay lower wages and enjoy less social protection than in recent historical experience. At the same time, to fill jobs a new supply of workers is also changing the characteristics of labor, generally making workers more vulnerable to management requirements in terms of their social characteristics, along the lines of gender, race, nationality and age discrimination in society at large' (Castells 1991: 202).

A third process has to be added here. While it was for long taken for granted that we could distinguish between exploited and exploiters, now some modifications have to be made. Looking at the development of different countries, it can be shown that especially in Africa, partly in Latin America, countries are pushed out of the world market. They are neither important as sources for raw-materials, as thinkers, or as places for production. They are simply irrelevant. Turning to societies, in the industrialized countries we notice a high percentage of structurally unemployed. It might sound cynical, but there is some truth in the argument of Castells (1990):\textsuperscript{20} that the world is changing from a situation of exploitation towards irrelevance. There might be a day, when it is regarded as a privilege to be exploited, as worse then exploitation is to be ignored. The problem posed by globalization is the emergence of what I described here as a "virtual society" and a virtual culture, based on a real economy located in real cities. The realization of globalization in these cities poses several problems on them. In a city, something new can only be built by dismantling what has existend on the land before. Urban change is not only the building of new houses, new streets and new monuments, but as well the relocation of people and activities. In this context globalization is not only the re-structuring of the world economy and the production of a global space, but not the least the re-structuring of cities. Comparing the cities in the industrialized countries with those newly industrializing countries, one connected process is obvious. The re-location of industrial production to the Asian countries implied a loss of employment in the industrialized world. By this the skilled affected. A group usually regarded as the core of the middle class. What happens is that the industrialized world this middle class is decreasing thereby leading towards a polarization in society. The new jobs available are either on the upper scale as "high-income worker" or on the lower scale. In Asian cities, in contrast, the location of industries implies a demand for skilled labor, professionals, clerks etc. Thus connected to the industrialization based on foreign investment, a new middle class emerged, now demanding a share in political

\textsuperscript{18} see Elias, N., Schoen, J.C., 1990: Entartete und Aufgeleister, Frankfurt: Suhrkamp

\textsuperscript{19} see Castells, M., 1991: The Informational City, Oxford: Basil Blackwell

\textsuperscript{20} see Castells, M., 1990: Die zweigeteilte Stadt, in Schaabert, T., (ed.), Die Welt der Stadt, Z rich: Piper (199-216)
power. The emergence of this middle class has effects on consumption as well. The middle classes have a higher income and are able to afford mass-produced commodities.

The example of the different impacts of globalization on different societies shows that the effects of globalization are connected to the power relations established within a society. Globalization changes the resources available for strategic groups to use. As a process it changes the values of resources as power resources. While in the industrialized countries, globalization lead to a decrease especially of the middle classes of skilled workers, employees etc. due to the off-shoring of productions and administration of the large enterprises, in a city like Bangkok, globalization implied an increase of these 'middle classes' engaged in the administration of enterprises, of the financial markets, etc. In the industrialized countries globalization lead to an increase of social and economic gaps between social groups, thereby increasing polarization within the cities. In Bangkok in contrast, a gap has been filled. There is no emerging informal sector, no reduction of the standard of living in Bangkok, but for some it remains just as it is, while quite a few are able to improve their lot. One difference is that in Germany for example, groups of people become irrelevant. In Thailand, in difference this means that groups of people might never become relevant.

Conclusion

Through globalization the world was we knew it, separated into nation state, national societies, economies and cultures is changing. New units are forming outside the scope of national boundaries. These processes have then focus on cities, as there we find the global society, middle class societies and the diverse societies and cultures of global migrants. We cannot any more take it for granted that all members of one society share the same culture or even language. Economy, society and culture are increasingly independent of territories and from their own distinct spaces. This diversity itself is an effect of globalization.

These processes do not proceed in a smooth way. They imply a new evaluation of social relations, politics and cultural forms. Some people regard this as liberation, others experience it as an identity crisis and some as challenges of their position of power. Which direction these changes will take is still open. One issue is certain though: the role of the cities, especially the large ones is at the core of these processes, as there it is decided, which direction globalization will take.

Abstract

The achievement of population policy in the last two decades, in fact, has also brought about problems that should be anticipated. Decrease in fertility rate for instance, along with a tendency to live separately from parents and increasing intention to celibacy in turn will result in change of family structure. This change is from extended to nuclear family or even single headed household. It has been accompanied by changing characteristic of parents-children relationship from socio-psychological into economical relationship. In addition, lower mortality rate which also means longer life expectancy would be another problem concerning aged care. The different pattern of migration among regions or between urban and rural areas, will effect on variation of problems. That means social policies should be implemented by following the variation.

Pendahuluan


Menurut Singarimbun (1983), perubahan struktur keluarga selain disebabkan oleh perencanaan keluarga, juga disebabkan oleh kecenderungan orang untuk hidup sendirian (unmarried). Faktor ini pada akhirnya akan menyebabkan munculnya keluarga tidak lengkap atau keluarga tunggal (single headed household) dalam arti bahwa unsur ayah, ibu, dan anak tidak lagi terpengruhi. Tidak tertutup kemungkinan bahwa pada masa depan proporsi kelompok tersebut akan meningkat. Dengan demikian, dipertika-
