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THE IMMUTABLE INTERSECTION OF VAST MOBILITIES

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From a distance, Istanbul is the immutable intersection of vast and diverse mobilities. It reaches across the East-West and the North-South axes of the world, and all their possible variants. Out of these histories of intersections comes the need to develop specific capabilities for handling and enhancing network functions; it is not simply a question of location at intersections. It seems to me that developing such capabilities across diverse histories and geographies is a particularity of Istanbul's deep history. It is also one of growing importance in today's networked world. Several major trends make this visible. Here I limit myself to three.

A first trend concerns the flows of capital: Istanbul is at the centre of a geography of capital flows that stretches both East and West. Even though the EU is Turkey's dominant trade and investment partner, current post-Cold War geopolitics make Asian countries increasingly important.

The second trend concerns the in- and outflows of people, and here again we see a remarkable bi-modality between Europe and Asia. The diversity of people migrating to and through Istanbul raises a question about the specific forms of knowledge that arise out of these intersections, about the contents at the heart of networked flows at a time of growing worldwide articulation among diverse complex cultures.

The answer, perhaps, is reflected in a third trend coming out of a study of the top 60 cities in the world in terms of political and cultural variables. Istanbul, that city of intersections and mobilities, sits in the top 30, specifically as a global policy nexus, and as a city for human capital and talent. Below, I will work through each trend in more detail.

In terms of capital flows, Turkey's dominant trade and investment partnership is with the EU. In 2007,

trade between Turkey and the EU stood at US\$ 12.4 billion, an astounding thirty-fold increase over the 1990 to 2000 annual average. Of all EU countries, the Netherlands' US\$ 5.7 billion made it by far the largest single investor in Turkey, with a group of smaller EU countries together accounting for another US\$ 4.9 billion. The long history of economic interactions with Europe since World War II and during the Cold War has fed this overwhelming dominance.

But Asia is rising fast. At the end of 2007, by far the two largest recipients of Turkish foreign direct investment (FDI) were the Netherlands and Azerbaijan, a striking juxtaposition that fully captures Turkey's geographic articulation of East and West. They were followed by Malta, Luxembourg, Germany, the US, and Kazakhstan. As for the major sectors of this FDI, the Construction and the Real Estate industries together account for 20 per cent of the foreign firms operating in Turkey. Turkish construction companies work in a large number of foreign countries too, with the most significant concentration of cumulative value from 1980 to 2009 in Italy (US\$ 102 billion), Libya (US\$ 50 billion), and Ukraine (US\$ 21 billion). A number of countries follow, with cumulative investments ranging between US\$ 10 and 16 billion, including Switzerland, Luxembourg, Russia and Sudan, once again highlighting Turkey's bridging of different historical geographies.

Along with a trade orientation that spans its geopolitical region (see 'Regional Context' on page 38 of this newspaper), there has been a dramatic increase in Turkey's total FDI stock abroad. By 2007, Turkey's FDI stood at US\$ 12.2 billion, an eleven-fold increase compared to 1990 (US\$ 1.1 billion) and three-and-a-half-fold compared to 2000 (US\$ 3.7 billion). Similarly, while capital began flowing out of Turkey at exponential rates, by 2007 the inward flow of FDI stood

at US\$ 146 billion, a thirteen-fold increase over 1990 (US\$ 11 billion), and seven-and-a-half-fold compared to 2000 (US\$ 19.2 billion). It is the combination of capital flowing in and out, to and through the region that marks the intersection of capital mobilities in Istanbul. Such a dramatic increase in capital relations across and within the region within two decades has led to the developing capacity of Istanbul's changing manufacturing, financial and service industries, now a magnet for human capital and innovation.

The draw of Istanbul is not lost on foreign firms looking for a city in which to locate their headquarters. Of the more than 19,000 foreign firms operating in Turkey, well over half are headquartered in Istanbul. About 10,700 are EU firms, including 3,100 from Germany and 1,800 from Britain. At the other end, 4,300 foreign firms are from Asia, including 910 from Iran, 450 from Azerbaijan, and 300 from China. While EU firms are still dominant, the rise of Asia and the changing geopolitics of its immediate region put Istanbul at the centre of a vast space now characterised by the co-presence of multiple and diverse firms and projects from all over the world. According to a study of the future of European cities, Istanbul is one of the key cities in what is considered to be emergent Europe, a geographic space that runs between Western Europe and West Asia.

While capital flows are one way of identifying economic relations extending to and through the city, the flow of people brings skills, inventiveness, and cultures. These are all elements easily overlooked in debates about migration. The fine grain of cultures shaped by people on the move and by the intersections of global and local get wired into cities, and feed 'cityness'. All of this has inflected Istanbul's unique geopolitics and cultures.

As of 2006, Turkey's global emigration map was still dominated by one recipient country: Germany. Whether we are counting the 1.7 million Turkish nationals, the 2.7 million born in Turkey, though not necessarily holding Turkish nationality, or the even larger number of second and third generation Turkish-Germans who now, thanks to a recent change in Germany's naturalisation law, no longer hold an ambiguous citizenship status, the Turkish presence in Germany is very strong. The next largest foreign resident Turkish populations are in France (229,000),

the Netherlands (171,000), Austria (150,000) and Belgium (111,000), followed by a large number of countries with smaller numbers: from Sweden with just under 100,000 to Russia with 2,000.

The global geography of Turkish emigration is changing. Mirroring the flows of capital that move East and West, major destinations of people leaving Turkey continue to be European, but in addition we see growing, although still smaller, flows to Asia. Cumulative departures from 2000 to 2006 were 322,000 to Germany, 57,000 to France, and 55,700 to Austria, followed by smaller numbers to a variety of other countries. But the dominance of Turkey's relationship with the EU can mask the shifting geography of its migrations. In 2006, for example, departures for Germany numbered 30,000, followed by 20,000 to Saudi Arabia, 8,300 to France, and a number of smaller, but significant, flows to the post-Soviet Asian republics.

Migration into Turkey is small, with only 1.9 per cent foreign-born among the total population, a figure that includes return migrants from Germany and elsewhere. But also here we see new geographies of origin, beyond the EU. In 2006, 191,000 foreigners moved into Turkey, mostly from Bulgaria and Azerbaijan. These two nationalities also dominated the cumulative inflow from 2000 to 2006, with 373,700 from Bulgaria, 73,000 from Azerbaijan, while only 48,400 migrated from Germany. These dominant in-flows were followed by smaller, but significant populations coming from Greece, Russia, the US, Iran, Iraq, the United Kingdom, and elsewhere. The origins of migrations are shifting from West to East. Most of the in-flow comes from Bulgaria and Azerbaijan, while most of the out-flow goes to Germany and France.

Another important, but more temporary, intersection of work and national cultures occurs on short-term trips. As is the case in most countries, migration figures are dwarfed by the numbers of foreigners entering Turkey for various short-term purposes as well as citizens coming for short-term visits. In 2006, the largest single purposes for coming were travel, entertainment, culture, and visits to family and friends. And yet people do travel to Turkey for work. In 2006, the largest single groups of foreigners

were the 7 million managers and professionals, and another 1.1 million in secondary service professions.

Entries of foreigners reached 19.3 million in 2006, up from 13.7 million in 2004, and 11.3 million in 2001. Between 2001 and 2006, over 23 million people visited Turkey from Germany, nearly 9 million from Russia and the United Kingdom each, 7 million from Bulgaria, and 4 million from Iran. These are far from insignificant numbers. They represent the incredibly diverse range of people moving in and out of the country, each carrying with them specific histories and cultures, feeding Istanbul's cosmopolitanism.

Some of these emergent geographies of the flows of capital and of people feed into the two final variables I want to discuss. One is the significant role of Istanbul as a centre for global policy exchange. Kearney's 2009 study of 60 cities along five variables (business activity, human capital, information exchange, culture, and policy engagement), finds Istanbul in the top ten cities worldwide on the policy engagement variable, along with Washington, Beijing, Paris, Cairo, London and Brussels, among others. The study defines the policy engagement variable as 'influence on global policy-making and political dialogue.'

The second, which is not unconnected, is the fact that the study finds Istanbul in the top 15 cities on the human capital variable – defined as a city that 'acts as a magnet for diverse groups of people and talent'. Along the other cities in the top group are Tokyo, New York, Hong Kong, Chicago, Sydney and London. In the case of Istanbul, the key factor feeding its high rank is the large number of international schools, which functions as an indicator for characteristics of the parents of these children.

It is worth noting that of the five factors measured, the most important one feeding the top ranking cities is the presence of a foreign-born population: it is the single largest factor by far, feeding New York's top rank on the human capital variable, and one of the two largest factors in Hong Kong's fourth place ranking. Istanbul is well positioned to gain ground here: even though it is still a country with a very small foreign-born population, it is clear that it has benefited from an enormous variety of origins among its immigrants.

I see both of these prominent positions, in policy engagement and human capital, as having to do with Istanbul's strategic role at the intersection of diverse economic and geopolitical geographies. In an increasingly networked world, this role and the capabilities involved have taken on growing importance.

Cities have long been at the intersection of cross-border circuits – flows of capital, labour, goods, raw materials, merchants, travellers. Asia and Africa have seen some of the oldest and vastest of these flows, and Europe some of the densest. Cities were strategic spaces for the economies and cultures that arose out of these flows, for making the capabilities needed to handle and govern these intersections, and for the housing of power – economic, political, cultural.

These circuits are multidirectional and criss-cross the world, feeding into inter-city geographies. The formation of inter-city geographies is today contributing a critical infrastructure for a new global political economy, new cultural spaces, and new types of politics. Some of these inter-city geographies are thick and highly visible – the flows of professionals, tourists, artists, and migrants among specific groups of cities. Others are thin and barely visible – the highly specialised financial trading networks that connect particular cities, depending on the type of instrument involved, or the global commodity chains for diverse products that run from exporting hubs to importing hubs.

The vast expansion of the geographies of these flows in the current period has further brought out the importance of cities at these intersections. For some cities, such as Istanbul, this is an old history, for others, such as Miami, a new one. The ascendance of Asia on the world economic and geopolitical map has brought added strategic importance to some of these cities, among which most prominently Istanbul.

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