Manufacturing competition: how accounting practices shape strategy making in cities

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Abstract

Purpose – Recent years have witnessed an increasing number of cities develop strategies. The discourse of strategic management has become an obligatory point of passage for many city managers. This paper starts by posing an ostensibly simple question: why do cities need strategies? The commonsensical answer to the question is: because cities compete with each other. This paper aims to problematise the seemingly natural link between cities, competition and strategy. It also aims to explore the role that calculative practices play in creating city league tables that, in turn, function as the a priori condition that generates competition between cities.

Design/methodology/approach – This paper is interdisciplinary and draws on the related disciplines of accounting, organization theory and strategy. The argument unfolds in four steps: first, it briefly provides some theoretical background for analysis and relates it back to strategizing and accounting as a calculative practice; second, it scrutinizes league tables as an *a priori* of competition; third, it discusses the implications of the argument for city management and critical accounting; finally, it concludes with a discussion of the power effects of those calculative practices that shape strategizing in cities through the production of competition.

Findings – This paper argues that city strategizing is best understood as a set of complex responses to a new competitive arena, one rendered visible through calculative practices, manifested through city rankings. The paper makes five key contributions: one, league tables reduce qualities to a quantifiable form; two, league tables create an order amongst an heterogeneous ensemble of entities; three, league tables stimulate the very competition they claim to reflect; four, once competition is accepted, individual players need a strategy to play the game; and five, league tables have important power effects that may result in unintended consequences.

Practical implications – The paper contributes to understanding how calculative practices relate to strategy; it explores the organizational environment in which city managers strategize; in addition, it discusses the problem of civic schizophrenia.

Originality/value – The paper seeks to open up an agenda for studying city management, strategy and accounting.

Keywords Corporate strategy, Cities, Accounting, Corporate governance, Public sector organizations, Brand management

Paper type Research paper

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Introduction: managing cities in the global context

It is widely anticipated that the twenty-first century will be the first truly urban century. Inexorably, this is becoming an empirical reality: currently, more than 50 per cent of the world's population lives in cities; future scenarios suggest that, in the next 50 years, this number will increase to some 75 per cent of humanity (Burdett and Sudjic, 2007). Furthermore, projections suggest that most people will be living in urban areas with populations of more than 20 million people. Barbara Czarniawska makes a strong organizational case for studying cities, arguing that "the big city is a societal laboratory. Big cities have traditionally been the birthplaces of invention and innovation, but are also sites permitting intense imitation" (Czarniawska, 2002, p. 1). To date, however, the disciplines of accounting and organizational theory, save for a few exceptions (Czarniawska, 2002; Pipan and Porsander, 2000), have fallen silent on the management of the city. This special issue of *Accounting, Auditing & Accountability Journal* is the first collection – to our knowledge – of papers concentrating on city management and accounting.

City management is, of course, nothing new. The early twentieth century saw the emergence of urban planning as a distinct profession (Hall, 2002), with issues of economic prosperity, infrastructure, ensuring quality of life for their citizens and minimizing pollution proving to be enduring concerns for planners and city administrators alike. This paper will argue that there has been a rupture in city management, with the city increasingly being shaped by the forces of neoliberalism, managerialism and globalisation – watchwords of our time (Harvey, 1989; Hackworth, 2007). In this paper, we investigate how competition amongst cities is organized. We argue that league tables form the *a priori* of city competition. League tables create a field in which cities are ranked and can consequently compete against each other. Once competition is established through rankings, strategy becomes the legitimate form of governmentality, which offers itself as solution to master competition. League tables are constructed through calculative practices that render cities visible and determine their place in the overall ranking system. This is the core of our argument: competition necessitates strategy – but competition is not a "natural fact"; rather, it is created through league tables that form the battleground on which cities compete with each other. In this sense, accounting precedes strategy: calculative practices make visible and render knowable what strategy takes as its object.

The corollary of our argument is that we do not argue league tables distort or misrepresent the "truth" of what cities "really" are. Rather, our contention is that rankings give rise to a certain discourse about cities, thus defining the "cityness" (Sassen, 1991) of places; in so doing league tables, and calculative practices as mechanisms that create them, shape our interpretations of cities and delineate the space in which "true" statements about the city can be made. Our analysis is a first step towards a critical accounting of ranking devices that contribute to what Michael Power has termed the Audit Society (Power, 1993, 1997). While our paper offers several conceptual suspicions that are grounded in accounting, organization theory and strategy, we offer only two short empirical vignettes that scrutinize city-ranking systems. They are not meant to be a substitute for detailed empirical research but will suffice to illustrate some of our theoretical propositions.

Neo-liberalism, competition and cities

Neo-liberalism cast its long shadow over city government with markets and managerialism cast as solutions to the complex problems faced by cities (Harvey, 2005). Widespread experimentation by city governments includes new public management practices, the use of public-private partnerships, semi-public bodies such as tourism authorities and convention bureaus, and city branding (Flowerdew, 2004; Caldwell and Freire, 2004; Hackworth, 2007; Greenberg, 2008). While traditional city bureaucracies were reviled as anachronistic and cast as part of the problem, in contrast, new ways to manage cities were presented as the solution (Hackworth, 2007; Harvey, 2005). Indeed, stereotypes of city managers conjure up images of dull, faceless bureaucrats, local politicians and urban planners, generally critiqued for the unintended consequences of the realisation of their 1960s dreams. In stark contrast to Whyte's critique of the grey flannel suit-wearing Organization Man, the current city manager casts himself (less often herself) as a do-er rather than a ditherer, and, sartorially speaking, is more likely to be sporting Paul Smith than the proverbial grey suit: dreary and uninspiring has been displaced by images of the city that are exciting and outward-looking (Mulgan, 2009). The new city manager is at the disposal of the citizen-consumer who prefers markets that they believe can offer them more efficient services. The rhetoric of service and choice replaced the messy politics of the public realm (Clarke *et al.*, 2007). Such managerial discourse is framed by ideas of competition in a globalized world. While it makes sense to speak of competition between consumer goods, such as Coke and Pepsi, on a supermarket shelf, how can cities compete with each other? Given cities are territorially fixed, complex and high variegated, how can they be brought into a relation with one another that is competitive?

At the heart of the neoliberal view lies the assumption that free markets are the best organizing mechanism for society (Harvey, 2005, p. 64). However, they only work if there is competition amongst players. While we can imagine competition between consumer goods such as Coke and Pepsi on a supermarket shelf, how can cities compete with each other? How can they be brought into a relation with each other that is competitive? In short, how can competition between cities be created? And to what extent, if any, do cities craft strategies to react to this new competitive environment?

For neoliberalism to function, there needs to be a market to allow competition to take place. In recent years quasi-markets have been created in many domains, including those such as public utilities that remain monopolies in all important respects (Mueller and Carter, 2007). This logic extends to cities and competition. It is a neoliberal shibboleth that competition is a "natural fact"; consequently, competition and strategy are treated as Darwinian necessities. We disagree. To be in competition with each other and to develop strategies for the future is a rather recent phenomenon in city administration. Of course, neoliberals could point to antiquity – Greek city states such as Athens and Sparta, and Machiavelli's Florence and Venice, "competed" with each other for trade, power and influence – to argue the case that competition is natural and stems from time immemorial. Such teleology, from Ancient Greece to the present day, would, in our view, be mistaken. Of course, cities have always had relations with each other and compared themselves (at the most basic level to establish their size through statistical procedures that counted the population, for instance). We argue that the recent growth of league tables usher into existence a new form of competition that transforms the relationship between cities fundamentally: rankings create hierarchical relationships; they are not about singular relations between cities but generalisable characteristics that establish a homogenous ordering framework. Current forms of competition are distinguished through intense rhetoric, scripts and roles that perform strategy differently and enact the future in new ways.

Our argument has parallels with those made by historians from the French Annales school of history. The school derived its name from the journal *Annales d'Histoire Economique et Sociale*, founded in 1929. Scholars such as Fernand Braudel and Marc Bloch made the school's approach famous by arguing for studying local *mentalités* (attitudes, frames of mind, world views) of people throughout history as opposed to writing history as a narrative of epic battles, kings and the occasional Robin Hood. One of the Annales school's most important contributors, Philippe Ariès, has shown imaginatively in his history of death that even an ostensibly "natural fact" such as death has a history. Of course, we are all doomed to die, but this is not the point. Rather, Ariès focuses on the practices, mentalities and institutions that make death a meaningful event (Ariès, 1985). To die in one of the crusades in the name of God, be it in medieval times or their contemporary equivalent such as 9/11, is a fundamentally different experience than dying in a rest home for the elderly. His point is that death as a meaningful event is socially constructed. To focus on its biological necessity means overlooking its true meaning in society.

Our point is less dramatic, but no less profound: competition between cities has been transformed to the extent that a Florentine city official from the time of Machiavelli would not recognize similarities between him and a modern city strategist. We believe that we ought to focus on these differences, on these transformative practices that constitute the seemingly stable concept of "competition". The historian Paul Veyne (1997) suggested understanding an object as the correlative of a practice. Following Veyne, the object is explained by what went into its making, and not the other way around (that the object explains its making). The discourse of competition and the tools of strategic management that supposedly master it are a manifestation of a particular *mentalité*, or as Foucault would say, govern-mentality (Rose and Miller, 1992). If we do not subscribe to competition as a "natural fact", we have to investigate the particular form that competition amongst cities takes.

Such a perspective necessitates posing the question: how, then, is competition "made"? As we shall argue, it is accounting as a calculative practice (Miller, 1994) that plays a central role in the manufacturing of competition between cities. As a calculative practice, accounting "translates qualities into quantities" (Miller, 1994, p. 1). Consequently, as quantities, different phenomena can be ranked, ordered and compared. For our purposes league tables are a means of ranking cities. Rankings are classifications that define the boundaries of a field, identify players within that field, and relate them to each other (Espeland and Sauder, 2007; Sauder and Espeland, 2009). Calculative practices render the invisible (lifestyle, innovation, creativity, etc.) visible and turn the city into an object upon which strategizing can take place. The resulting league tables function as benchmarks so cities can compare themselves and identify who they are competing with regionally, in terms of the size of inward investment, number of tourists and so on. In turn, these rankings produce a certain order of things that constitutes the *a priori* for competition.

In Wedlin's study of the rankings of business schools, she argues that competition amongst MBA programmes, and talk of a MBA market, may well be a result of the ranking mechanism, rather than its precondition. She quotes the founder of the influential *Business Week* ranking, who justified the need for rankings as follows:

> I felt there was no marketplace, really, to make the [business] schools even pay attention to demand [from students and corporations]. . . . So what I thought was this, one thing that a ranking would actually do is *to create a market* where none had existed. Create a market where schools could be rewarded and punished for failing to be responsive to their prime constituents: the students and the corporations (added emphasis).

In short, a marketplace in which competition can occur has to be created: rankings play that generative role by introducing competition in fields where none had existed previously. Because rankings define a field, identify players, and make them comparable, rankings are the logical precondition for creating markets and competition within them. Our point is that neither business schools or cities are "naturally" competitive, instead this competition is generated through league tables. In Sauder and Espeland's (2009, p. 77) study on the rankings of law schools, one dean argued that "there shouldn't be any competition between lighthouses". For the dean, the different law schools were like lighthouses, all serving a necessary role in their specific environments. Through the use of calculative practices that create "trust in numbers" (Porter, 1996), league tables make us forget the idiosyncracies of what we are actually comparing. The surrealist André Breton popularised the image of a chance meeting between a sewing machine and an umbrella on an operating table[1]. Of course, they can hardly be said to be in competition. But the operating table establishes some kind of order of things or frame that ties the two objects together. League tables might seem less surreal, but they perform the same function: they create a framework in which cities become visible and comparable. But league tables do not only promote competition by creating a certain order of things. They also legitimise the existence of strategists and consultants who develop ever more sophisticated strategies that serve as promissory notes for future competitive advantage. This happens in the name of competition – and, as we shall argue, competition is made possible because of the calculative practices that rank cities in league tables. In short, we will argue that as a calculative practice, accounting is the *a priori* of city strategizing and competition.

Calculative practices: strategizing and accounting

Strategy needs competition: in a monopoly, strategy is barely necessary. Taking the link between the confrontation of an opponent and strategy, it is not surprising that from the outset of the strategy field the military has been a great resource on which strategists could draw (see Hoskin and Macve, 1986, 1988; Sennett, 2006). In this perspective, strategy is based on the idea of confrontation and competition: if there was no "other" that we want to defeat, simply put, we would not need to think about strategy. The Prussian military thinker and great-grandfather of strategic management Carl von Clausewitz (1968) made this clear when he argued that war is the continuation of politics by other means. Strategy's *raison d'être* is confrontation. The precondition for strategy then is that the opponent has to be visible.

The terror network Al Quaida is an interesting example as it is an opponent that seems to be hardly visible. Because it is less visible than other state sponsors of what the Bush Administration labelled the "axis of evil", it has to be incessantly rendered visible through the media, intelligence reports and other investigative practices. However, it remains a largely virtual network that is hard to pin down. The nodes of the network might be "sleeping cells" that are very suspicious because they are so unsuspicious. Hence the "war on terror" has had from its very outset difficulties in formulating a clear strategy: is it regime change in Afghanistan and Iraq? Disarmament? Liberation? Democracy? The point is that strategy needs to have a visible, defined *vis-à-vis* to become effective. The condition of the possibility of strategy is a defined framework within which entities can confront each other and compete with each other. Strategy presupposes a silent agreement between opponents about the theatre of war and the performances that enact it. Implicitly, the two opponents agree on what to disagree about, and the means through which their disagreement will be resolved[2]. The war on terror is an interesting case as it is directed at an opponent that does not constrain itself to a theatre of war – hence the difficulty of confronting it (e.g. Bobbitt, 2008).

The point we want to make is that a competitive field has to be rendered visible before any one of its players can start crafting a strategy. A competitive field is not something that is found "out there", nor is it naturally occurring; rather, it is something that is socially constructed. In organization theory, Porac *et al.* (1995) studied the Scottish knitwear industry and found that industry structure and competition were constructed: "Market structures are constraints only because managers believe they exist. Rather than being an exogenous force acting *on* managerial minds, market structure is an endogenous product *of* managerial minds" (Porac *et al.*, 1995, p. 224). Hence, competition is something that is created out of interaction between market players (Clegg *et al.*, 2007). Its power rests in its capacity to shape people's cognitive maps and takes on material forms through translations into charts, models, graphs, documents, brainstorming techniques and other elements that become, in the language of actor network theory, non-human actants.

If this is true, then how are market structures, rivalry and competition rendered knowable and visible? In accounting, Peter Miller and his colleagues have analysed calculative practices as mechanisms to make the intangible tangible. In this view, accounting is not a neutral technical apparatus but a social practice that is constitutive of reality. Rose and Miller (1992) argue that calculative practices should be analysed as "technologies of government". As such they are "mechanisms through which programs of government are articulated and made operable" (Miller, 2001, p. 379). Calculative practices translate the invisible and qualitative into the visible and quantitative "facts".

League tables are calculative practices that fit this description. They offer rankings of entities by accounting for certain characteristics. Moreover, they promise to make these characteristics visible. For instance, university league tables are supposedly indicating which university is a good place to study and work. City rankings map out where best to invest, live and work. The last two decades have seen a proliferation of league tables purporting to measure the performance of a dazzling array of different institutions – hospitals, schools, hotels, cities – which Power (1993, 1997) characterised as an explosion of an idea: audit (Power, 1997, p. 4). Mike Power provides a seminal account of the growth of audit practices and their application. The league tables produced from audit processes produce trust, comfort and rationality about organizations. Power makes the point that "society is increasingly committed to observing itself through various kinds of auditing practice" (Power, 1997, p. 122).

League tables and rankings have been studied in other contexts. For instance, Sauder and Espeland's (2009) research demonstrates that rankings can be analysed as

Foucauldian disciplining devices that exercise their powerful effects through combining surveillance and normalization. Schultz *et al.* (2001) studied the constitutive mechanics that construct reputation-based rankings. For them, "construction primarily concerns the (implicit) choices made about bringing subjective impressions into a database, operating them through the mechanics of statistics, and making interferences about them in order to communicate them" (Schultz *et al.*, 2001, p. 25). Others such as Warner (2000) and Geary *et al.* (2004) have critically analysed the British Research Assessment Exercise (RAE) system. This comes at a juncture where a wide number of journal rankings tables have been produced in the field of Business and Management (including Accountancy and Finance: see Wedlin, 2006; Gioia and Corley, 2002; Elsbach and Kramer, 1996). The tables, with some important caveats, purport to act as a guide to journal quality. One such table is the Association of Business Schools (ABS) journal ranking list, which marked a re-badging and partial institutionalisation of the Charles Harvey/Huw Morris list, which, in turn, had its genesis in an internal report at the University of the West of England. The ABS list ranks journals from one to four, thus allowing comparability across different journals. Such systems – including the British RAE – have, unsurprisingly, thrown up a number of unintended consequences (Carter, 2008).

Importantly, these rankings are "unregulated" league tables, in that there is limited "independent" verification (see Free *et al.*, 2008). For instance, in education, countless league tables are being produced which seem to have an important (not always only symbolic) effect on universities and potential students alike. Questions are often raised about the reliability of such studies. One such controversy over the *Financial Times* MBA rankings tables led to them employing the Big 4 Accounting firm KPMG to conduct an audit of the process. Free *et al.* (2008) make the point that this is a form of brand management to delineate the FT ranking from other competing lists.

As such, these rankings make highly complex and uncertain qualities knowable and comparable. This is the second important aspect of league tables: they not only transform the qualitative into the quantitative, but they also create hierarchical order amongst their elements. After universities are assessed according to the criteria the league table defines, they can be ranked. While it might be impossible to compare an old university (e.g. Cambridge) with strengths in classical disciplines with a new university (e.g. Abertay) that is far more engaged in tackling social exclusion, league tables generate a relationship between diverse populations. While rankings translate qualities into quantities, they also give rise to new qualities. For instance, the relationships that are established through the ranking create new associations. Even the position on a league table can be translated into a quality – for instance, the University of St Andrew's School of Management made sense of the latest UK RAE by interpreting its position as best small business school in the UK – a new quality that emerged from the quantitative ranking.

In short, league tables embody calculative practices that render previously incomparable elements visible and comparable. The different evaluated elements are put into a hierarchical relation to each other. When rankings are repeated over time, dynamic relations and trends can be established and competition between different players is created. As we will analyse, city league tables are the enactment of such calculative practices that compare cities and create competition amongst them.

To paraphrase Donald MacKenzie (2006), league tables are engines, not cameras. League tables engender competition; in turn, this produces the need for cities to develop strategies. Because they render intangibles tangible, because they create a hierarchical order amongst barely related entities, and because they justify and legitimise the allocation of resources to develop city strategies, including employing strategy and brand-savvy MBA managers in city administrations, league tables are meaningful ways to engender competition. The next section will address the way that league tables impact on city management.

The *a priori* of competition: the logic of league tables

We have argued that league tables are the *a priori* of competition: they establish an order amongst entities and create the dynamics of improving or declining. For cities, the league tables are an indicator of their global standing. Without the ranking as a medium, such assessments would be hard to make, and resource allocation towards developing a city would be hard to rationalize and legitimise. Young *et al.* (2006, p. 1694), for instance, looked at the re-generation of the city of Manchester. They argued that "strategies focus on making Manchester competitive at the European scale, with property-led regeneration and place marketing". This notion of competitiveness is one that now runs deep in the world of city management.

City league tables are produced by a whole range of players, these include popular magazines such as *The Economist*, *Asia Week*, *Fortune Magazine*, consultants such as Mercer and GFK, and not for profits such as the research centre on Globalization and World Cities (GaWC) at Loughborough University in the UK. While a detailed overview of city league tables is beyond the scope of this paper, we can define two axes that organize the diverse city league tables. While the *y* axis differentiates between qualitative or narrative rankings and more quantitative approaches, the *x* axis runs from lifestyle-focused surveys to more economically informed accounts.

One of the first popular quality-of-life city league tables was a US publication called *Places Rated Almanac*, first published in 1981 (Rogerson, 1999). The rather surprising conclusion that Pittsburgh was the best place to live in the USA drew a lot of attention to the publication and caused other rankings to mushroom. Today, city rankings and especially quality of life league tables are said to influence the location decisions of corporations (e.g. Rogerson, 1999). As the city theorist Peter Hall put it, "since the sources of the new economic growth are so various and finally perhaps so fickle, the possibilities are endless. But one central element is quality of life. It is no accident that, as never before, rankings of cities dominate the media" (Hall, 1995, p. 20).

There are many examples of city ranking. An often-quoted lifestyle league table is the Mercer Quality-of-Living ranking, which identifies some 39 factors that add up to a clear measure of quality of life. In 2009 the winner was Vienna (1) and the loser Baghdad (215). Or take the ranking of US cities by *Men's Fitness* magazine: it counts a variety of factors related to obesity, including percentage of obese residents and number of junk food outlets, but also recreation facilities and sports activities. In 2007, the title for the "fattest city" went to Las Vegas, followed by San Antonio and Miami. On a more serious note, it has been suggested that these rankings can help policy makers to address public health issues (Ham and Levin, 2004). Other rankings, such as the trendy creative class magazine *Monocle*'s quest for the lifestyle capital of the world, are more narrative. For instance, *Monocle*'s top-ten ranking is based on the subjective impressions of the evaluators during their visits to respective cities. Copenhagen, which finished in first place in 2008, is described as cool, hip and trendy, such paeans announce it as the world's lifestyle capital.

In contrast to lifestyle-focused league tables, there are more economically and financially grounded rankings. Saskia Sassen's (1991) categorization of world cities was one of the first attempts to analyse cities and establish a global economic pecking order. That global cities are centres for the management of the global economy; provide advanced services and telecommunication facilities to support management of the economy; and serve as headquarters for global corporations mark them out as global hubs in the globalized world. The league tables are a means of measuring how a city, such as London, is doing *vis-à-vis* a competitor, such as Paris.

Whether they focus on lifestyle or the economy, league tables are one of the most powerful ways to create competition. In the context of cities, they are the *a priori* of competition as they put cities in context with each other and create a hierarchy. Not only do they establish a hierarchy between cities, they also develop a set of norms and best practices that allow the measurement of deviance. In that they allow ranking and comparability, they produce rationality and comfort. In what follows we will look more closely at how cities are rendered calculable. How do these league tables work? What calculative practices are providing the rationality that renders them legitimate? We will focus on two exemplary league tables that show how calculative practices account for the attractiveness of cities as brands (the *Anholt City Brands Index)* and a more economically driven ranking (the *Worldwide Centers of Commerce Index*™).

Accounting for images: The Anholt City Brands Index

The *Anholt City Brands Index* is a league table created by Simon Anholt, a renowned city branding expert, and ranks the world's 40 best city brands. In the 2007 edition of the league table, Sydney was first, ahead of London and Paris[3].

Anholt claims, *inter alia*, to be the progenitor of the concepts of nation branding and place branding. His ambitions transcend the commercial world – he styles himself as knowledgeable not only in place branding but also in economic development and public diplomacy. This ambition is highlighted by the fact that Anholt is the founding editor of the *Journal Place Branding and Public Diplomacy*. Besides the *Anholt City Brands Index* he also compiles the *Anholt Nation Brands Index*, which is published quarterly. According to Anholt, this index:

> [. . .] is the only analytical ranking of the world's nation brands. Each quarter, we poll our worldwide panel of over 25,000 people on their perceptions of the cultural, political, commercial and human assets, investment potential and tourist appeal of 35 developed and developing countries. This adds up to a clear index of national brand power, a unique barometer of global opinion (Anholt, 2007b, p. 2).

The *Anholt City Brands Index* has established its author as one of the foremost consultants in the city branding industry. For the purpose of this paper we have analysed the 2007 city brand index. The final report ranked Sydney (total score: 65.60) before London (65.33), Paris (64.96), New York (64.21), Rome (64.11), Melbourne (63.42), Barcelona (62.64), Vancouver (62.45), Amsterdam (62.36) and Montreal (62.35). The index frames the relevance and meaning of the ranking exercise in the following way:Cities have always been brands, in the truest sense of the word. Famous and successful cities are usually associated in people's minds with a single quality, promise, attribute or story. That simple brand narrative can have a major impact on people's decision to visit the city, to buy its products or services, to do business or relocate there (Anholt, 2007a, p. 2).In this introductory paragraph, quite literally a brand new world is talked into being: first, we should accept that cities are brands because they have always been brands. Brands are cast as existing since the dawn of time – preceding human memory and history – with the contemporary preoccupation with brands representing the latest incarnation in this long and venerable teleology, or so Anholt seems to argue. The concept of branding is naturalized and rectified as a "fact" – and not as a historically developed and developing practice. Second, cities are meant to represent a single quality or story. The diversity in a city of the size of London is almost unfathomable, one might want to argue: high culture exists next to underground rock, and the financial elite enjoys during the day what young counter-culture teenage rebels loathe at night. Given this polyphony of cities, it is not likely that they represent a single story in people's minds. Seattle is the home of grunge (i.e. the youth culture that emerged around the music of bands such as Nirvana in the late 1980s), the headquarters of Boeing, aircraft manufacturer and a quintessential member of the military-industrial complex, and the home of Bill Gates – which is not quite the same story. Obviously, for a teenager a city might be boring while it is just about right for a retired couple. How can a city be equated with a single narrative? When Anholt says "people" he does not mean just anybody – but "people" who visit a city, buy its products and relocate their business. The "people" Anholt includes are well-off knowledge workers – the corporate, professional, metrosexual glitterati and the members of the creative class – who are able to buy into a certain lifestyle. The working class and those who work several McJobs to stay afloat (not to mention the homeless, jobless and other marginalized communities) enjoy little representation on the league table. In fact, they and their cultures are excluded.

For Anholt, there is a global competition among places for such universalised "people" and other critical resources:

> In today's globalised, networked world, every place *has* to compete with every other place for its share of the world's consumers, tourists, businesses, investment, capital, respect and attention (Anholt, 2007a, p. 2, added emphasis).

Accordingly, following Anholt's logic, there is no choice but to compete: in a global world, cities want to attract the same resources. The city brand becomes a crucial vehicle to prevail as it links a strong emotional message with rational argumentation: New York is energy, Tokyo is modernity, Rio is fun, and so on (Anholt, 2007a, p. 2). Such differentiators are quite self-evidently superficial, floating signifiers on the stage of global cities, allowing a self-styled premier league of world cities to monopolize certain images. In turn, the "people" Anholt wants to attract to cities "consume" these cities through the images they project. A weekend in New York is cool; carnival in Rio is fun, and so on.

Unfortunately, sometimes the intense imagery of a place, captured and amplified in the brand, might not live up to its polyphonic realities. Then, as Anholt argues, a city might not receive the fair share of attention, talent and investment it might deserve. In these cases, brand consultants such as Anholt can help to create a strong city brand. Effectively, what brand consultants do when they create league tables is to create simultaneously a list of potential clients – made up of the cities that do not make it to the top ten or top 15 (or are excluded all together) and hence need to improve their image. The economic incentives for those who establish league tables are not to be underestimated.

The *Anholt City Brands Index* is engineered around a peculiar logic. In order to know whether your city competes well you have to compare it with others. The index allows for this benchmarking exercise. This city brand index is created through a hexagon that takes the following six elements into account: presence, place, pulse, prerequisites, people and potential (Anholt, 2007a). The presence refers to how familiar people are with a city; the place refers to the physical quality of a city; the pulse focuses on the lifestyle qualities of a place; prerequisites asks about amenities such as affordable housing, schools, hospitals etc.; people refers to whether inhabitants of a city are friendly or not; finally, potential alludes to the economic possibilities a city offers. These six qualities define the city brand. The data for the index are collected through an online survey. The survey is conducted in 20 countries and includes around 500 respondents in each one, totalling some 10,306 respondents. Anholt describes them as "informed" as they have access to the internet, have email accounts, and are fully literate. A total of 40 different cities were included in the survey. The survey asks 15 principal questions, of which two or three are related to the each of the six dimensions. The answers are scaled on a score from 1 to 5. The scores are then aggregated and produce the result for the ranking.

From a methodological perspective, Anholt's index seems somewhat questionable, to say the least. His "informed" respondents are likely to belong to a more or less elite group of people. The survey records their view of the world – not the polyphony of a city. One could say that this is done intentionally as the represented elite consists of exactly the kind of people other cities want to attract. The brand then becomes a symbolic device that is created and consumed by a small elite of global knowledge workers. A second concern relates to the actual proxies: concepts such as "affordable housing" or whether people are "friendly", are, of course, highly subjective. But again, the methodological madness has a method: city brands are not about a differentiated image of issues and problems but about a symbol that can be consumed by a global elite. Third, Anholt's index records what a small global elite thinks about another place that, quite possibly, they might have never visited. How would you rate, on a scale from 1 to 5, the standard of public amenities in Auckland? Or economic opportunities in The Hague? Or cultural life in Riga? Of course, people will resort to stereotypes to answer these questions. In turn, these stereotypes are recorded and form the basis for the city brand index – which is presented as a framework in which competition amongst cities can take place. The urban strategist can benchmark their city's performance against others and conduct best practice studies to learn from in order to rise to the top of league tables.

Anholt's index is the result of a calculative practice that gives an account of the brand of different cities. It rationalizes a previously unmanageable property – the image or the brand of a city. It renders visible and knowable what was only assumed before. Importantly, the ranking legitimizes the decisions of city management to allocate resources and develop city brands. As such, the index functions as a performative device that creates what it pretends to describe.

Accounting for economics: Worldwide Centers of Commerce Index™

In contrast to Anholt's city brands ranking, the *Worldwide Centers of Commerce Index* is a study of the economic power of cities[4]. Sponsored by Mastercard, and executed by a group of esteemed scholars including Saskia Sassen, Fan Gang, William Lever, Peter Taylor and some influential practitioners, the study provides an understanding of how global cities are connected. That the study is conducted by a group of eminent scholars – rich in symbolic capital – lends it considerable legitimacy. It sheds light on their growth dynamics and ranks global cities in relation to their performance as global centres of commerce. The underlying concept of "location advantages" stresses why business should explore the best global locations:

> Core functions, while remaining central to the company's operations, will be spread out geographically to leverage those location advantages wherever they are found. This approach will require a strong grasp of how global cities are interrelated; and how they compete with and complement one another, so that transnationals can leverage the benefits of these cities (*Worldwide Centers of Commerce Index*, 2007, p. 4).

Cities are understood as providers of infrastructure that allows global business to operate, effectively, transnationally. Again, this accords with the prevailing neoliberal view of cities as readily available providers of infrastructure and resources for global capitalism. People and resources should be aligned with locational advantages. This, in turn:

> [. . .] will require a deep understanding not only of how global cities are interrelated, but also of how they compete with and complement each other. Understanding how to leverage the advantages of these interrelationships will distinguish truly transnational companies from their competitors (*Worldwide Centers of Commerce Index*, 2008a, p. 1).

According to this logic, global centres host, *inter alia*, skilled workers, the most innovative companies and the best institutions. In order to compete internationally, truly global businesses will need to integrate their global presence. The *Worldwide Centers of Commerce Index* is the self-declared guide to making these decisions in an informed way. The 2007 edition of the *Worldwide Centers of Commerce Index* ranks global cities as follows: London, New York, Tokyo, Chicago, Hong Kong, Singapore, Frankfurt, Paris, Seoul and Los Angeles (*Worldwide Centers of Commerce Index*, 2007).

It is pertinent to scrutinize how the index was put together. What is the rationale underpinning the ranking? The Knowledge Panel, comprising the well-known professors listed above, defined six dimensions of global commerce (placed in parentheses is the relative weight that each dimension contributes to the overall score):

(1) legal and political framework (10 per cent);

(2) economic stability (10 per cent);

(3) ease of doing business (20 per cent);

(4) financial flow (22 per cent);

(5) business centre (22 per cent); and

(6) knowledge creation and information flow (16 per cent).

As the report explains, "[c]ollectively these six dimensions are meant to cover the key functional characteristics of a city considered to be among the world's Centers of Commerce" (*Worldwide Centers of Commerce Index*, 2007, p. 5).

Each of these six dimensions was, in turn, determined by a total of 41 indicators and 111 sub-indicators. A rational outcome is produced through a series of translations that result in a number that purports to encapsulate the differences in the qualities of cities. Although rendered more "scientific" in both its style and presentation than Anholt's brand index, the ranking leaves several questions unanswered. Take, for instance, the Business Centre Dimension. It is constituted through 11 sub-categories, including "starting a business" and "closing a business". The sub-indicators for these categories are the "standardized case" of launching or closing a firm measured in time, cost and procedures, amongst others. Obviously, the indicators capture the formal aspect of launching and closing a firm but would tell little about the real challenges of opening or closing a business in Santiago, Sydney or Shanghai.

The category of "Business Centre Dimension" becomes even more obscure when one scrutinizes the sub-indicators that constitute it. For instance, Indicator 5k counts "commercial real estate development", which is partly made up of "total number of people per skyscraper". Of course, there would be more skyscrapers in US cities than in European capitals with old-style city centres. How far the number of people per skyscraper indicates "business centre dimension" remains, at best, questionable.

Another example is "Dimension 6: Knowledge Creation and Information Flow". This category comprises nine indicators, including the number of MBA programs (6c) and Google hits (6e). These two dimensions have the same weight as the number of patent applications (6d), or daily newspapers per million people (6i). It is open to question how such indicators really measure knowledge creation and information flow. For instance, MBA programs are not necessarily the bedrock of knowledge creation but rather could be seen as an instance of isomorphism on a global scale. Some critics (Mintzberg, 2004) argue that conventional MBAs place fetters on innovation by serving up traditional functional fare, rather than being a public good *per se*.

Based on this analysis, there are two main points of critique: first, following the logic of the league table, it is questionable whether the indicators actually measure what they pretend to describe. We would argue that the indicators we have discussed are somehow flawed. This does not mean they are irrational, however. Their rationality – and ultimately the authority of the ranking – derives from two sources. First, the social and cultural capital of those who conduct the study and author the report. They are expert professionals and as such they have an assumed privileged position from which to speak about cities. Second, the language and imagery of the report generate an aura of science: the 41 indicators and 111 sub-indicators that all relate to each other and culminate in the six dimensions of global commerce evoke a mathematical precision and accuracy that lends legitimacy to the report. In this sense, auditing acts as a ritual of purification and verification that translates messy realities into ordered entities (Power, 1993). Rationality is produced through breaking down complex assemblages into calculable events. As Bauman (1989) has argued, in bureaucracies this logic breaks complex tasks into small steps, pulverising responsibility for the overall result. A similar logic is at play in rankings: something as complex as the global economy (which probably exists only as plural word) is broken down into 41 indicators and 111 sub indicators – leaving none of them with the responsibility to report the "truth" but assuming that a lot of guesses and near-misses will add up to the truth. The logic of auditing produces truth through aggregating a large quantity of more or less trivial statements, each of them taken by themselves not entirely wrong but definitely not meaningful enough to justify the claims of the index. The point is that the logic of calculative practices creates a new playing field that is neither true nor false; rather, what we call "truth" is established within this new field.

Our second point of critique is formulated from an external vantage point: the *Worldwide Centers of Commerce Index* assumes that one and the same signifier describes the same activity across the globe. However, we argue that complex practices such as "opening a business" mean different things in different industries and different countries, and are thus hard to measure. Or think of patent applications as indicators of innovation: given there are different IP laws in different countries (some focusing on the process of making something, others trademarking the product, not the process), it remains doubtful whether number of patents is a good indicator of innovation.

A third curiosity lies in the dynamic movements that unfold on the league table. In 2008, the follow-up study of the *Worldwide Centers of Commerce Index* was published. Madrid notably improved its ranking from the 16th spot in 2007 to 11th place in 2008. How does the report explain this move up the league table? What did Madrid do to improve so significantly? The press release explains: "Madrid's stable GDP, exchange rate and strong bond market, coupled with a high standard of living, place this city in the company of Europe's most prominent cities: London, Paris, Frankfurt and Amsterdam" (*Worldwide Centers of Commerce Index*, 2008b). It is worth noting that the *Mercer Quality of Life Index 2009* ranked Madrid as the European city with the lowest quality of life, coming in at 48th place out of 50[5]. The fact that two surveys place one and the same city at opposite ends of their rankings based on the same quality (lifestyle) shows how fuzzy the indicators used in rankings are. One could suspect that the indexes tell us little about actual reality but a lot about those who assume to measure and order it.

The *Worldwide Centers of Commerce Index* explains Madrid's rise as follows: "its [Madrid's] strong showing is likely due to its importance as a link and conduit between European and South American markets" (*Worldwide Centers of Commerce Index*, 2008a). Looking at the dynamism and competition that the league tables stimulate, the question is what Madrid really did to improve? Surely the fact that it is a link between South America and Europe did not come to the fore for the first time in 2008? Also, the other indicators such as standard of living probably did not markedly change between 2007 and 2008 – and as argued, they seem to be highly contested. Hence we suggest that the explanations that the report provides are pseudo-explanations. They create winners (Madrid) and losers, such as Los Angeles.

In fact, Los Angeles turned out to be a big loser in the 2008 report: "*Los Angeles drops from top ten*. The fall of Los Angeles to no. 17 in 2008, compared to no. 10 in 2007, is, in part, due to factors around its role in the global financial services network, as well as the rise of European cities in the area of knowledge creation" (*Worldwide Centers of Commerce Index*, 2008b, emphasis in the original). Again, the question is, what changes in the financial services network is the report alluding to? And what dramatic shifts in knowledge creation occurred in European cities from 2007 to 2008?

The movements that are touted as dramatic shifts remain without explanation. We suggest that the rhetoric is pivotal to creating competition in the minds of city managers. Without the ups and downs of league tables, investment into city brands and strategies would be inconsequential. Therefore, league tables have to keep on shuffling cities around and creating surprise that a big city can fall, but also circulate the story that a less prominent city can do well. Amsterdam, which replaced LA in the top ten, was greeted with respect as it entered the pantheon of the Top 10 World Cities. The press release celebrated thus:

> *Amsterdam enters the top ten.* Home of the world's first multinational company and first company to sell stock, Amsterdam rises to become the #4 city in Europe in the global top 10. With one of the world's most stable economies, high standards of living and a strong legal and political framework, Amsterdam's rise illustrates the continued importance of Europe as a dominant global player (*Worldwide Centers of Commerce Index*, 2008b).

Note that all reasons mentioned for Amsterdam's rise were in place well before the 2008 evaluation. Why Amsterdam entered the top ten at this particular juncture remains a mystery.

To argue that the league tables lack accuracy and that better proxies would result in more truthful rankings would be to miss the point, though. Both the *Anholt City Brands Index* and the *Worldwide Centers of Commerce Index* might have a much more important yet less obvious function. Both produce facts, and in doing so they create a framework within which cities come to relate to each other, can be compared to each other, and hence compete against each other. Put simply, rankings produce an "iron grid" in which city strategists have to operate: the iron grid shapes strategists' cognitive maps, the language of those who plan cities, and the expectations of those who inhabit them.

Implications

In the first sociologies of city life, emphasis was put on the tension that came with the intensity of urbanism. As Wirth argued, "The city has thus historically been the melting pot of races, peoples, and cultures, and a most favourable breeding ground of new biological and cultural hybrids. It has not only tolerated but rewarded individual differences. It has brought together people from the ends of the earth because they are different and thus useful to another, rather than because they are homogenous and like-minded" (Wirth, 1969, p. 150). Similarly, in his *The Metropolis and Mental Life*, Simmel wrote "The metropolis reveals itself as one of those great historical formations in which opposing streams which enclose life unfold, as well as join one another with equal right" (Simmel, 1950, p. 412).

Following Simmel and Wirth, it is literally impossible to render the city knowable, predictable and calculable. The city is a complex amalgamation that can be neither measured nor managed. As Sudjic puts it, a city is a:

> [. . .] complex organism, never entirely comfortable, always a place with its dark corners and suffering. But it is precisely that edge of danger and instability that makes the city such an extraordinarily powerful force . . . it is in its role as an engine for change that the city is most alive (Sudjic, 1992, p. 32).

In these accounts, urban life is highly complex and variegated. Cities are understood as melting pots, as temporarily negotiated heterogeneous entities where opposing streams meet. As such, cities neither represent one story nor do they compete with each other like soccer clubs in the Champions League.

Our argument is that in order to create competition, cities have to be objectified in a way that renders them open for management intervention. In other words, in order to make cities compete with each other, they need to be positioned on the same playing field (league table). Accounting is the calculative practice that delineates the playing field and defines the rules of the game. We have shown that the two city rankings we have used as exemplars are built on rather shaky grounds. But to criticise league tables because of their lack of realism means misjudging their power effects. We will highlight five important ways that illustrate how rankings influence city management.

First, league tables reduce qualities to quantity. In the context of cities, this is a very recent phenomenon. For Balzac (1962, p. 17) Paris was an organism that could not be exhausted:

> Paris is indeed an ocean. Sound it: you will never touch bottom. Survey it, report on it! However scrupulous your surveys and reports, however numerous and persistent the explorers of this sea may be, there will always remain virgin places, undiscovered caverns, flowers, pearls, monsters – there will always be something extraordinary, missed by the literary diver.

His description of the Paris of 1834 sees the city not as territory that can be surveyed, but as ocean. Nothing could be further from Balzac's view than today's city managers' perspective. Those virgin places, undiscovered caverns, flowers, pearls and monsters need to be captured and ranked. The polyphony of a city and the tension that come with it are opposed to league tables and rankings that create a uniform way of understanding cites. By defining a homogenous brand, events, people and things are written in and out of the city. Take Edinburgh (where a formative workshop that inspired our paper was held) as an example: The "Inspiring Capital" brand rehearses the city of castles, palaces, smart bars, architecture and the festival. The Edinburgh of *Trainspotting* or DI Rebus is written out of the image. The city is, therefore, represented in a particular way. There is no mention of the under-belly, of the dark side of drug abuse and illicit crime. Young *et al.* (2006) report a similar tendency in their study of the rebranding of Manchester. They illustrate how a Manchester script (Young *et al.*, 2006, p. 1,695) – which used cosmopolitanism as an important discursive resource – was developed that introduced a "common language" and "conceptual vocabulary" that was shared by a number of actors in the regeneration programme. The corollary of this was, they argue, hegemonic insofar as it naturalised and de-contested the regeneration programme. Consequently, the re-branding of Manchester engaged in the "narrow cosmopolitanism" (Young *et al.*, 2006, p. 1,698) of making the city centre safe and attractive to middle class investors. As they put it:

> The questions of what is "acceptable" difference, who decides this and what impacts this has on diversity in cities highlight the inherently political nature of so-called cosmopolitan strategies (Young *et al.*, 2006, p. 1,698).

League tables cast the city as a consumption hub for the well off. They write out the under-belly and invest in what high-income earners would classify as "good lifestyle". For instance, Rogerson (1999, p. 982) quotes a report to a UK council in which two excluded groups – young men and the unemployed – voice their concern about quality of life studies. For the former, "quantity of life" takes the form of instant gratification and is more important than quality; and the latter group see the term as a judgement about their inability to be consumers and therefore "normal" members of society. Branding is thus a unitarist exercise – one that writes out class, diversity, spaces and representations. It writes in cosmopolitanism: where spaces of the city become a work and playground for designers, architects, property developers, financiers, marketers and other global *flâneurs*.

The quantification of qualities leads to the commodification of cities: rankings treat complex assemblages such as lifestyle as a good that can be managed and consumed within free markets. This commodification is achieved through the reduction of qualities into quantities that represent a series of translations resulting in league tables. These tables frame the "battle-ground" in which cities can start to compete in the first place. As outlined above, an agreement about the "theatre of war" precedes the actual engagement. Similarly, the establishment and institutionalization of league tables frames the city manager's mind so she can think strategically about competition.

Second, league tables create an order amongst a heterogeneous ensemble of entities. By rendering the invisible visible they establish a hierarchical relationship between previously separate and unrelated elements. From the strategy manager's view, the city is looked at from a distance – through league tables, charts, numbers and comparisons. This removed perspective produces a split between the subject (the strategist), the object (city) and the environment (other cities).

The object can then be analysed and repopulated with qualities and values as defined by the brand. This is a paradoxical process: first, cities are seen as the mere result of what a sample of interviewees can express across a scoring system that runs from 1 to 5. Then, based on these quantitative results, a brand that fits within the global framework of competition is constructed. In this respect, a brand is the controlled reintroduction of quality into the economy (see Lury, 2004; Kornberger, 2009). If one understands the economy as a series of transactions, money as a quantifiable indicator of value is pertinent. For Simmel, money is such a powerful medium because it is able to quantify qualities. Money introduces what Simmel described vividly as "merciless objectivity" through which every quality is dissolved into a relative variable that can be compared (Simmel quoted in Lury, 2004, p. 5). Simmel did not hide his critical attitude to this phenomenon: "Money, with all its colourlessness and indifference, becomes the common denominator of all values; irreparably it hollows out the core of things, their individuality, their specific value, and their incomparability." (Simmel, 1950, p. 414). With branding we experience the re-introduction of qualities into the global economy. Pure quantities do not add up to the images and symbols, which the new economy demands. Through branding, previously uncontrollable qualities become manageable as they relate to each other in hexagons such as Anholt's. In a globally institutionalised realm of floating signifiers, league tables do not only create order amongst quantities, but also produce new qualities.

Indeed, we argue that league tables engender new qualities that have not existed before. Calculative practices do not merely mirror an objective reality beyond the league table. They also do not simply reduce complex stories into simple numbers. As we pointed out earlier on, objects are the correlate, the outcome of practices. But practices do not only constitute the city as a rational, purely quantitative object in the strategist's mind. They also inject previously non-existent qualities. For instance, league tables are the *a priori* of setting oneself as a city into relation with a host of other places that have been traditionally separated in space and time. Rankings create an environment, an outside, that will impact on the individual identity of cities. Even if a city stayed in the same spot for several years, its identity would change because of the dynamic movement around it. Identity becomes an issue of the relative position amongst players in a dynamic field. These relations are qualitative as they create new associations, combinations and comparisons. On *Anholt's City Brands Index*, Edinburgh is at 22nd place (with an overall score of 59.61), just before Singapore (with a score of 59.42). Like the sewing machine and the umbrella on the operating table, the two cities share an intimacy on the league table that is generative. Rankings turn the notion of globalisation into a quality that can be experienced and consumed. Despite their quantitative nature, it seems that numbers are qualities, too.

Third, league tables stimulate competition. The whole point of league tables is that they are produced annually or even quarterly to see how the performance of individual players develops. A one-off league table would be a snapshot in time; a repeatedly conducted league table forges identity over time. In order to remain interesting, league tables have to monitor the development of these identities and stimulate movement in the table. Over time, as the tables become more institutionalised and more closely coupled to city managers' decisions (which is not the same as actions), cities will learn to increase what is measured in the tables (which again is not necessarily what makes for a good city – think back to the number of MBA programmes, for instance). In fields with a longer tradition of league tables – such as certain sports – league tables are reified to become the only valid "reality". Of course, cities are not soccer clubs, but to listen to the discourse of city managers one could be forgiven for thinking that they are similar. City rankings stimulate the same movement: think of LA dropping out and Amsterdam entering the top ten for no obvious reasons. We have to conclude that movement within league tables is part of the institutional logic of league tables and hence movement is enacted by rankings – bearing little relation to the evaluated reality, it seems.

Fourth, once competition is accepted, individual players need strategy to play the game. Resources will be allocated and strategists will enjoy power as they control relevant areas of uncertainty – in our case, positions on league tables (Crozier, 1964). Once rankings are accepted as reality, strategy acts as an anxiety-reducing activity that rationalizes an uncertain future. But strategy is in itself a paradoxical enterprise that is condemned to fail. Strategy is about defining oneself differently from one's competitors in order to create a sustainable competitive advantage. In the words of Michael Porter (1996), strategy is about doing things differently or doing different things. However, the pre-condition of the possibility of competition (the Kantian *a priori*) is to eradicate the fundamental differences between entities and make them comparable. Once they are made comparable and ordered hierarchically in league tables – in short, once they are made similar – the strategist has to introduce a difference that makes a difference. Think of Edinburgh: it is a truly unique city with unique characteristics and history. The brand of Edinburgh reduces these differences to one single dimension ("Inspiring Capital") and then tries to claim uniqueness. Of course, dozens of other cities would claim to be inspiring too. Ironically, once cities have subscribed to the logic of league tables, it becomes increasingly harder for them to differentiate because these tales only capture a very small number of characteristics.

League tables create the precondition of the possibility of strategy by setting up the dilemma of strategy: being similar enough to remain comparable and simultaneously having to be different enough, with a unique identity. This is the sphinx that strategy sets up: be similar and different at the same time. Cities are drawn into this paradox through league tables. They lose their uniqueness through quantifying the qualities and idiosyncrasies that make them special. Then cities reintroduce brand initiatives and strategies to differentiate themselves from each other.

The strategy paradox is reflected in the idea that cities have to compete on supposedly universal criteria: think of the *Worldwide Centers of Commerce Index* and the category of "Knowledge creation and information flow". As outlined above, the number of newspapers per million inhabitants is one indicator. This indicator – and not only this one – supposes that newspapers have the same function in each and every city, and that the newspaper industry is structured similarly in each city so that the number of competitors and the quality of the reporting remain the same. However, these are hardly realistic assumptions.

A truly unique strategy might choose to operate outside the dimensions of the league table, as there might be space for doing things differently or doing different things. However, the calculative practice that establishes league tables only recognizes certain indicators. The paradox of ranking-based strategizing is that it encourages the competing entities to be different within a predefined space that precludes real difference. Therefore, city strategies and especially city brands can be seen as hegemonic vehicles for the creation of diversity (Askegaard, 2006; Kornberger, 2009).

Fifth, league tables have important power effects that may result in unintended consequences. Calculative practices alter power relations and "enable new ways of acting upon and influencing the actions of individuals" (Miller, 2001, p. 379). League tables are a form of governing by numbers (Miller, 2001). What is counted is usually what counts. Rankings are a language game with power effects. As Nicolas Rose (1999, p. 27) put it, to govern "is to be condemned to seek an authority for one's authority". In a regime of governmentality, legitimacy derives from the truth. Of course, we do not understand truth in the traditional sense of veritas. Rather, following Foucault (1972), truth is a powerful ordering device that allows us to regulate, order, circulate and distribute discourse in society. In this sense rankings are discursive resources that can be mobilized for different ends.

As such, rankings are a form of power that Foucault has described as governmentality: they "conduct" as they lead and drive others to make certain choices. To govern means "to structure the possible field of action of others" (Foucault, 2003a, b, p. 138). This includes governing things, events, words, images and people alike: a heterogeneous assemblage of things that creates forces within a given field. Importantly, governmentality structures the field of possible actions, but does not determine them. A city manager will not be determined by league tables in his/her strategizing, but he/she will have to act and react in relation to the realities made visible through the calculative practices that construct order.

Of course, these sense-making processes of city strategists will lead to unintended consequences. City managers are not uncritical consumers of rankings. Future empirical research could highlight how managers make sense of rankings and (ab)use them. Learning from other studies, managers (including city managers) manipulate indicators rather than increasing actual performance. If five-star hotels are indicators of the worldliness of a city, the criteria for differentiating and accrediting hotels might be an easier way to collect points within the system than actually building better hotels. From a city manager's perspective, this is a perfectly rational action; from a system perspective, such behaviour is irrational. These contradicting rationalities and their paradoxical interplay are the hallmark of managerial strategies. By introducing ostensibly efficient management practices into city administrations, cities will, knowingly or not, also introduce these paradoxes. We speculate that city strategists will adjust their identities accordingly: as Ian Hacking (1985) has argued, classifications "make up people" by locating individuals on the scale the new taxonomy introduces. In this sense, rankings not only impact on the identity of cities, but also provide new scripts and new props for city managers to enact their individual identities.

Conclusion

More than 20 years ago, Miller and O'Leary argued for a perspective that views accounting as an "important part of a network of power relations which are built into the very fabric of organizational and social life. It is a constitutive element in a form of normalizing socio-political management whose concern is with rendering visible all forms of activity of the individual..." (Miller and O'Leary, 1987, p. 240). Following this tradition, accounting is best understood as a calculative practice: rather than investigating how accounting is done in municipalities, following Miller and O'Leary we should focus on how rationality and truth are constructed with numbers. The league tables analysed in this paper sketch out how such research could be conducted.

Understanding the now ubiquitous league tables and city rankings as *a priori* to city competition accords heightened importance to the calculative practices that are mobilized in the construction of these tables. As a form of rationality, accounting for cities shapes city strategizing, as the latter is reliant on calculative practices that create competition in the first place. In this sense, strategizing follows accounting.

We would like to think that our argument also has implications for the society in which we live. Traditionally, cities have been the loci of the public sphere in which conflicting discursive regimes collided. In an unsurpassed phrase, Robert Park (1969) described the city as "a mosaic of social worlds which touch but do not penetrate". By casting the city as a brand that has to perform within narrowly defined league tables, the public sphere is fundamentally transformed. Barber (2007) has diagnosed this shift as "civic schizophrenia". It occurs because the aggregation of private wants does not equal public goods. Rather, the public has to be created as public – the *res publica* is what cannot be reduced to private choices. Hence, a consumer democracy is an oxymoron: while the market can address the question "What do I want?" it fails when it tries to answer the question "What do we as a community need?" "Private choices do inevitably have social consequences and public outcomes. When these derive from purely personal preferences, the results are often socially irrational and unintended..." (Barber, 2007, p. 128). This is where civic schizophrenia sets in: as an individual I want a certain lifestyle; as citizens we should use public transport to avoid pollution and reduce our dependency on oil, etc. If the "I" starts to dominate the "We", the public domain disappears. If health insurance, education, security, transport and other public goods become a matter of private choice, the corollary is ruinous: it is impossible to live safely and in an environment free of pollution unless the whole community commits to the same values.

At a societal level, league tables and city rankings are mechanisms to regulate public discourse and silence the voices of those who are rendered invisible through the very same practices that render other features of and interests in cities visible. As such, rankings are a symptom, and a driver, of civic schizophrenia. The urban strategist experiences this schizophrenia through what we have described as the paradox of strategy; citizens will experience it through an urban environment that follows the logic of "iron grid" league tables rather than the messy and idiosyncratic patterns that shaped some of the greatest cities in the world.

Notes

1. The original quote from Maldoror is: "As beautiful as the chance encounter of an umbrella and a sewing machine on a dissecting table" (quoted in Nesselroth, 1969, p. 13).
2. Michel Serres' study of the parasite draws out the complexities and fallacies that are attached to the Western logic that is built on *tertium non datur* – see Serres (1982).
3. See: www.earthspeak.com
4. See: www.mastercard.com/us/company/en/insights/studies/2008/wcoc/index.html
5. See: www.mercer.com/referencecontent.htm?idContent = 1173105#Top_50_cities:_Quality_of_living

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