

## **THE WORLD'S CITIES: SYMBOLIC CAPITAL. A CASE STUDY OF RĪGA**

In order to explore Rīga's chances to attract attention internationally in the future and to develop recommendations for developing a vision for the future of Rīga, a research was carried out on the coverage of the major cities of the planet in international business magazines and on favourite cities of the international business for establishing their headquarters.

**The objective of the research** was to provide answers to the following questions:

- What factors generate interest by the international business and media in a range of cities of the world?
- Does the international attention received convert into a particular kind of capital for these cities and what are the original sources of this capital?
- What differentiates the world's major cities from peripheral and minor ones that do not receive attention by businesses and the media?
- What are the differences between the profiles of successful cities and those of the less successful ones?

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## **RĪGA AS A METROPOLIS: CONCLUSIONS AND RECOMMENDATIONS**

The research suggests that imitation of other, successful cities may not be able to help a city to attract a great deal of media attention internationally or to increase its appeal among multinational corporations. It is also evidenced by the fact that every major city of the planet has a unique character setting it apart from the rest; for example, London, New York and Paris are very different from each other. These cities are more individualised than other cities that are more peripheral, e.g., Stuttgart, Helsinki and Stockholm. Similar conclusions have been made by many researchers of economic geography who have proposed that emulation or copying of the success of Silicon Valley is not realistic. The reason of this might be that cities that develop similar profiles increase competition for each other because it becomes harder for people to recall and distinguish similar concepts as opposed to the easier remembering of distinct and individualised things. It also affects editorial choices whether to publish information about a particular city.

This implies that Rīga would need to develop some unique characteristic or set of characteristics that could serve as a basis for an individualised vision of its future. It is believed that such a strategy would prove more beneficial than imitating of other cities or existing concepts. The research also shows that the modern media, when covering cities, do not look at them regionally, i.e., there aren't any dominating regions with their cities in the two categories of metropolises and of peripheral cities, unless continents are considered categories of the "region" class. It seems that their attention is distributed among many individual cities of the world. Therefore, Rīga, when thinking about its unique profile, should position itself not within a Baltic region context but within a global context. Besides, the research indicates that regional ambitions are typically entertained by peripheral cities because they are more closely connected to the symbols of this category. Also, if Rīga is aiming at attracting more attention by the media, it should participate in international projects together with representatives of the world's leading cities, such as London, New York, Tokyo or Paris, because major cities help to attract media attention to peripheral and even obscure cities.

Furthermore, the developable profile should remain competitive over a long period of time because there exists a "momentum of attention", that is, establishing a city's brand and unique features firmly in the people's memory usually takes considerable time. On the other hand, once it becomes memorable, it will also have created a mental "symbolic capital" that yields benefit for a long time after. In other words, attention received by the city is an important type of capital, which can be utilised to benefit the city's development in longer term, thus strengthening its international position and attracting a variety of useful resources. Future development visions for Rīga should include the aspect of long-term competitiveness.

When major, peripheral and minor cities are compared, it can be seen that the higher the city is in a hierarchy, the more it is associated with applications of technology, with affluent and large markets and with rapid, dynamic growth. Consequently, technology, markets and reaction speed are important for development of Rīga if it wishes to increase the level of attention it draws internationally. It is worth repeating that Rīga must develop a unique vision, i.e., find its special trait or traits that could augment the three main features of every modern city, ultimately creating a unique and competitive combination for Rīga in the future.

In the long run, a competitive profile arises from searching for niche markets related to creation of new industries or redefining of the existing industries in a meaningful and modern way. The combination has to serve two purposes: first, it has to attract and keep attention, i.e., it has to "stick around"; second, the city should create a market in which there are no other cities competing with it. The search for the vision should be based on the "blue ocean strategy" and the principle of "being in the right place at the right time", i.e., on discovery of free slots of attention and collective memory (when a popular phenomenon is remembered, it sometimes may not be possible to associate it with a specific city where it occurs or occurred). The principle of unique niches was employed by Silicon Valley (information technology), San Francisco (new media) and Los Angeles (entertainment industry).

The results of the research also indicate that Rīga should avoid being associated with the image of a mere cultural capital because cultural uniqueness is mainly connected to cities that tend to lack attention by business media and international corporations. That would radically decrease the city's competitiveness. Thus, in the culture sector, the best combination would possibly be to focus on culture as a source of commercial products or services, i.e., equate it to creative industries. Successfully developed profile will attract more attention to Rīga on the global scale. A good example is *Aerodium*, which integrates performance, technology and entertainment. Rīga should avoid associations with governmental institutions, politics and uncompetitive ideas because those characterise peripheral and minor cities.

If Rīga wishes to attract major foreign corporations and gain the status of a metropolis then it should focus more on creation of an environment associated with industries whose competitiveness is based on their reputation, e.g., financial services, consulting, fashion and design, instead of lingering on industries where competitiveness depends on new technology and resource-intensive research and product development. This is inferred from the research data that shows that companies that deal with high technology do not tend to place their offices in specific cities. This may mean that even if Rīga succeeds in positioning itself as a centre of scientific activity, research and development, it doesn't automatically ensure rapid influx of foreign corporations in a longer period of time. By contrast, offices of companies of

the "reputation industry" tend to create much more denser clusters. Attraction of foreign corporations alone will not create significant media attention for Rīga; rather it will be the media attention to the unique character of Rīga that will provoke interest among the international corporations. This is supported by the observation that the media usually devote their space to the major cities, while press releases by top 2000 companies do not cause a lot of mention of their home cities in international business magazines.

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