

# **The Nature of Cities**

## **Scott and Storper**

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Luděk Sýkora

# Cities: External Trade and Local Interaction

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- the economic functions of cities are deeply molded by **external trade**
- trade enables cities to specialize and **sell their outputs** in exchange for the specialized outputs of other places
- the **economic viability of cities** and the growth of **long-distance trade** are therefore complementary and mutually reinforcing phenomena
  
- all cities, from ancient times onward, have functioned as systems of dense **local interactions** imbricated in complex long-distance movements of people, goods and information
- **intra-urban transactions** are usually quite different from long-distance transactions in that they tend to be marked by high costs per unit of distance and dense tacit information content (hence the frequent need for face-to-face contact), and these kinds of interpersonal transactions are one of the mainstays of urban agglomeration
  
- **local face-to-face interaction** and **long-distance business** travel grow as complements to one another

# Agglomeration

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- **agglomeration** can be generally understood as a mechanism of sharing, matching and learning
  - **sharing** refers to dense local interlinkages within production systems as well as to indivisibilities that make it necessary to supply some kinds of urban services as public goods
  - **matching** refers to the process of pairing people and jobs, a process that is greatly facilitated where large local pools of firms and workers exist
  - **learning** refers to the dense formal and informal information flows (which tend to stimulate innovation) that are made possible by agglomeration and that in turn reinforce agglomeration
- these properties of agglomeration give rise to powerful **synergies**

# The Urban Land Nexus

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- an **interacting set of land uses**: the essential **fabric of intra-urban space**
- **behavior** of firms seeking locations for production and households seeking living space
- forms of behavior are typically structured by **market mechanisms** generating **land prices** that arbitrate uses and that sustain distinctive patterns of spatial allocation
- owners and users of land (firms and households) **demand** selected kinds of **proximity** to one another while simultaneously seeking to **avoid locations** where they might experience **negative spillovers** and other damaging effects on their activities

# The Urban Land Nexus

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- **firms and households** represent the foundational elements of two broad divisions of the urban land nexus
  - the **production space** of the city where work and employment are concentrated
  - the **social space** of the city as manifest in residential neighborhoods, typically differentiated by variables such as income, race and class
  - a third space can be detected, namely, the **circulation space of the city**, which is represented by the infrastructures and arterial connections that facilitate intra-urban flows of people, goods and information

# Urban Governance

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- the essential nature of urban land is that it is **simultaneously private and public, individual and collective**
- shape and form express the intertwined dynamics of the **individual actions** of firms and households and **collective action** on the part of diverse institutions of control and governance
- non-market agencies of collective action typically emerge to keep the urban land nexus in some sort of **functioning workable order**

# Generative power of cities

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- Cities are **centres of production, consumption and trade**: their role in **regional, national and international division of labour**
- **Development** is conditioned by interactions within **urban agglomeration**: **synergies** are derived from **sharing, matching** and **learning**
- Interaction and **spatial organisation**
  - firms and households: **production, social and circulation space**
  - **private** / individual and **public** / collective **interest**
  - land use: **property market** and **territorial planning**

**competitiveness**  
**quality of life**

**strategic planning**

**territorial planning**

Allen Scott a Michael Storper, *The Nature of Cities*  
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