

Globalization, Urban Transformation and the Destruction of Local Economies

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I was in my teenage years when people around me spoke about globalization and whether we should stand up against it or support it. It was something yet to come, or at least our perception was that it is not yet here, but it is coming, so we should react somehow.

In many ways globalization was an abstract thing. We were often explained that globalization will diminish the role of our culture locally and globally. We were told that globalization will bring new values that are not dear to us. We were even scared by losing our language, as everyone might start speaking one universal language.

Whether we were too young to be exposed to such an analysis, or whether people who spoke about threats of globalization didn't analyse it themselves, one aspect of globalization was omitted from these discussions, i.e. economic globalization and its effect on urban transformation.

I believe humans are not able to foresee everything through analysis. Some people may have good analytical skills, but even they may be amazed at the lack of reaction of masses towards one injustice (e.g. war), yet over-reaction to another injustice which seemed to be doomed to remain unnoticed (e.g. tree cutting in parks). Yet, it is easier to analyse when a situation is happening in one part of the globe, since by following its developments and by adapting it to a particular location, one can foresee its effect on another area of the globe.

Today it is clear that the main goal of globalization has been economic, i.e. opening the markets of new countries for successful brands which have covered the local markets and need to expand to other markets for growth and more profits. The first phase of this process is now being transformed into a new phase as the successful brands not only want to enter new markets, but also make sure, that nothing in the new location hinders their business, whether it is the different local culture or local legal practices. For this purpose, global brands have forced governments to negotiate and eventually empower these brands with rights, which will protect them from local governments' deliberate actions.

But what we and the big brands understand under "deliberate actions" is not always the same. It can mean state's deliberate overtaxing of a brand to hinder its activities, but it can also mean state enforcing regulations over the brand that demand respect for labour rights of its employees. As long as the purpose of the businesses has been profit increase, the quantity of its monetary loss as a result of such "deliberate actions", rather than the quality of the reasons behind such actions, has been central.

The good news is that fierce competition aiming at solely profit increase is nowadays becoming less acceptable by wider public. Parallel to the development of socially responsible businesses, in many West-European countries people have now stood up against trade agreements which threaten local governments with loss of control over their people, territories and local laws, in one word – their sovereignty. However, in other parts of the world, for example in Turkey, people still have to come to realization of such a threat.

A more visible and yet less analysed impact of economic globalization has been urban transformation. Travelling in towns and cities of e.g. the UK may no longer be interesting, unless each town has something unique to offer. Almost every city/town centre offers the same shops, foods, brands, attractions. It has its positive side, since it makes it less stressful to move from one

town to another for example due to the job, as you will always find your favourite brands nearby. But its negative side is that towns and cities lose their face.

For tourists who want to find something original, it becomes a treasure hunt game to search and find some café or store that is ultimately local. I remember a man complaining of Costas and Neros (UK equivalent of Starbucks) invading their small town and pushing his cafe out of the town. On the one hand his cafe offered a bit more expensive variety, but then one could have coffee with a home-made cookie, probably not found elsewhere, as well as an interior specific to that area. But of course this may not be the most interesting detail of the journey, if you are heading to some place like Stonehenge. But how many towns and cities can boast having Stonehenge nearby?

The other day as I was walking downtown Yerevan (Armenia), more specifically through its relatively newly constructed area known as Northern Avenue, I was having déjà vu, as if I was walking on Istiklal avenue of Istanbul. Both are filled with various brands and stores, people, who come here to earn money either by playing music, painting or selling some stuff. Other people come here for cafes. Green areas are close to non-existence. At nights the only lights come from the street lights. Even construction-or rather say gentrification- is still an ongoing process, threatening complete erasure of history both on Istiklal and Northern Avenue. In 2013 Emek Theater on Istiklal was lost to a shopping mall project, following the fate of Deveaux Apartment that was transformed into yet another mall on Istiklal. A 78-year-old underwear shop, the last one on Istiklal owned by a non-Muslim, is also at risk of closure. In Yerevan, fashionable and non-affordable buildings on Northern Avenue came to replace shabby houses. As if the whole compensation hustle that continues until today was not enough, plans to deconstruct another old building on the same avenue is currently circulating.

With slight differences and some local adaptations, the old atmosphere in the cities of this region is also shifting towards profit driven western types of cities, probably having the goal to one day come closer to the New-York city style. More skyscrapers can already be spotted in Istanbul nowadays and more efforts are acquired to preserve green areas of Yerevan.

Urban transformation, however, also shapes mindset of locals, who as a result of non-participation in decision making related to transformations of their cities become disconnected from the city they live in. More construction projects aim to satisfy the demand of the businesses rather than the needs of the local population and overall aesthetic requirements. Such transformations make the local population a passive receiver of these changes, which eventually makes them inactive in other areas of local governance too.

So far, resistance to primarily this type of decision making has sparked local protests in the region. However, there is certainly need for transparent public decision-making on the one hand, but also support for the local economy on the other hand. Boosting local products, be it textile, food or other goods is not just positive for local economies, but it also has the potential to develop creativity of the local minds in terms of producing goods and styles, including architectural styles, thus shifting the locals from passive receivers of world trends into active local creators of own designs, why not in fusion with some traditional features specific to that area.