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ABSTRACT

For urban policymaking, inequality in large U.S. metropolitan areas appears as a principal consequence of a trichotomy of motives over resources allocation, consisting of urban economic development, ecological sustainability and socioeconomic equity. In the case of global cities, a greater inequality appears to result, in part, from the propensity for urban economic-development motives to pursue and/or maintain worldwide centrality, connectivity and command over the dynamic forces of globalization. Such global-city development priorities are reflected in the endogenous urban content and institutional makeup distinguishing “global-city status,” a characterization attributable to only a handful of places in the U.S. As a cross-sectional comparison of 53 large metropolitan areas (MSA), this paper examines the hypothesis that MSAs having a higher index value for “global-city status” exhibit comparatively greater socioeconomic inequality than MSAs with a lower index value. It produces statistical evidence supporting this thesis, with wide-ranging implications for globalization’s imprint on metropolitan areas.

KEYWORDS

Globalization; global city; inequality; economic development; urban policy; metropolitan

Introduction

Research on urban America sometimes mistakenly treats socioeconomic inequality as an analytical isolate, when in actuality, it might be better couched alongside research on a trichotomy of resource-allocation motives pertaining to a metropolitan area’s economic development, ecological sustainability, and socioeconomic equity—the 3Es (Saha & Paterson, 2008). Although some argue that “sustainable economic development” has become an achievable outcome (e.g., Burns, 2016; Lele, 1991; Purvis, 2020), attempts at “equity-enhancing economic development” (i.e., sustaining skilled middle-class jobs, and incorporating low-wage worker housing, job training and child care in economic-development protocols) remain in infancy. In the latter, urban policymakers are more likely to be hindered by insoluble “wicked problems” (Rittel & Webber, 1973), intractable budgetary constraints and political influence (Stokan et al., 2021), often resulting in zero-sum outcomes favoring economic development over equity. Greater socioeconomic inequality is often the persistent result.

In addition, a precipitous 50-year rise in U.S. income inequality since the 1970s (Pew Research Center, 2015; Piketty et al., 2016) suggests that inequality is at least coincidental with the rise of post-Cold War globalization and the *worldwide integration* of economic-development activity (Flaherty & Rogowski, 2021; Mahutga & Smith, 2011; Sassen, 2000; Savitch & Kantor, 2002). A plethora of reconfiguring dynamics are often identified as seminal aspects of this global integration, including “off shoring” of production, labor migrations, technological innovation involving both job replacement (e.g., robotics) and job augmentation (e.g., AI), worldwide supply-chain competition, declining union power, and the ascendance of corporate global “command and control” networks.

Although much research on globalization's purported and coincidental effects on inequality have taken a national focus (which amalgamates urban and rural), some efforts have also been made at examining these impacts at the metropolitan level. Specifically, concern rests with whether inequality has endogenous urban origins promulgated by globalization. However, most of the post-2000 inequality research investigating an urban connection with globalization has relied primarily on a *single-variable* approach, defining a global-city distinction according to rank in a hierarchical command network of world cities (e.g., Derudder et al., 2003; Mahutga et al., 2010; Smith & Timberlake, 2001; Timberlake et al., 2012; Zhu et al., 2021).

Although identifying an MSA's place in a world command hierarchy certainly provides a distinguishing feature of global-city status, the use of a single-dimension approach in determining globalization's impact on inequality within urban areas has yielded mostly inconclusive results. For example, Timberlake et al. (2012), using "polarization" to reference "large income gaps" in a city's employment structure (p. 72), reported "findings [that] do not provide strong support for the predicted positive effects of global centrality [in the world hierarchy] on the degree to which a city is socially polarized" (p. 89).

By contrast, this article seeks an alternative construct found in the tradition of "urban ecology" (Melosi, 2003; Schell et al., 2020) that identifies a *combination of multiple dimensions* measuring a more holistic urban imprint of globalization-inspired economic development. As a measure of the endogenous incidence of globalization in metropolitan areas, this combination is subsequently used to impart a more complete characterization of "global-city status" to determine whether a conclusive association exists with inequality in a metropolitan setting.

Employing this alternative measure of global-city status, the research reported here uses a comparative cross-sectional design to examine plausible causes of inequality in large U.S. metropolitan areas (MSAs). The article is laid out in five sections. The first addresses theoretical foundations underling the argument that greater inequality is attributable to a metropolitan area's global-city status. Guided by the literature, it begins with ascribing meaning to inequality in an urban context, followed by a review of what constitutes global-city status, and then raising other theoretical constructs that also purport to attribute cause to the variability of inequality in an urban milieu. Section two discusses methodology which focuses on the employment of regression analysis, empirical specification of variables, and sources of data. The third section contains the results, comparing the significance of global cities relative to variables representing other hypotheses imputing cause to inequality. Sections four and five contain a discussion on research contributions and limitations, and a conclusion involving thoughts from a governance perspective.

Theoretical foundations

The supportive literature for this investigation is posed in three parts, one focused on economic inequality as the dependent variable; a second viewing global-city status as the principal causal agent; and the third, which offers three alternative independent arguments found in the literature on causes of inequality in metropolitan areas.

A. Dependent variable: Economic inequality

In the literature, the meaning of inequality often appears to have a "blurry nature," due in part to "a patchwork of arguments" (Rothman, 2020). It is also frequently compounded or confused in the literature with other terms like "equity" and "polarization." Nevertheless, the meaning of inequality is forged from the *relative condition* of heterogeneous individuals or households resulting from their *differential access* to life opportunities, resources, upward mobility, societal stature, cultural centrality, institutional fairness, and other fruits of life. As such, research on inequality spans several dimensions (Glassman, 2019), including cultural, social, racial, gender and economic. However, if one dimension stands out as more central than or encompassing of the others, it would be *economic* inequality.