

2024 GFN-GPN WORKSHOP PROGRAMME

Workshop and accommodation venue: Beijing Normal University Zhuhai campus
International Communication Centre

Address: No. 18 Jinfeng Road, Tangjiawan, Xiangzhou District, Zhuhai, Guangdong,
519087, P.R. China

TIME	ACTIVITY
Saturday 2nd March 2024	
09.00-09.40	Risks and Finance in Global Production Networks <i>Henry Wai-chung Yeung</i>
09.40-10.20	From contract manufacturers to global lead firms: coupling, decoupling and recoupling of Quanzhou sportswear firms with the global production networks <i>Fenghua Pan</i>
10.20-10.40	Coffee/tea break
10.40-11.20	Value and wealth in GFN and GPN: the case of gold as commodity <i>Karen Lai</i>
11.20-12.00	The rise of Chinese motorcycle industry - from production platform to indigenous innovation <i>Zhouying Song</i>
12.00-13.30	Lunch
13.30-14.10	Geopolitical recoupling in the global production networks: cross-border production relocation of mobile phone from China to Vietnam <i>Chun Yang</i>
14.10-14.50	Evolutionary Strategic Coupling and Impacts to Globalizing Regional Development in Global Production Networks <i>Yi Liu</i>
14.50-15.30	Informality in and for global production networks: A relational framework <i>Wenying Fu</i>
15.30-15.50	Coffee/tea break
15.50-16.30	GPNs of Finance: A Lens for Forensic Research on the New Qualities of Financial Capitalism <i>Sabine Dörry</i>
16.30-17.10	Regional assets and strategic coupling with global financial networks: the case of Quanzhou sportswear cluster <i>Yue Lin</i>

17.10-17.50	Industry Pandemic? Global Firm Headquarter Changes, 2019-2023 <i>Thomas Sigler</i>
18.00	Dinner
Sunday 3rd March 2024	
09.00-09.40	Using M&A data to study Global Production and Financial Networks <i>Dariusz Wójcik</i>
09.40-10.20	Banking in the cloud: Mapping Big Tech's Global Digital Technology Networks <i>David Bassens</i>
10.20-10.40	Coffee/tea break
10.40-11.20	Investigating the role of Singapore's financial services and their impact on regional economies in Southeast Asia <i>Javier Revilla Diez</i>
11.20-12.00	Digital Transformation of Listed Companies and Global Value Chain Embeddedness of Chinese Cities: A Regional Heterogeneity Perspective <i>Chen Wang</i>
12.00-13.30	Lunch
13.30-14.10	Beyond as bridges: The role of the ethnic networks in Chinese outward foreign direct investment in Southeast Asia <i>Yutian Liang</i>
14.10-14.50	Global production networks and the evolution of Chinese lead firms in Germany <i>Yuefang SI</i>
14.50-15.10	Coffee/tea break
15.10-15.50	Regional Economic Resilience Revisited: towards a relational and chain-based conceptual framework <i>Xiaohui Hu</i>
15.50-16.30	Reconfiguration and resilience of Chinese strategic suppliers' global production networks: evidence from cross-border apparel production relocation from China to Southeast Asia <i>Tianlan Fu</i>
18.00	Dinner

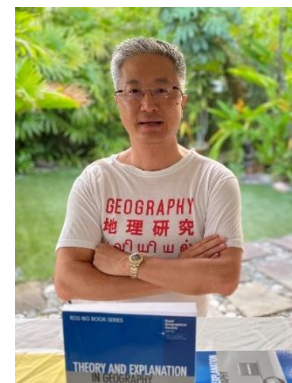


Risks and Finance in Global Production Networks

Henry Wai-chung YEUNG

This presentation focuses on the role of risk and finance in shaping global production networks. Heightened risks are now widely seen as the most disruptive force in today's increasingly fragmented global economy. Financial discipline and pressures remain high in an inflationary environment of high interest rates and tight credits. Massive global change through the reconfiguration of, and strategic (de/re)coupling with, global production networks has been taking place. These causal dynamics have been conceptualized in the global production networks theory (GPN 2.0). Meanwhile, financial geography has also paid a great deal of attention to the role of financial discipline in shaping diverse global production networks. In this presentation, I argue that economic geography research must necessarily take into account how new forms of risks and financial discipline are translated into material practices that remake the global economy in their own images. Of course, these risks and financial practices go well beyond (geo)politics and armed conflicts (e.g. wars) and include, in an equally significant way, those associated with public health (e.g. pandemics), disruptive technologies (e.g. platformization, artificial intelligence, and robotics), government policies (e.g. state capitalism, industrial policy, and financial subsidies). Still, insufficient analytical and empirical attention has been paid to the above risks that are fundamentally different from Knightian uncertainties commonly understood as unknown conditions and random outcomes not amenable to *ex ante* calculations and predictions. These risks and new financial practices must be better theorized in different economic geography approaches because they will likely produce new forms of (dis)integration in global production networks that seek to meet demand for resilience and security at different spatial scales in our interconnected worlds during the coming decades. To illustrate these conceptual insights, I draw upon my recent work on the global semiconductor industry in which risk and finance play very prominent roles in industrial organization, competitive dynamics, and government policies.

Participant: Professor Henry Yeung has been Distinguished Professor at the Department of Geography, National University of Singapore, since 2018, and Professor of Economic Geography since 2005. As a leading academic expert in global production networks and the global economy, his research interests cover broadly theories and the geography of transnational corporations, East Asian firms, and developmental states. He is the first geographer based in Asia to receive both the 2018 American Association of Geographers Distinguished Scholarship Honors (“in recognition of his extraordinary scholarship and leadership in the discipline”) and the UK’s Royal



Geographical Society Murchison Award 2017 (for “pioneering publications in the field



of globalisation”). In November 2022, he was conferred the 2022 Sir Peter Hall Award for Lifetime Contribution to the Field by the Regional Studies Association in London: “acknowledging and celebrating excellence in the field of regional studies”. Professor Yeung has published 7 monographs and 1 textbook (3 editions), 7 edited books, 110 journal articles, and 50 book chapters. His most recent books are *Theory and Explanation in Geography* (RGS-IBG Book Series, Wiley, September 2023), *Interconnected Worlds: Global Electronics and Production Networks in East Asia* (Innovation and Technology in the World Economy Series, Stanford University Press, June 2022), *Strategic Coupling: East Asian Industrial Transformation in the New Global Economy* (Cornell Studies in Political Economy Series, Cornell University Press, 2016), and *Global Production Networks: Theorizing Economic Development in an Interconnected World* (with Neil Coe, Oxford University Press, 2015).

Professor Yeung’s views on global production networks and East Asian development have been quoted in *The Financial Times*, *The Economist*, *Forbes Asia*, *South China Morning Post*, and others. He has also served as an expert consultant contributor to *World Investment Report* and *ASEAN Investment Report* (UNCTAD), *Global Value Chain Development Report* (WTO/ADB), and others. As of July 2023, over 4,850 publications listed in the ISI Web of Science Core Collection databases cited his work (excluding self-citations; h -index = 38). Altogether, his work has been cited over 7,000 times by the same set of ISI WoS publications (26,200 citations on Google Scholar). He is ranked 13th among 15,090 authors in the field of Geography and 8,646th among all 195,605 top scientists in the Sept 2022 updated of top 2% of world scientists, led by Stanford’s John Ioannidis, in 22 scientific fields and 176 sub-fields. For two decades since 2001, Professor Yeung has been editor of two top journals in Geography – *Economic Geography* and *Environment and Planning A*. He is also past editor of *Review of International Political Economy* (2004-2013) and serves on the editorial boards of 19 other journals.

From contract manufacturers to global lead firms: coupling, decoupling and recoupling of Quanzhou sportswear firms with the global production networks

Fenghua Pan, Yue Lin

The existing Global Production Network (GPN) debates concentrate on how local contract manufacturers and regions achieve development goals by establishing coupling relationships with global lead firms, while there is little literature to further explore whether and how these local firms can upgrade to global lead firms, let alone the key factors in this transformation process. Based on the GPN approach, this article takes sportswear firms in Quanzhou, China, as the successful case of transformation, developing a dynamic analysis framework comprising regional institutions, domestic consumer market, and global capital market. Through extensive interviews with

Quanzhou firms in the sportswear industry and officials in the Quanzhou government and industry association, this article explores how regional institutions, the domestic consumer market, and the global capital market have shaped the strategic decisions of local firms in coupling, decoupling, and recoupling with GPN in different stages. This study argues that a proper combination of regional, domestic, and global resources can enable local contract manufacturing firms to upgrade to global lead firms. Furthermore, this study highlights that the global financing is crucial to the transformation of local firms to global lead firms, which enriches our understanding of the roles of finance in GPN dynamics.

Participant: Fenghua Pan is professor and vice dean of the Faculty of Geographical Science, Beijing Normal University. He holds a PhD degree from Peking University and was a research associate at University College London, visiting scholar at the University of California, Los Angeles and the University of Hong Kong. He is the founding member of the global network on financial geography (FinGeo) and was the organizer of the First FinGeo Global Conference held in Beijing. He is the editorial board member of *Transactions in Planning and Urban Research*, and editorial advisory board member of *Finance and Space*. His recent research interests are financial geography, financialization, and urban and regional development in China. He has been the principal investigator of four projects funded by the National Natural Science Foundation of China, including the Excellent Youth Fund in 2020. He was granted the National Award for Young Geographers in 2017. He has published papers in lead international journals including *Regional Studies*, *Urban Studies*, *Urban Geography*, *Geoforum*, *The China Quarterly* and *Cities*.



Value and wealth in GFN and GPN: the case of gold as commodity

Karen Lai

Although the creation and capture of value and wealth are key features of contemporary global capitalism, global production networks and financial networks have often been studied in distinctive but parallel domains. This presentation draws from collaborative work (with Lotte Thomsen and Stefano Ponte at Copenhagen Business School) that argues for the study of both value and wealth as entangled and co-constituted, through the case of gold and various functions in its production and value chain include mining headquarters, gold refinery, jewellery retail, bullion operations, vaulting and wealth management. Our analysis brings together intangible dimensions of legal affordance and cultural practice coupled with very tangible facilities and infrastructure in the global gold chain in order to explain how Singapore emerges as a ‘gold hub’. The co-

dependence of value creation and wealth protection systems in GPNs and GFNs are vital thus to processes of accumulation.

Participant: Dr Karen Lai is Associate Professor of Economic Geography and Internationalisation Lead at the Department of Geography, Durham University (UK). Her research interests include geographies of money and finance, FinTech, digital innovations and market formation, focusing particularly on issues of financialisation, knowledge networks, and financial centre development. She is a founding member and current Secretary of the Global Network on Financial Geography (FinGeo). Her journal work includes Deputy Editor-in-Chief of *Finance & Space*, Associate Editor for *Transactions of the Institute of British Geographers*, and the journal editorial board/international advisory board of *Environment and Planning A: Economy and Space*, *Geoforum*, *Geography Compass* (Economic section), *Progress in Economic Geography*, and the *Singapore Journal of Tropical Geography*.



The rise of Chinese motorcycle industry - from production platform to indigenous innovation

ZHENG Zhi, SONG Zhouying

The residual impact of the epidemic is lingering, and the vulnerability of the international situation makes economic growth weak. However, at the moment when the large economic situation declines, the Chinese motorcycle industry has indeed flourished, especially in the field of large displacement motorcycles. The Chinese motorcycle industry began in the 1950s and has ranked top two in the world in terms of both production and sales nowadays. It has gone through the stages of the exploration of low-end products, the introduction of foreign investment as a production platform, and the rise of domestic brands with independent innovation. This research systematically analyzes the development process of China's motorcycle industry and discusses its role in the global motorcycle production networks. We find that industrial policy, market size, capital injection, and the construction of cultural atmosphere have major impacts on the rise of the Chinese motorcycle industry, which has contributed to the role transformation of China's motorcycle industry from a production platform to an indigenous innovation in the global motorcycle production networks. The contribution of this study to global production network research not only lies in its detailed empirical analysis of the rise of the Chinese motorcycle industry in the global motorcycle production networks but also, more importantly, explores the influence of the long-missing cultural factors in GPN research and elaborate a research framework with cultural factors to explore the mechanism behind the strategic coupling type

transition.

Keywords: motorcycle industry; global production network; strategic coupling; upgrading; culture factor

Participant: Zhouying Song is Professor of economic geography, Institute of Geographic Sciences and Natural Resources Research, Chinese Academy of Science (CAS); Professor of College of Resources and Environment, University of Chinese Academy of Sciences. Her research interests include Chinese regional development and disparities, regional sustainable development and geographical environment, and industrial cluster and global production network. She conceptually draws on location theory, institutional economics and global production network approaches to understand the spatial evolution of regional development and its environmental effects at different geographical scales. Her work has been published in the *Urban Studies*, *Applied Geography*, *Journal of Geographical Sciences*, *Energy Policy*, *Environment and Planning B*, and *Area Development and Policy*.



Geopolitical recoupling in the global production networks: cross-border production relocation of mobile phone from China to Vietnam

Chun YANG

The changing geopolitical economy has triggered the reconceptualizing strategic coupling in the Global Production Networks (GPN) theory. Compared with an increasing attention paid to geopolitical decoupling of regions/economies, relatively little research has been conducted on geopolitical recoupling of emerging regions/economies in the restructuring of global and especially cross-border production networks. This study introduces the concept of geopolitical recoupling in the restructuring of the global production networks. Geopolitical recoupling is developed on coupling participants driven by geopolitical forces that pressure transnational corporations (TNCs) to exit original host regions/economies and enter to new host regions/economies by reverting investment, production, and trade links from the former to the latter. The paper identifies the basic features of geopolitical recoupling, the role of states in receiving regions/economies in the geopolitical recoupling, the strategic response of TNCs to deal with recoupling opportunities, and the state policies to grasp the positive effects of geopolitical recoupling in the receiving regions/economies. Empirically, the paper explores geopolitical recoupling by the cross-border production of mobile phone TNCs from China to Vietnam since the 2010s, particularly induced by the China-US trade war and the COVID-19 pandemic. It leads to the restructuring of cross-border production networks. It demonstrates the distinctive effects of geopolitical



recoupling from the strategic recoupling driven by other factors on regional development in Vietnam and subsequent participation in the global production networks.

Participant: Professor Chun (Charlotte) YANG is Interim Head of the Geography Department and Associate Dean (Research), Faculty of Social Sciences, Hong Kong Baptist University. She is among top 2% of most cited World Scientist by Stanford University (2023) and one of the Featured Speakers of the Summer Institute of Economic Geography 2024, Singapore. Her main research interests and achievements fall in urban and regional development, global/cross-border production networks, transnational corporations, the geographies of innovation and technology, digital platforms, industrial restructuring, and local clusters, with geographical focuses on China, particularly the Greater Bay Area, and Southeast Asia.



Professor Yang is currently leading two Hong Kong Research Grant Council-funded GRF projects regarding digital platform-driven reconfiguration of smart production networks in China's Greater Bay Area, and makerspace innovation in the digital transformation in Shenzhen, a National Science Foundation of China (NSFC)-funded project on the cross-border fresh fruit production and trade networks of Chinese firms in ASEAN under the Belt and Road initiatives, and a consultancy research on Hong Kong Chronicles - Urban Transport Volume funded by Our Hong Kong Foundation. Professor Yang has recently co-edited three special issues on the topics of digital transformation and value chains in *Global Networks* (2022, with F. Butollo, G. Gereffi, and M. Krzywdzinski), the evolution of creative industrial clusters in *Tijdschrift voor Economische en Sociale Geografie* (2021, with R. Hassink), and transdisciplinary research on healthy ageing in *International Journal of Environment Research and Public Health* (2023, with D. Lai and E. Yan). Professor Yang is serving as Editor of *Cambridge Journal of Regions, Economy and Society*, and Associate Editor of *Bandung: A Journal of Global South* (Elsevier Scopus since 2023), and Editorial/Advisory Board members of such top-ranking international journals as *Applied Geography*, *Journal of Economic Geography*, *Environment and Planning A*, *Progress in Economic Geography*, and *Weizenbaum Journal of the Digital Society*.

Evolutionary Strategic Coupling and Impacts to Globalizing Regional Development in Global Production Networks

Yi LIU, Jiehan JI, Yingtiao LIU, Shengjun ZHU

In the current context of globalization, how regional development is influenced by the global economy and forms spatial differences is a key issue that scholars are working

hard to study. In the eyes of REG scholars, the fate of regional development depends on its strategic coupling with the global production network. In the eyes of EEG scholars, the development path of a region depends on its own abilities, such as innovation ability, and the ability to resist external shocks, such as resilience. So how does strategic coupling affect regional innovation ability and resilience? This has been explained by scholars from the current two schools of thought, but there has been a lack of precise measurement, which allows us to clearly answer the question of what extends. Therefore, starting from the concept of strategic coupling, this article constructs a new framework for measuring the degree of strategic coupling, and then measures its impact on two important attributes of regional development, namely regional innovation systems (RIS) and regional economic resilience. The study found that the form of regional strategic coupling has a significant and complex role in regional economic development based on RIS and regional economic resilience. When the regional bargaining power is high, embedding a strategic coupling form with higher autonomy into the GPN will have a negative impact on the regional economic resilience overall, but it will significantly promote the development of RIS and benefit the long-term development of regional economic resilience. On the other hand, embedding a strategic coupling form with low bargaining power and poor autonomy into the GPN will promote regional economic resilience in the short term, but it will have a significant negative impact on RIS. The suppression of RIS in this process will be harmful to the long-term development of regional economic resilience. The contribution of this study is to quantify the strategic coupling and its impact, and to promote the dialogue and integration of REG and EEG, providing a reference for the impact of latecomer regions entering global production on regional development.

Participant: Associate Professor, Doctoral Supervisor, Yat-sen Pioneer Scholar, PhD in Economic Geography from the National University of Singapore. Currently serving as the Head of the department of Tourism Management and Planning Department of the School of Tourism at Sun Yat-sen University; chief secretary of Commission on Tourism Geography of the Geographical Society of China; Chief secretary of Committee of the University Alliance of Tourism Poverty Alleviation. His main research areas are Economic/tourism geography, industrial upgrading, global production networks and big data. He has published more than 80 academic papers in high-level journals such as ‘Regional Studies’ and ‘Review of International Political Economy’, in which he mainly plays as a leading author.



Informality in and for global production networks: A relational framework

Wenying Fu

The substantial body of literature on the informal economy often regards the global capitalist system, presumed to be the fundamental driver of informal and precarious livelihoods, as enigmatic forces. Therefore, this literature frequently neglects an in-depth exploration of the system's underlying firm organizations and political economic mechanisms. In this context, examining informality within the framework of global production networks (GPNs) offers an opportunity to explore and contemplate how the lead firm strategies, supply chain governance, state-led industrial institutions, and dominant developmental narratives that constitute the global production networks condition and shape informal economic practices. This paper argues that informality serves as a pivotal organizational feature in the functioning of GPNs, while also being deliberately leveraged and reinforced for the expansion and competitiveness of these networks. In line with Gibson-Graham (2014)'s perspective on the importance of performative ontology, this article does not seek to theorize informality. Instead, its focus is on tracing and making sense of the myriad informal practices in and for the mainstream systems of globalized production. By elucidating the facets of (dis)embeddedness, temporality, and spatiality, through which informality engages in a dialectical interplay, and contributes to the dynamics that uphold and reshape global production networks, the framework aims to develop a relational understanding. This approach endeavors to address the imperative outlined by Yeung (2020) to deconstruct the "network box," a conceptual inquiry foundational to understanding socio-economic marginalization perpetuated by informality in the developing world.

Participant: Wenying Fu is a Senior Lecturer at the Department of Geography and Environmental Sciences at Northumbria University. She received her doctoral degree from the Institute of Economic and Cultural Geography at the Leibniz University of Hannover, Germany. Her areas of expertise include global production networks, geographical political economy, regional innovation and informal economies. She has been funded as PI by the National Natural Science Foundation of China (NSFC) and Regional Studies Association.



GPNs of Finance: A Lens for Forensic Research on the New Qualities of Financial Capitalism

Sabine Dörny

Recent interventions and engagements with the concept of the Global Financial Networks (GFNs) (Fang & Pan 2021; Haberly & Wójcik, 2022; Töpfer 2018; Wójcik & Camilleri 2015; Wójcik et al. 2022) stress the need for conceptual guidance and clarity to comprehend the evolving qualities of the financial industry, particularly in the

context of ‘financialised’ finance capitalism. Existing scholarship utilising the GFN approach faces limitations in systematically identifying and exploring these new qualities due to its broad conceptual categories. Recognising this gap, the paper proposes a conceptual inquiry into these novel financial qualities by incorporating insights from wealth chain approaches (Bair et al. 2024; Seabrooke & Wigan 2018), as well as a conceptual inquiry through the lens of the global production networks (GPNs) of finance (Dörny 2015). Using the example of complex financial vehicles in the global asset management industry, the paper demonstrates the ability of the GPN of finance concept to identify defining features and practices at micro- and macro-levels independently. These forensically gained insights help to better understand how structures come into being. Subsequently, the paper suggests exploring how a more detailed GPN of finance approach can be linked to the broader GFN approach, aiming for a comprehensive research agenda in financial geography.

Participant: Sabine Dörny is a Senior Research Scientist at the Luxembourg Institute of Socio-Economic Research (LISER). She is currently co-leading the two research projects ‘European Financial Centres in Transition’ (FINCITY) and ‘Regional approaches towards alternative economies and sustainable finance’ (AltFin). Trained as an economic geographer, her work focuses more broadly on dynamics in and between international financial centres. She is associate editor of *Competition and Change* and has editorial/advisory board roles on the journals of *Finance & Space* and *Tijdschrift voor Economische en Sociale Geografie*. She is also an appointed member of Luxembourg’s Climate Policy Observatory (OPC) and the Scientific Advisory Board on climate and environmental practices at the largest public bank in Luxembourg.



Regional assets and strategic coupling with global financial networks: the case of Quanzhou sportswear cluster

Yue Lin, Fenghua Pan, Junsong Wang

The Global Financial Network (GFN) research has proved that linking with GFN promotes regional development through global financing and knowledge channels, while little literature further explores why and how these regions can link with GFN. Compared to the existing GFN literature that highlights the key role of international Financial and Business Services (FABS) firms in the process of linkage between regions and GFN, there is less attention on regional assets of emerging regions. Depriving insights from the Global Production Networks approach, this article conceptualizes the linkage as “strategic coupling” with GFN and analyses the dynamic strategic needs of local and global actors in GFN. Introducing the example of the

Quanzhou sportswear cluster, this article proposes a framework to explore how varied actors match the key regional assets involving the domestic commodity market, local institutions, and local entrepreneurship in the process of strategic coupling with GFN. Through broader interviews with Quanzhou overseas listed sportswear firms and Quanzhou Financial Bureaus, this article illustrates that the occupancy of an enormous domestic commodity market which implies firms' profitability in the capital market, provided domestic-based firms with generic regional assets. Furthermore, active FABS firms, ambitious entrepreneurs and proactive Quanzhou governments matched the regional assets to co-shape domestic brands and global listing. This article develops the concepts of strategic coupling and regional assets in GFN to highlight the regional dynamics in the process of financial globalization, which complements the understanding of complex interactions among varied actors in the process of global financing.

Participant: Yue Lin is currently working toward the Ph.D. degree in Human Geography of Beijing Normal University, supervised by Prof. Fenghua Pan. Her research interest is Financial Geography, Global Financial Networks, and Global Production Networks.



Participant: Junsong Wang is an associate professor at the School of Geography, East China Normal University. She received her doctoral degree from Peking University. Her research areas include regional innovation; environment, space, and sustainable development. She has been funded as a principal investigator by the National Natural Science Foundation of China, the Ministry of Education Humanities and Social Sciences Fund, Shanghai Science and Technology Development Fund. She has published in peer-reviewed international journals such as *Environment and Planning A*, *Cities*, *Geographical Review*, *Annals of Regional Science*, and *GeoJournal*.



Industry Pandemic? Global Firm Headquarter Changes, 2019-2023

Thomas Sigler

The period between 2019 and 2023 was one of significant change in the global economy. With many international borders closed during the COVID-19 pandemic, international commerce ground to halt in 2020, before slowly reemerging over the following years.

This, coupled with a significant change in other areas of the global economy, meant that firms experienced a more rapid transition than in other similar periods. This paper will overview those changes from the perspective of firm headquarters locations. Drawing upon a complete database of the world's listed firm locations, this paper analyses change over space and industrial sector.

Participant: Dr Thomas Sigler is an Associate Professor of Geography, and Deputy Head of the School of the Environment, at The University of Queensland in Brisbane, Australia. He is a broadly trained economic and urban geographer interested in (a) how globalisation shapes cities, and (b) how cities and urban space are shaped by globalisation. The first of these themes focusses on 'the global economy' and how various firms, institutions, and industries are distributed across space. In his more recent work, Dr Sigler has focussed on the impacts of short-term rental platforms such as Airbnb in major cities and regions. Dr Sigler has authored more than 100 peer-reviewed publications in journals such as Economic Geography, PLOS One, Regional Studies, and Land Use Policy, and he sits on the editorial boards of Urban Geography, Finance & Space, Global Networks and Geographical Research.



Using M&A data to study Global Production and Financial Networks

Dariusz Wójcik

Mergers and acquisitions are the key channels of corporate growth, industrial consolidation, and investment in the global economy. Involving flows of money, people, knowledge, control, and ultimately power, they are crucial indicators of the changing map of the world. This presentation is based on a book project that analyses tens of thousands of mergers and acquisitions worldwide to map changes in corporate control since 2000 and shed light on the global economic trajectory in the 21st century. In addition to a cross-sectoral examination, we focus on six key and diverse industries: cars, energy, finance, food, information technology, and pharmaceuticals. We document how the economic geographies of these industries have evolved, and which regions, countries, and cities have gained or lost corporate control in the process. We demonstrate that the digital revolution and platform economy have made information technology integral to all sectors. We show that despite the devastating global financial crisis of 2008, finance has also become more central across other sectors. In sum, we argue that instead of the oft heralded deglobalisation or slowbalisation, the 21st century has witnessed a complex mosaic of coupling, decoupling, and recoupling, as companies and states have embraced new technological and financial opportunities to respond to the challenges of the environmental crisis, the pandemic, and rising geopolitical

tensions.

Participant: Dariusz Wójcik is a Professor of Financial Geography at NUS, a Visiting Professor at Beijing Normal University, and an Honorary Research Associate at Oxford University. While specializing in financial geography, he has published widely in human geography and urban studies, finance and economics, and political economy. His recent books include *The New Oxford Handbook of Economic Geography* (OUP), *International Financial Centres After the Global Financial Crisis and Brexit* (OUP), and *Sticky Power: Global Financial Networks in the World Economy* (OUP), with *The Atlas of Finance: Mapping the Global Story of Money* (Yale UP) forthcoming in 2024. He is the Chair the Global Network on Financial Geography, Editor-in-Chief of *Finance & Space* journal, and a Fellow of the Academy of Social Sciences.



Banking in the cloud: Mapping Big Tech's Global Digital Technology Networks

David Bassens

Witnessing growing inroads of BigTech firms into financial services, my presentation reports on ongoing collaborative work that maps out and scrutinizes the dependence of banks on the public cloud infrastructure. Banks see the growing need to 'platformize' financial services to make their operations more data centred, more secure, and less expensive. Incumbent banks typically have legacy systems that are generally not optimised for digital financial services provisioning. Platformization therefore implies a growing reliance on hyperscalable cloud infrastructure that allows to store, manage and process data. When involving a dimension of extraterritoriality, such cloud linkages can become potential liabilities in terms of data protection, geopolitical interest, and financial stability. Even though it is becoming clear that 'cloud interfacing' is an emerging trend, to date there is little insight into the degree to which banks actually have become reliant on the public cloud and what geographies this produces. Consequently, the intersections between what I conceptualize as Global Digital Technology Networks and wider Global Financial Networks (GFN) have received little attention. The presentation details the concept of Global Digital Technology Networks in relation to known concepts such as Global Financial Networks and Global Production Networks. Next, I will discuss the use social network analysis techniques to analyse press release data to uncover the global network structure of dependence of banks on cloud computing services provided by big-tech firms. Such an analysis allows to (i) map the geographically variegated pattern of (multi-) cloud adoption by banks, and (ii) investigate the corporate network structure supporting banks' cloud migration, and (iii) analyse the urban networks of command and control undergirding cloud

banking.

Participant: David Bassens is Professor of Economic Geography at and Associate Director of Cosmopolis: Centre for Urban Research at Vrije Universiteit Brussel (Belgium). He is editor of *Finance & Space*, Treasurer of FinGeo: The Global Network on Financial Geography, and Editorial Board Member of *Geoforum*.



Investigating the role of Singapore's financial services and their impact on regional economies in Southeast Asia

Javier Revilla Diez, Emma Galbraith

While regional value chains (RVCs) as alternative pathways to GVCs have received increasing attention, the focus has so far been on the agricultural and manufacturing sectors (e.g., Krishnan 2018, Pasquali et al. 2021), and less on the services sector. Considering the drawbacks of integrating Global South countries into GVCs through offshore services (Kleibert 2015, Lambregts et al. 2018), it is worth exploring the potential impact of regional production networks/RVCs in the services sector on these countries. By focusing on the three case study regions of Singapore, South Africa and Argentina, the project “Beyond offshoring: Tradable services and regional value chains in the Global South” aims to explore the endogenous dynamics of service exports and investments in the Global South. Furthermore, the project seeks to contribute to research on regional production networks/RVCs by analysing whether – and if so, how – service providers distribute their activities across different countries (in a GPN manner).

For the case study of Singapore, the importance of regional markets and regionalisation strategies in the banking sector has been noted in the process of establishing itself as an international financial centre (IFC) (Chow & Pei 2018, Lai 2018). While these regionalisation developments have been investigated with regard to their impact on Singapore as an IFC (Chow & Pei 2018, Lai 2018), hardly any research has yet addressed the impact of regionalisation efforts of financial service providers on the target economies in Southeast Asia.

To gain a better understanding of the factors and processes that influence regionalisation efforts in the financial services sector, we will examine the role of public and private governance and their interactions in the regional expansion of Singapore’s financial services providers. Additionally, this study will analyse the impact of the involvement of financial service providers in regional markets and regional production

networks/RVCs to gain insights into their motivations for regionalisation. In the next step, we will investigate whether regional production networks/RVCs have a positive regional economic impact on the countries where Singaporean financial service providers have invested. This includes considering both partner companies and service clients. By investigating the role of Singapore's financial services and their impact on regional economies in Southeast Asia, this research could therefore contribute to a better understanding of the intermediary role of finance in regional production networks.

Participant: Since April 2014, Revilla Diez is full professor of Human Geography Chair and Head of the Working Group “Economic Geography and Global South” at the Institute of Geography at the University of Cologne, Germany. He was appointed within the framework of the key profile area “Socio-economic, Cultural, and Political Transformations in the Global South” of the Global South Studies Center at the University of Cologne, supported by the German Excellence Initiative.

Before, Revilla Diez was full professor of Economic Geography at the Institute for Economic and Cultural



Geography, Leibniz University of Hanover. He is a member of the advisory board of the Lower Saxonian Institute for Economic Research (Niedersächsisches Institut für Wirtschaftsforschung).

Revilla Diez graduated in Geography from the University of Hanover (1991) with minors in economics, regional planning and hydrology. In 1995, he received his Ph.D. from the University of Hanover analysing regional transformation processes in Vietnam. In 2001, he finished his “Habilitation” on metropolitan innovation systems in Europe. Between 1991 and 2002, he was employed at the University of Hanover. From 2002 until 2006 he was Professor (C3) at the Department of Geography at the Christian-Albrechts-University in Kiel.

After his PhD on the economic and regional transformation processes in Vietnam, he focused on knowledge-based regional development (especially regional innovation systems) and vulnerability research in Europe and Asia. Recently he worked on regional growth in the Greater Pearl River Delta (China), on economic restructuring and responses to crisis in rural Vietnam/Thailand, and Tsunami risks, vulnerability and resilience in the Phang-Nga Province, Thailand.

His research publications have appeared in, among others, World Development, Regional Studies, Environment and Planning A, Technovation, European Planning Studies, International Regional Science Review, Papers in Regional Science, Natural Hazards, and Applied Geography.

Participant: Emma Galbraith started as a research associate and PhD student in the working group “Economic Geography and Global South” of Prof. Dr. Javier Revilla Diez at the Institute of Geography at the University of Cologne, Germany in August 2023. In her research, Emma Galbraith is involved in the DFG-funded project "Beyond offshoring: tradable services and regional value chains in the Global South", in which analyses the role of Singapore's financial services and their impact on regional economies in Southeast Asia.



Previously, Emma studied Geography and English Studies at the University of Münster, and later completed her Master’s degree in Economic Geography at the University of Cologne. In her Master’s thesis, Emma examined the role of agency in the further development of a regional horticulture value chain in the Zambezi region of Namibia. She conducted interviews with various stakeholders in February and March 2023.

Digital Transformation of Listed Companies and Global Value Chain Embeddedness of Chinese Cities: A Regional Heterogeneity Perspective

Cassandra C. Wang and Liang Xu

Digital technology, as a new critical factor of production, has been making a profound effect on the division of labor in global value chain, in terms of both production and trade segments. While the existing literature has primarily focused on the impact of digital transformation on firms’ performance, little attention has been paid to the role of digital transformation in regions’ GVC embeddedness. This study attempts to fill this gap by theoretically clarifying the influential mechanisms of digital transformation on GVC embeddedness and empirically demonstrating their relationship under different regional contexts, with a big dataset matching from diversified sources. In particular, this study distinguishes the capability from cognition of digital transformation to understand their role in GVC embeddedness of Chinese cities. It finds that both cognition and capability of listed companies significantly enhance the GVC embeddedness of Chinese cities. However, the cognition of digital transformation of listed companies presents an even more important role than that of capability in the cities where the government attaches less importance to digital economy or digital transformation and where the society lends little legitimacy to new technology such as digital technology. It shows that the importance of digital transformation perceived by role models (listed companies in our case) would send a positive message to local enterprises and even the whole city to conduct digital transformation that further advances the city’s position within the global value chain. Our research calls for a nuanced understanding of digital transformation of leading firms on the GVC embeddedness of cities and lays emphasis on the regional heterogeneity of institution and culture in such a relationship.

Participant: Dr. Cassandra Chen Wang is Professor in the School of Earth Sciences, Zhejiang University. Her research interests include urban and regional development, e-commerce adoption and rural development, trans-boundary knowledge/technology spillovers and firm innovation, industrial cluster and regional economies, etc. She is the author of *Upgrading China's Information and Communication Technology Industry: State-Firm Strategic Coordination and the Geography of Technological Innovation*, and her work widely appears in the peer-reviewed international journals such as *Journal of Economic Geography*, *Cambridge Journal of Regions, Economy and Society*, *Regional Studies*, *Urban Studies*, *Environment and Planning A*, *Journal of Rural Studies*, *International Business Review*, *Applied Geography*, among many others. She is the PI of four national research projects granted by National Science Foundation of China and the recipient of Regional Studies Association Early Career Grant. She is currently sitting on the editorial board of *Progress in Economic Geography*, and *Scientia Geographica Sinica* (in Chinese).



Beyond as bridges: The role of the ethnic networks in Chinese outward foreign direct investment in Southeast Asia

Yutian Liang, Zhengke Zhou

The function of international cooperation zones in promoting Chinese foreign direct investment has been widely discussed. However, why and how these zones can realize strategic coupling with global production networks and local embeddedness needs further exploration. Taking the Thai–Chinese Rayong Industrial Zone as a case, we argue that ethnic Chinese play a critical role in Chinese small and medium-sized enterprises' foreign direct investment in Southeast Asia. Overseas Chinese have accumulated substantial economic, political, and cultural resources at local and global levels through long-term interactions, developing global ethnic Chinese networks. These networks enable Chinese entrepreneurs to build international cooperation zones as platforms for attracting Chinese investments. Before the investment, the territorial embeddedness of Chinese foreign direct investment is influenced by the ethnic Chinese network, which integrates formal and informal relationships at local and trans-local levels. After the investment, the management committee of the industrial zone and overseas Chinese associations as key nodes of ethnic Chinese networks play an intermediary role in promoting Chinese enterprises to cooperate with local firms and communities to embed in a local region.

Keywords: foreign direct investment; relational perspective; ethnic Chinese networks; Chinese multinational enterprises; Southeast Asia

Participant: Yutian Liang is Professor in Economic Geography of School of Geography and Planning, Sun Yat-sen University. He received his Ph.D. from Institute of Geographic Sciences and Natural Resources Research, Chinese Academy of Sciences. His research interests cover economic geography and regional development. In recent years, he focuses his research field on : (1) the relationship between social network and China's OFDI in Southeast Asia, (2) the development modes of overseas industrial parks in Southeast Asia, and (3) the transition of Southeast Asia's development. He also serves as the Vice director of Youth Working Committee and the member of the Committee of Economic Geography, the Geographical Society of China (GSC).



Global production networks and the evolution of Chinese lead firms in Germany

Yuefang SI

The theory of global production networks (GPNs) provides a framework for analyzing the strategic coupling between global leading firms and actors representing particular regions, mostly from China and other developing economies, such as local firms, government agencies, local businesses or business associations. As those local firms expand their business over the country border, especially to developed economies, and then become the global player, the dynamics of strategic coupling between new global firms, the actors from regions in host countries become important but less studied. This paper explores how the Chinese lead firms strategic coupling with the traditional leading firm, local universities, research institutions, and other local actors in Germany, and Chinese lead firms collaborate with each other, based on the interviews from 2011 to 2023.

It finds out that the development of local networks established by Chinese firms in Germany in two phases. Initially, there was a phase integrating into the local networks. Small and medium-sized family businesses and state-owned enterprises took the lead. Chinese communities in Germany, influenced the firms' registrations, financing activities, business transactions, among other aspects. This phase significantly impacted the information acquisition and business operations of Chinese firms in Germany, aiding their understanding of German systems, corporate culture, and business practices, enabling integration into the local German networks.

Subsequently, there was a phase characterized by the rapid expansion of China's outbound investments and the establishment of its cross-border industrial and innovation networks in Germany. Some enterprises adopted a gradual approach through greenfield investments, enhancing their innovation capabilities through collaboration between industry, academia, and research. Others pursued a more aggressive strategy

through mergers and acquisitions, employing a hands-off management approach to facilitate technology absorption, subsequent supply chain, and innovation chain management. Throughout this progression, the role of Chinese networks gradually diminished, while German enterprises and employees gradually assumed more significant roles. Networks formed by Chinese-funded enterprises based on industrial and innovation collaborations gradually took shape.

The two phases converged, gradually accumulating knowledge pertaining to who knows what and how to do certain things, factual information, skills and abilities regarding certain things, and knowledge about natural principles and laws.

Key words: Global production networks, value chain, foreign direct investment, lead firms, Germany

Participant: Yuefang Si is now a professor of economic geography in School of Geographical Science, East China Normal University, Shanghai, China. Her research interests include Chinese outward FDI, firm innovation and regional economic development trajectories. She has been funded with grants from the National Natural Science Found of China (41871110, 41401128) and National Social Science Found of China (23BJL13), and also served as a consultant on science, technology and innovation for the Economic and Social Council for Asia and the Pacific, United Nations (2018). Her work widely appears in the peer-reviewed journals such as *Technovation*, *Technological Analysis and Strategic Management*, *Asian Journal of Technological Innovation*, *Journal of Contemporary China*, *Tijdschrift voor Economische en Sociale Geografie*, *Growth and Change* among many others.



Regional Economic Resilience Revisited: towards a relational and chain-based conceptual framework

Xiaohui Hu

Over an extended period, research on regional economic resilience has been rooted in the evolutionary economic geography (EEG) paradigm. EEG is used as a useful and applicable tool for explaining the endogenous adaptive processes, capabilities, and mechanisms of regional economies in (post-)crisis contexts. However, the evolutionary account lacks a multi-scalar and relational perspective, with limited explanatory power to understand exogenously-led regional economic resilience. Currently, global geopolitical and economic uncertainties are escalating, leading to a restructuring on global supply chains, industry chains, and value chains. In particular, regions embedded in global production networks run into a holdup, whose economic resilience is by no means as 'regional'. This paper, based on the existing literature on supply chain

resilience, industry chain resilience, and value chain resilience, develops an alternative conceptual framework on regional economic resilience. This framework integrates a “chain perspective” into the EEG account in which endogenous and exogenous factors and their relational causality are all taken into account. We argue: regional economic resilience consists of three pillar dimensions, namely, functional resilience (relational and evolutionary structure by default), governance resilience (agency on chain, industry and organizational structure after shock) and representative resilience (value dynamics after intervention). This paper also proposes a methodology to help to understand the geographies of economic resilience. It contributes to the literature and to future theoretical advancement for regional economic resilience as a highly interdisciplinary discourse.

Participant: Hu Xiaohui is an associate professor at School of Geography, Nanjing Normal University. In 2015, he obtained his Ph.D. in Economic Geography from Kiel University in Germany. He has completed postdoctoral research in the Department of Geography at Hong Kong Baptist University and the Department of Geography at Lethbridge University in Canada. His main research focuses on economic geography and regional development. He has been the principal investigator for three national-level projects, including the National Natural Science Foundation of China (NSFC) Youth Fund and General Program, as well as the National Social Science Foundation General Program. Additionally, he has led two international collaborative projects, including one with the British Academy. He has published over 60 academic papers domestically and internationally, with more than 20 papers published as the first or corresponding author in SSCI/SCI journals, including 11 in the first quartile of the Chinese Academy of Sciences. He has also authored one English monograph published in Nature Springer.



Reconfiguration and resilience of Chinese strategic suppliers’ global production networks: evidence from cross-border apparel production relocation from China to Southeast Asia

Tianlan Fu, Kaihuai Liao

The recent industrial relocation of labor-intensive industries from China to Southeast Asia has challenged prevailing configurations of global production networks coordinated by global lead firms from advanced Western economies. Less investigation has been done on the roles of developing country strategic suppliers in the cross-border industrial relocation and subsequent reconfiguration and resilience of global production networks. From the theory of global production networks, this study examines the industrial relocation of Chinese strategic apparel suppliers to Southeast Asia since the

early 2000 and explores the reconfigurations and resilience of global apparel production networks. This study is conducted on the basis of firm-level investigations of large listed Chinese apparel firms. This study argues that through expanding production bases from China to Southeast Asia since 2006, large Chinese strategic firms engaged with multiple production bases and serve for Western markets as well as their home markets in China with lower production cost. The configurations of global production networks have become more diversified and engaged with multiple supply locations and multiple markets. Spatial reconfiguration of global production networks has subsequently changed organizational configurations and the asymmetric power relations between global lead firms and Chinese strategic suppliers. Resilience of global production networks has been also witnessed since Chinese strategic suppliers engaged with reorganization of their production networks and facilitated industrial upgrading. This study enriches the literature by highlighting the significance of strategic suppliers and emerging markets in the Global South in facilitating reconfigurations and resilience of global production networks in the changing global economy.

Keywords: global production networks, cross-border production relocation, resilience, apparel industry, Chinese strategic suppliers

Participant: Tianlan Fu is a lecturer in the school of School of Architecture and Urban Planning at Guangdong University of Technology (China). She obtained her doctoral degree from Hong Kong Baptist University. Her research areas focus on global production networks, industrial clusters, industrial upgrading and regional development, with geographical focuses on China, particularly the Guangdong-Hong Kong-Macao Greater Bay Area. She has published in the peer-reviewed international journal, such as *Regional Studies*, *Cambridge Journal of Regions, Economy and Society*, *Growth and Change*, *Geografiska Annaler: Series B, Human Geography*. She has undertaken major research projects funded by National Sciences Foundation of China, National Science Foundation for Post-doctoral Scientists of China, Fundamental Research Fund for the Central Universities of China, Natural Science Foundation of Guangdong Province, the 14th Five-Year Plan for the development of philosophy and social sciences in Guangzhou, and Guangzhou Basic and Applied Basic Research Project.

