

From Corridors to Intercity Networks : The Role of the Emerging Urban System in Building Regional Networks in Northeast Asia

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1. Introduction: The Role of City Regions in Regional Formation—Rethinking the Paradigm

As Douglass (1988) has pointed out, the study of the role of regions in development (regional planning) has been dominated by two major thrusts. First, the so-called growth pole theory and secondly, attempts to improve the levels of development in lagging regions. The theory and practice of regional planning has primarily utilized the nation state as a unit of territorial analysis. The practical application of these theories have focused upon measuring regional

economic performance reducing regional inequity and developing public policy measures to improve the productivity of regions and thus, the nation at large. These studies have paid little attention to the historical processes of regional formation which have been a central concern of geography since the 1920s.

In particular, a circle of French geographers and historians, some of whom later were grouped in the so-called "Annales" school focused on the historical formation of regions long before regions had been divided into political, administrative units of nation states. Perhaps, the grandest of these studies in Braudel's *The Mediterranean* which traced the historical formation

of the Mediterranean region from the prehistoric to the contemporary period. A reading of this book provides the clearest insights into the reasons for Southern Italy's regional underdevelopment (which has become a classic case study of a lagging region of underdevelopment) as well as the ongoing processes of social and economic change in the region.

Our point here is not to attack the foundations of regional planning but to argue that the processes of historical formation of regions have to be more closely evaluated in order to understand contemporary regional formation. For some commentators, the present era characterized by globalization, increasing economic interaction and technological advances in the communications and the movement of people, commodities and capital through global space, is leading to the weakening of the role of the nation state and a growth of the power of supranational quasi-states such as the European Union. A seemingly contradictory aspect of these globalization process is the opening up of internal units of national space to international linkages which is, at least in part, leading to decentralization and devolution of political power at the sub-national level which some writers call "localization" (Boisier, 1997b).

For some commentators (e.g. Ohmae 1995, Porter 1990), this era of globalization is forcing nation states

and regions to become more competitive in their efforts to capture a proportion of the growing global wealth. Multinational companies will be the main drivers of this process but they will require support from both international and national institutions in creating the permissive "global environment" in which these competitive processes can be worked out. It is, of course, recognized that there will be territorial winners and losers in this process but one way to be a winner is to take advantage of the territorial configurations of labor, capital, resources and technological capacity that position a nation or region to be more competitive.

As Boisier (1997b) has argued, this kind of thinking leads quickly to a central question which is what kind of territorial configurations are most competitive? He suggests that winning territorial configurations should be characterized by decision making capacity which is rapid, flexible and malleable. Hardly qualities that we associate with the nation state! But most of all, these territorial configurations should have a culture which produces identity and a commonly understood frame of reference.

Our reading of Boisier does not suggest that his concept of culture rests upon some common language or religious belief but rather it means a way of thinking that buys into the

concept of regional interaction as providing both economic, social and perhaps political strength to a locality. In this respect, we want to stress the important role played by locally derived images of regionalism (see Couchene 1995) dealt with in Part C of this paper. As Rozman (1997 and 1998) has perceptively pointed out, the development of these sub-national international linkages can be the cause of considerable tension with the national level of administration who has the major responsibility for international affairs. But it need not necessarily be so if the national state and the sub-national unit form associations for this purpose. In Canada, the formation of Team Canada as a trade mission of Premiers of the Provinces led by the Prime Minister to promote Canada and its sub-regions' trade is an example of an associative process.

For the authors of this article, the concept of a territorial configuration is more important than the winning qualities of a region, because the idea of configuration does not rest upon a unit of spatial organization that has defined territory. Rather it suggests that you can have "regions" which are virtual regions (Boisier term) which are held together by interactive international networks. Sassen's (1997) concept of a global economy dominated by a network of global cities fits this concept very well. These virtual

regions are very different from the forms of associative regions which involve territorial contiguity as for example, in the European Union.

In this paper, we argue that for a variety of reasons the component of global territory which is defined as Northeast Asia offers little opportunity for an associative region to be developed rapidly. Rather there are much greater opportunities for the development of a virtual region of networks of economic and cultural interaction. It is from this process of regional formation based upon "local images of regionalism" that over a longer period of time, some form of regional unity may be forged.

In order to explore this argument, we divide the paper into three parts. In Part A, we discuss the problematic dimensions of Northeast Asia. In Part B, we analyze the basic elements of the interactive network of city-regions which provide the opportunity of creating a virtual region. Part C presents three specific case studies of the development of these virtual regions dealing with the Bohai Sea region, the city-region of Pusan-Kyungnam and Sapporo-Hokkaido which represent the operation of the local image of regionalism which we find very powerful in driving the growth of these networks. Finally in the conclusion, we discuss the implications of these preliminary findings for a policy-orientated research agenda.

2. Problematic Regional Formations—Defining Northeast Asia

In order to underpin our arguments of the importance of "local images of regionalism" and the role of city-regions in the interactive networks from which regionalism can be built, we need to delimit the geographical extent of Northeast Asia. While we appreciate that there is a rationale for treating Northeast Asia as a "geopolitical region" made up of political units such as China, DPRK, Republic of Korea, Japan, Mongolia, and Russia (see Evans 1997) for our purposes the definition adopted by Choe (1995) is more workable. He says, "Northeast Asia is operationally defined to include South and North Korea, Japan, parts of China (including the provinces of Hebei, Shandong, Liaoning, Jilin and the cities of Beijing and Tianjin), and parts of the Far East Economic Zone and East Siberian Economic Zone in the CIS" (Ibid, p. 498).

In 1989, this region consisted of 400 million people in an area of 77 million kilometers and generated one fifth of the world's GDP. Since 1989, a series of negative economic developments have almost certainly led to a decline in the region's GDP world contribution. The collapse of the Russian economy has been particularly severe with a contraction of the economy (see

Bradshaw 1999). After the fall of the Japanese land market in the late 1980s, the economy has been growing slowly and for the last two years is in a state of recession. The North Korean economy is described as being in a constant state of crisis and most recently, the Republic of Korea has experienced massive economic difficulties as a result of the financial crisis beginning in July 1997. Even China, while remaining the best economic performer of the group, has not been able to insulate itself from these developments in adjacent countries and is currently experiencing economic difficulties involving a fall-off in foreign investment and painful economic restructuring.

In the late 1980s, the region which we have described was very much in the throes of a "phase" of economic boosterism in which the differential distribution of resources (mineral resources, timber) in the Russian Far East and (labor and mineral resources) in China's Northeast were seen as an attractive frontier for the economic investment of the more developed economies of Japan and the Republic of Korea. This "boosterism" translated into a number of ambitious proposals to develop the transportation access and speed within the region such as the development of Dalian as a major container port; the extension of the Shinkansen to Japan sea ports; the decision to create a fast Shinkansen

type link between Seoul and Pusan and many other infrastructure developments. Another component of this program of infrastructure development was the decision to develop the Tumen River Area as a "growth zone" involving China, North Korea, and Russia. These developments are fully summarized in Kim et al. (1999), Rozman (1997 and 1998) also discusses how this "boosterism" was fueled by the creation of many new institutes concerned with Northeast Asian economic integration and a flurry of conferences and meetings.

With the exception of growth zones such as Tumen, this increasing economic integration was seen as being reflected in improving linkages between the emerging urban systems of the Northeast Asia region. Perhaps the most persuasive image of this emerging region was developed by Sang Chol Choe (1995) which was first presented at a conference held in 1991. Since the development of a network of urban interaction is very crucial to our arguments on the "local image" of regionalism, we discuss this in detail in the next section.

3. From BESETO to Polyadic City Region Networks - the Emerging City Region Networks of Northeast Asia¹⁾

We begin this section with a

clarifying point. Rather than use city or urban, we want to establish that the concept of city-region is crucial to an understanding of the role of networks in regional formation. An extensive literature has developed questioning the idea that city definitions are adequate in defining the extent of urbanization. The outward spread of urban activity from city cores has become an ubiquitous feature of the global urbanization process and it follows that cities are only part of functional regions of urban activity that interact with other city regions (see McGee 1991 and McGee and Robinson, eds. 1995). The reality is that most city regions are politically divided between administrations responsible for cities, municipalities and those responsible for provinces, countries etc. in which the city occur. Network interaction often involves both levels of political administration (sometimes in coalition with the national level) but it can also occur at the level of a simple unit. This situation can lead to competition but also to productive interaction.

Choe's (1995) influential attempt to describe the emerging urban system of Northeast Asia includes only cities with population of 200,000 and above which form part of an "inverted S-shaped corridor from Beijing to Tokyo via Pyongyang and Seoul" (Ibid, p. 506). In 1989, this corridor contained 92 million urban inhabitants

and 112 cities along a 1500 km strip of densely populated land or "ecumenopolis". While Choe is careful to discuss the problems posed by the growth of this urban corridor, it is seen as a future focus of integration and development in the region. Despite the economic problems described in the proceeding section in the period since 1989, the BESETO corridor has continued to grow in the six years since 1989.

Table 1. BESETO Corridor 1989~1995

	1989	1995
China	3,155,600	5,887,730
Japan	38,269,000	40,500,975
Korea	22,642,000	24,773,310
Total	92,467,000	124,152,015

Source: Various statistical publications of the three countries.

Table 1 shows that the population increased by 34 percent although most of the increase occurred in China. It should not be inferred that the increase in the Chinese urban corridor population is only a reflection of economic growth but it also represents reclassification of administrative boundaries which occurred throughout China leading to an increase in the number and size of urban areas.

While the concept of BESETO remains a powerful image of the urban system, we could argue that the processes of decentralization (municipal

elections in the ROK, increasing decentralization in Japan, and continuing locally focused development in China) have led to an alternative network of exchanges which operates at the city-region level. This network of exchanges while still occurring in the BESETO corridor, assumes a dyadic pattern reflecting "local images of regionalism". Thus, the emergence of the Sea of Japan network and the Bohai sub-regional network and city-region to city-region networks are of more importance at this point in time in the processes of regional formation than the idea of a highly centralized corridor of interaction envisaged by Choe. These systems of interaction are essentially dyadic forming a web-like system of interaction throughout the Northeast Asia region and beyond. In the next section, we illustrate this argument through a number of case studies.

4. Case Studies of Polyadic City-Region Interaction - The Bohai Sea Region; Pusan-Kyungnam and Sapporo-Hokkaido²⁾

Following the discussion of the preceding section, we analyze "locally-based regionalism" by three case studies moving from the larger sub-region of interaction (Bohai Sea) to a Korean national sub-region (Pusan-

Kyungnam) which is centrally placed in the BESETO corridor and Sapporo-Hokkaido which is more isolated from the national centres of economic activity.

1) The Bohai Sea Region

While historical linkages among China, Korea and Japan have been occurring for centuries, the concept of regionalism concerning the cross-border region has been developed since the mid-1980s. With respect to the name, Bohai Sea Rim is the preferred definition currently accepted by both the Chinese national government and scholars. Korean scholars prefer the term Yellow Sea Rim. Even to the present day, there is no precise definition as to the geographical scope of this region but the most workable definition includes the Bohai Sea Region of China (the three provinces of Liaoning, Hebei, Shandong and two municipalities, which have provincial status, of Beijing and Tianjin) and their economic interaction with Korea and Japan.

In the past decade, the Bohai Sea (Yellow Sea) Rim has gradually been accepted as a concept used in academic research and domestic and international political interaction. The region has become the subject of coordinated research work between the Institute of Geography, Chinese Academy of Sciences and East-West

Center of USA encouraged by the State Planning Commission of China and later with the Korean Research Institute for Human Settlements (see Kim 1996, 1998, 1999 a and b).

Given this background, the regional concept can scarcely be described as local but in the period since its conception, the Bohai Sea Region has developed a stronger regional identity stemming from regional cooperation groups formed in the domestic context of China. Two regional cooperation organizations mainly based on local initiatives are named after it. One is the Bohai Sea Region of Economic Cooperation which is an inter-provincial cooperation group concerned with trade, etc. A second organization is the Association of Mayors of the Central Cities of the Bohai Sea Region which involves inter-municipality economic cooperation formed in the mid-1980s. There are other types of regional cooperation groups formed to utilize the Bohai Sea Region concept such as the City Cluster of Central Liaoning Province consisting of the five cities of Shenyang, Liaoning, Fusun, Anshan and Benxi.

These associations based on territorial units of different administrative levels are often geographically overlapping and involve multiple participation in exchanges. A common objective is the desire to establish cooperative partnerships so as to enhance regional linkages. This policy is basically in

line with the existing central and local planning strategy for regional development (see Pang 1997).

There are no special international functions designated to the individual regions and cities by central government for the purpose of promoting international regionalism in China. The different position of regions and cities on the list of national openness is a major reflection of the state policy framework of internationalization. Left behind Guangdong and Fujian Province, the Bohai Sea Region belongs to regions which have opened up quickly since the 1980s. Among 14 open coastal cities, five are located in this region, i.e. Dalian, Qinhuangdao, Tianjin, Yantai and Qingdao. To explore the process and pattern of international linkages of Bohai Sea Region, we may first look at the initiatives and strategy for internationalization of the major coastal cities located within the region. Dalian, Tianjin, Qingdao and Yantai are four cities dealt with in this study. As Table 2 shows, Tianjin, Dalian, Qingdao, and Yantai, four coastal cities in Bohai Sea Region, are more dependent on foreign trade than other large cities in the region such as Beijing and Shenyang, as well as the region as a whole. At the same time, Dalian, Qingdao and Yantai (three cities excluding Tianjin) are playing important roles in the provincial economic development in relation to

internationalization.

Table 2. The Development of Foreign Trade of Bohai Sea Region, 1996

City and Region	Total Export (in US\$ billion)	Percentage of Export in GDP (%)	Percentage in Total Provincial Export (%)
Beijing	2.3532	12.17	
Beijing	4.049	30.59	
Hebei Province	2.465	8.36	
Liaoning Province	8.338	22.0	
Shandong Province	10.861	15.1	
Shenyang	0.682	7.33	8.18
Dalian	2.630	30.1	31.5
Qingdao	2.871	33.62	27.1
Yantai	1.856	22.62	17.1

Source: edited from 1997/1998 China Foreign Economy and Trade Yearbook, 1998, China Economics Press.

In the recently issued development strategy for major coastal cities in the Bohai Sea Region, the need for a stronger status of international linkages is always included. One major reason for such a phenomenon is the assumption that the stronger international status could be claimed as a basis for more important position in the national socio-economic system, and that position will benefit the city considerably. On the one hand, it is related to the increased comparative advantage for competition of the city. Here, the internal competition with other cities in China is more important than external international competition.

On the other hand, the increased bargaining ability for resources from the state government in the forms of investment programs, building infrastructure, subsidies and privileges is also important. This involvement leads to strong competition to access international transport routes. However, at the same time, individual cities in the region are promoting international exchanges to increase the use of these transport routes. For example, the coastal cities of Shandong Province especially Qingdao, Yantai, and Weihai have adopted strategic policies designed to enhance linkages with South Korea while Dalian City in Liaoning Province emphasizes linkages with Japan.

With the increased initiatives for economic growth, cities in Bohai Sea Region in China show a strong tendency to diversify their international linkages in terms of both scope and depth. Ongoing diversification can be observed in three aspects. First, extension from economic to non-economic aspects, including technological, environmental, social and cultural exchanges. Second, more efforts on off-shore activities, such as overseas investment and contracted labor export. Third, the expanded geographical orientation of linkages. Enterprises has been given more autonomy as the agencies of international activities gradually pursued diversification. For example, Qingdao government set forth

the goal to increase its export to new market such as East Europe, Middle East, Africa, and E.U. based on keeping the market share in East Asia and Southeast Asia. International trade agencies are planned to be established in Germany, the United States, South America, and Africa.

At the present stage, it is not clear that there is a clearly developed local image of the Bohai Sea Rim on the China side but cities in the Bohai Sea Rim are vigorously pursuing linkages in the Northeast Asia region. Certainly, heavier international involvement is assumed to lead directly to increased advantage for cities, although the membership of a city in a proposed international community does not necessarily mean its special interest and commitment to the specific region with framework of cooperation. The mayors of Dalian City of Liaoning Province attended three international conferences in 1996, based on three different conceptions of regionalism, i.e., the Asia Pacific, Asia and East Asia. Yantai City of Shandong Province held the East Asian City Trade Fair in 1996, while a more influential event, the Second APEC Trade and Investment Expo took place in the city in 1997.

On the other hand, different levels of recognition of the conception of Northeast Asia regionalism are increasingly international in the strategy of those organizations resulted

in different regional orientation of locally-based regional cooperation linkages. The Association of Mayors (governors) of Bohai Sea Region had expanded its members to 24 cities/municipalities in 1996, and had reformed its agenda in responding to the tide of globalization/ internationalization. To promote Northeast Asia cooperation was set forth as one of the major objectives. Collective meetings organized by the association in 1996 did focus on the individual countries in Northeast Asia, such as Japan and North Korea.

The administration of cities in China is typically highly departmentalized and has been experiencing decentralization. Different sectors and cities/regions have varied policy environments and the mechanism of policy-making concerning internationalization. Thus, there are different regional trajectories and patterns of establishing international linkages among individual sectors. Therefore, the emerging pattern of international linkages of Bohai Sea Region is a diverse series of linkages established by individual sub-regions/cities.

These linkages fall into three main groups:

- 1) official linkages which involve the foreign affairs offices of municipalities and municipal trade promotion offices
- 2) sister-city linkages which are an important mechanism for the

growth of regional identity

- 3) less formal linkages of trade associations, commercial groups, sports teams, and cultural organizations.

In the year 1996, Liaoning Province had 20 sister-city cooperation projects of which eight were with cities in the Northeast Asia region and Dalian, Tianjin, Qingdao and Yantai had established several sister city relations with cities in Northeast Asia. The activities between cities are wide ranging business, science and technology and cultural activities. These linkages have been facilitated by improved transportation linkages including the improved container capacity at the ports of Dalian, Tianjin, and Qingdao; increasing air flights to Osaka and Seoul and new routes such as routes from Yantai to Pusan and Inchon. This is also occurring with seven marine transport routes now available between Korea and the Chinese ports of the Bohai Sea Region.

These improved transport routes facilitate increased mobility of passengers and volume of trade in the region. Up to 1996, this volume of trade and passengers grew considerably; however since 1997 and the financial crisis in Korea, this growth has slowed down although efforts to increase regional interaction have not slowed down.

This brief case study of the international participation in the Bohai Sea Region of China indicates the

involvement of virtually all levels of administration although it is primarily the coastal city/regions that have been most active in pushing the concept of regional coordination and interaction.

2) Pusan-Kyungnam City-Region

Korea's international linkages in the modern era were heavily focused on Japan and the United States. The amount of money generated from exported goods and services to the two countries remained at the level of half of the total by the mid-1990s. In recent years however, the linkage has been significantly weakened, while the linkages with other countries such as China have been strengthened. In terms of the amount of money, Korea's imports and exports of goods to China has consistently and significantly increased from 0.7% of the total in 1987 to 8.8% in 1996(2). The Korean central and local governments, in fact, has been deliberately exercising policies of diversifying partners of international trade and relations, especially since the time of the Seoul Olympic Games. Under the diversification policies, assisted by geographical proximity and cultural identity, socialist China has emerged as one of the closest partners of Korean international relations throughout the period of the East-West detente of the late 1980s.

Since the early 1990s, the roles of

local governments have been significantly expanded in Korean international relations. In the late 1980s, in fact, the growth in the size of the national economy and its improved international status after the Seoul Olympic Games generated a broad consensus among the Korean people that Korea needed to further internationalize its economic and social standards. Around that time, there was also a major change in the Korean political system which strengthened the role of local governments at the provincial and municipal levels in various aspects of the society. In the early 1990s, Korea attempted to decentralize its political system by advancing local autonomy. Local councils with elected council members were reconstituted at the provincial and municipal governments. The elections for local councils were held in 1992, and two years later, city mayors and provincial governors were also elected by the people. The new system was in fact reinstated after 30 years of the ban imposed by the military coup in 1960. (Under the old system, all mayors and governors were to be nominated by the president.) These newly elected politicians have activated local politics; and have taken over some roles of the central government in the area of international relations.

Strategies of Pusan's and Kyungnam's Internationalization

Pusan is located on the coastal area of the southeastern corner of the country, about 500 kilometres south of Seoul. The Metropolitan City of Pusan, developed from a colonial enclave, currently has a population of four million and is located only about 300 kilometres away from Kyushu of Japan, across the Strait of Japan-Korea. The city was a part of the Province of Kyungnam prior to 1963, but separated from the province to acquire a Metropolitan status, that is equivalent to the province. Traditionally, the city functioned as a major centre not only of the region but also of the whole country particularly with respect to its port, fishery, and the relationships with Japan. Pusan has been playing a major role as a gateway to overseas, while Kyungnam takes advantages of Pusan which maintains a major port and an international airport. Between the two places, there are fluid exchanges of people, materials, and information. The port city, Pusan, handles about 90% of containers exported from Korea. Pusan is also one of the major receiving points of tourists from various countries. Among the total number of people who entered through Pusan airport, approximately half originated from Japan, while the number of entrants from China increased from less than 2% in the early 1980s to 8.5% in the mid-1990s.

Pusan and Kyungnam obtained local

councils with elected members in 1992 and elected mayors and governors since 1994. The two provincial level governments retained small sections devoted to international relations. Before the decentralization policies, their work was limited to the assigned tasks from the central government, e.g. the Ministry of Foreign Affairs. With the decentralized political system, the provincial level governments have newly instituted and greatly expanded offices of international relations. The governments operate departments of international trade for the economic purpose and international exchange for the purpose of social and cultural activities. They also have been maintaining a system of "local ambassadors" under which each local government has an appointed person with international knowledge from the Ministry of Foreign Affairs of the central government. The ambassadors are proposed to assist local governments in relation to international matters. These executive bodies, assisted by the local planning institutions, have been expanded and became very active in the process of internationalization of Pusan and Kyungnam since the early 1990s.

Pusan and Kyungnam as independent local governments have formed strong relationships with other cities outside of the country. Pusan had created international sister-city relationships with 12 partners by 1998, including

Shanghai of China, Vladivostok of Russia, and Simonoseki of Japan. Pusan's relationships with this Japanese city in fact was established as early as in 1976. Kyungnam, on the other hand, has formal sister relations with nine local governments, that include Shandong province of China, Habalobsk in Russia, and Yamakuchi Prefecture of Japan. Under the city of Pusan, there are also eight municipalities that maintain sister-city relations with Japanese cities. Three of the municipalities of Kyungnam have also relationships with four Chinese cities, while four municipalities within the province maintain the same kind of relations with six Japanese cities.

Pusan and Kyungnam in fact are involved in a coalition of Korean and Japanese mayors, called a "Forum of the Mayors and Provincial Governors of the Japan-Korea Strait" that includes four Korean (including Pusan and Kyungnam) and five Japanese local governments that are located on either side of the Japan-Korea Strait. The formation of the coalition was first suggested in 1993 and in the following year was formalized into a system that proposed to create cooperation among the concerned parties across the Strait. The Forum in the past several years has been very active and successful in the area of international trade, fishery, (sea) water quality, tourism, and cultural exchanges.

With respect to fisheries, six

meetings were held between 1993 and 1998. Delegates from Japan and Korea, including local government officials and some representatives of fishermen discussed possibilities of exchanging information and technology, and actually created and implemented programs such as aquaculture, fishermen's safety, and fisherman training. For the economic matters, Kyungnam province held exposition fairs in 1994 moving around three localities in Kyusyu. Ten of Kyungnam's corporations presented their products and made some contracts to sell to their Japanese partners. In 1996, Kyungnam province again organized a conference in Japan where manufacturers from the province could have chances of trading their products or making contracts for trading with Japanese customers. In addition, the province in the year of 1998 dispatched economic commissioners to Japan to make interviews with representatives of non-governmental organizations and private companies and also to visit commercial facilities. There were also several meetings between representatives of the governments and tourism companies of Pusan and Kyungnam side and the Japanese side. The meetings were organized in Pusan and Fukuoka interchangeably. During the meetings, the representatives exchanged advertising materials from each side and also produced advertising materials such as video tapes and

brochures with cooperative efforts.

With respect to China, the Suyoung District of Pusan established a sister-city relationship with Kumju District of Taeryun, Yungyung Province. In 1995, delegates of Kumju expressed its interests of developing relationships with Suyoung of Pusan and in 1996, several representatives of Kumju actually visited Pusan to discuss possibilities of exchanging people and cultural activities and trading commodities. In the same year, delegates of Suyoung, including its city mayor, chairman of the council and representatives of the Chamber of Commerce and other NGOs visited Kumju to formalize the Kumju and Suyoung's relationships. In 1997, the Mayor of Kumju and other economic and social delegates from China visited Suyoung and held a fair where exchanges of economic and social activities were discussed. This fair has resulted in a company of Suyoung showing strong interests in establishing a department store and other factories in Kumju. In the same year, eight representatives of Suyoung's municipal council were invited to Kumju to celebrate the first anniversary of initiating the sister-city relationship.

Kyungnam has also created a sister relationship with Shandong Province of China in 1993. In 1992, delegates from Shandong Province including a Vice Governor visited Kyungnam twice to suggest improving the relationships

with each other. In the same year, the Vice Governor of Kyungnam also visited Shandong Province to follow up the process. During the last several years, some progress has been made in relation to the exchange of officials, cultural and arts activities, sports teams, and youth groups. In relation to the economy, Kyungnam has developed an industrial site in each of the cities of Weihai and Kyunam in Shandong Province. The sites were prepared for entrepreneurs of Kyungnam who wanted to locate their production in China.

This case study of the Pusan-Kyungnam city-region emphasizes how rapidly local initiatives for international linkages have developed since the devolution of political power to the local level after 1992. This has been accompanied by a considerable increase in international transactions through the Pusan gateway including a growth of incoming passenger traffic particularly from China. Exports and imports within the Northeast Asian region also grew until the onset of the financial crisis in late 1997. The case study indicates the immense diversity of the exchanges that have developed and reflects a growing realization at the local level of the importance of regional linkages.

3) Sapporo-Hokkaido

The third case study is the city

region of Sapporo-Hokkaido Prefecture in Japan with a population of 5.7 million is one of the most remote of the Japanese localities in Northeast Asia. Today its capital, Sapporo (1.76 million in 1999), is the centre of a thriving domestic tourist industry and the prefecture is one of the main centres of food production in Japan. In the earlier phase of regional boosterism, the administrators of the Sapporo-Hokkaido region perceived its primary economic role as a central linkage to the resource frontiers of Northeast Asia, particularly China's North, the Russian Far East, and the energy development in the Sakhalin Islands. Thus, a sister city agreement was signed between Novosibirsk and Sapporo in 1990 and much earlier agreement with Shenyang in 1980. Hokkaido Prefecture also signed an agreement with Heilongjiang province in 1986. However the collapse of the Russian Far East economy has forced Sapporo and Hokkaido to form more synergistic local linkages. Of particular interest is the active role of the International Association of Mayors of Northern Cities which sponsors a conference every two years. The Hokkaido government is also a main member of the Northern Regions Forum (established 1991) which includes provinces from China and Russia. Discussions centre on policies to encourage development, such as Cold Regions Technology, tourism

(snow festivals, National parks, etc.) and improving transportation linkages.

The results of these local initiatives have led to the opening up of a new international air route between Chitose airport (Hokkaido) and Shenyang. Hokkaido and Heilongjiang have jointly hosted an International Symposium on Development in Cold Climates. They have also been increasing academic linkages between Hokkaido University and Shenyang. Thus, the Hokkaido-Sapporo has the most tenuous links to the Northeast Asian region which was defined earlier. Other Japanese city-regions particularly Niigata have been much more vigorous in their efforts to build a Japan sea region component of the Northeast Asia region but the depressed economic conditions of the present time inhibit progress (see Kaneda, 1997 and Itonaga, Mizuta and Moriba, 1998).

5. Conclusion

Returning to our arguments introduced at the beginning of the paper, it would seem that the development of regional consciousness in Northeast Asia is at a very early stage. It would also appear that historical processes have created many barriers to the building of an associative region. However, the rapid development of a transactive environment within the region in

relation to local response to globalization has generally facilitated the development of local interaction within the region. The case studies give ample evidence of this development which is based upon a culture, or way of thinking of developing networks and exchanges at the local level. Cities are playing an important role in rationalizing this culture. This culture forms the basis of polyadic networks of exchanges between the city regions of Northeast Asia which offer a most practical way of proceeding with regional building. Therefore, we would argue that the bottom-up local image of regionalism occurring in different localities, as well as initiatives at higher levels, are contributing to the prolonged process of this international network building. The different pictures of the process in China, Korea and Japan given by these three case studies also suggest that the boundless "virtual region" emerging in Northeast Asia is firmly locally embedded, increasingly defined by localized entities deeply rooted in the local historical environment.

From a policy point of view, the nation state can play a major role in facilitating this local interaction by creating an institutional environment which cuts down transactional costs, facilitates the interaction between countries, seeks flexible opportunities and encourages local institutional development at the organizational level

particularly of firms, cultural groups and associations of various types who are participating in international linkages. This may need a redesigning of local governance so as to develop more effective agencies to handle international linkages. This will be facilitated by enhanced domestic and international coordination to reduce competition and increase cooperation.

This paper also indicates that there is much more research to be carried out on local regional activities to provide more understanding of international regionalism. There is a need to construct a city-based and network constructed database of all types of local and international activities to measure the results of these activities as they contribute to the development of regions. The development of regional network of information exchange will be an important component of this network building. This paper is very much a preliminary statement which we hope will lead to research which feeds into the policy formation designed to facilitate regional growth.

Notes

- 1) The word polyadic may be unfamiliar to readers but it refers to a condition involving many elements at the same time. What we are trying to capture is the idea of "relational networks" which involve complex polydirectional flows of commodities, people, information and capital between points in space (e.g. city-regions). The world wide

web is another example of such polyadic networks.

- 2) The case studies are the work of Pang (China), Shin (Korea) and Kawamoto (Japan) and have been summarized by the senior author, a linguistic neophyte of the region who would not have ventured into the territory without the guidance of this network.

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ABSTRACT

This paper is concerned with analyzing the role of Northeast Asia intercity networks in Northeast Asia in creating regional networks. For the purpose of this paper, we have followed Choe's (1996) definition of Northeast Asia which includes the Russian Far East, the Northeast region of China, South Korea, North Korea and Japan. The central hypothesis of the paper is that the geopolitical conditions of Northeast Asia compared for example with Southeast Asia, favor bilateral rather than multilateral linkages between nation states. In these circumstances, it is our hypothesis that cities will play an important role in developing a "local image" of regionalism and intercity networks. In order to analyze this hypothesis, the paper is divided into three parts.

Part A analyzes the emerging urban system of the Northeast Asia region using Choe's concept of the BESETO corridor and updating his data from the late 1980s to the mid 1990s just prior to the financial crisis. This analysis is further supported by the analysis of economic and transportation linkages within the urban system of the region with some discussion of emerging urban nodes.

Part B looks at the specific case studies of the region including the Bohai Sea region, the Japan Sea and case studies of Sapporo, Pusan and Shandong province cities.

Part C summarizes this preceding analysis and argues that the development of regionalism and servicing urban nodes is more likely to emerge from a myriad of linkages developed between the region's cities than from a supra-regional role of nation states. This finding has important implications for regional policy formation suggesting that there should be considerable national support for international linkages between cities.