The Conditional Nature of Relations Between Competitiveness, Social Cohesion and Spatial Inequalities: The Evidence from Istanbul

Ayda Eraydın

Abstract How do the attempts for reaching global competitiveness affect the social and spatial changes in city regions? Is it possible to reconcile competitiveness with cohesion, or will it increase the social and spatial disparities? The above two questions have been important to understand the changing structures of city regions and there appear different views on the conceptual relations between competitiveness and social cohesion. Most of the theoretical and empirical studies emphasize the deterioration of social cohesion and spatialisation of inequalities. The common assumption of the debates is that increasing cohesion will result in economic success as well. This chapter claims that the numbers of studies that go beyond these types of overgeneralisation and instead give the details of connections between policies and practice for competitiveness and social change are still limited. The chapter has a number of aims. Firstly, it aims to discuss the consequences of increasing competitiveness (as a result of the endogenous dynamics as well as several policies and projects) on the “socio-spatial cohesion”. Secondly, the chapter contributes to the existing debate findings of the empirical studies on the three main metropolitan regions of Turkey. The findings are the outcome of the detailed analysis on the spatialisation of socio-economic (in)equalities in city regions, with the help of data various sets of data on neighbourhood level.

1 Introduction

Despite the wide literature on the interrelationships between economic competitiveness, social cohesion and spatial inequalities, it is still a domain not much studied (Kearns and Forrest, 2001; Maloutas and Pantelidou-Malouta, 2004; Morrison, 2003). As Turok and Bailey (2004) pointed out the relation between competitiveness and social cohesion is still discussed in general terms and there is less attention on spatial reconfiguration of cities under the new conditions triggered by globalisation.

A. Eraydın
Department of Urban and Regional Planning, Middle East Technical University, Ankara, Turkey
Although in recent years there are increasing number of empirical studies on different cities that try to explain relations between competitiveness and social cohesion (Kazepov, 2005; Buck et al., 2002; Boddy and Parkinson, 2004), these studies, do not provide clear-cut conclusions due to the complex nature of relations between these two concepts. The literature on the interrelations between competitiveness and spatial change has similar problems. It mainly concentrates on the changes in the real estate market, which is mainly focused on the role of international capital and the urban development projects on the changing organisation of cities, while another core issue is residential segregation framed parallel to declining social cohesion.

Most of the existing debates indicate that competitiveness supports exclusionary process towards cohesion, which may also increase spatial inequalities (Fainstein, 2001b; Maloutas and Pantelidou-Malouta, 2004; Mingione, 1991, 1996). As Fainstein (2001b) pointed out especially the early literature on competitiveness emphasizes the tendency towards greater segregation, social exclusion and inequality. There are also policy-oriented debates, which indicate positive feedback mechanisms between competitiveness and social and spatial cohesion. They define positive relations between competitiveness and social cohesion by indicating that increasing cohesion will result in economic success and also the stronger the national welfare state, the more the capacity local governance has to implement policies to foster social cohesion (Fainstein, 2001a, b).

These debates, do not provide a deeper insight to understand the complex nature of relations. Obviously, competitiveness, social cohesion and spatial inequalities are interrelated, but their relations are conditional on several issues. Therefore, increasing competitiveness can have diverse effects on social cohesion as described by several case studies (Buck et al., 2002; Boddy and Parkinson, 2004) as well as on the spatial distributions of different social groups, which necessitates examining the issues that link these core concepts and how they cause different outcomes.

How then these relations can be examined? In this Chapter, I argue that four issues constitute the conditions that define the relations between economic competitiveness, social cohesion and spatialised inequalities namely, “the means of integration to the global economy”, “labour market conditions” “policies related to social cohesion” and “regulations on urban land and real estate market”. First, competitiveness can be both attained by different assets and have different outcomes in the economy according to the way of integration to the global markets (Sassen, 2000). While the means of integration to the global economy are connected to the assets of competitiveness, they also identify new employment opportunities and the major impacts of competitiveness on different social groups. This situation indicates that the means of integration to the global economy can bring diverse affects on labour markets and economic growth. Second, as Fainstein (2001a); Gordon (2005b) and Turok (2005) have indicated labour market is the major link between competitiveness and social cohesion and it is only possible to observe the impact of competitiveness on social cohesion through labour markets. Labour market conditions can be an important asset of competitiveness, but at the same time what kind of job opportunities created in the labour market has a direct connection to social inequalities and cohesion. Third, policies on social cohesion that increase