

# The 10 TRAITS of GLOBALLY FLUENT METRO AREAS

GLOBAL CITIES INITIATIVE  
A JOINT PROJECT OF BROOKINGS AND JPMORGAN CHASE

## OSLO

GDP (country rank), 2012 <sup>1</sup>	Share National GDP, 2012 <sup>2</sup>	GDP/Capita, 2012 <sup>3</sup>	Population, 2012 (country rank) <sup>4</sup>	Share National Pop., 2012 <sup>5</sup>	GaWC Global City Ranking, 2010 <sup>6</sup>	# Global 2000 HQs, 2012 <sup>7</sup>	GDP/c Growth 1993-2012 <sup>8</sup>
\$76,024,682,827 (1)	27.16%	\$55,509	1,369,585 (2)	27.37%	72	8	1.94%

### 1) Benchmarks — what is the city's recent ranking performance in terms of global firms, connectivity, diversity, range of cultural assets, immigrants, visitors?

Home to 1.4 million, Oslo is Norway's capital and its largest metro area. Located in the southeast of the country, where the North Sea connects to the Baltic, the city's long maritime and trading history has helped it acquire a low-risk reputation for corporations. A well-qualified workforce and strong processes of talent development mean the city ranks an impressive 17th in AON's most recent People Risk Index, ahead of Miami and Dubai,<sup>9</sup> and it is among the leading quarter of world cities for productivity.<sup>10</sup> Business friendliness, infrastructure, and economic growth potential are seen as Oslo's major drivers for attracting foreign investment in the 2012–13 European Cities of the Future study. Expertise and economic opportunity are also factors in the city hosting a large number of rotating international business meetings; the International Congress and Convention Association ranked it 32nd globally in 2011.<sup>11</sup>

Oslo's impressive all-round performance does not mean it has become an instinctively international city. It places a disappointing 34th of 36 in the most recent European Cities Monitor, despite a strong reputation for multilingual workers, because office space is regarded as a poor value and promotional initiatives are seen as minimal.<sup>12</sup> Despite an impressive recent rise to 33rd in the Global Financial Centres Index, its services scope is measured only as "local," while neighbors Edinburgh and Copenhagen are "transnational." It falls well behind Copenhagen and Stockholm in international visitors, and it ranks outside the top 100 cities globally.<sup>13</sup>

**2) Narrative – the city’s journey into and through globalization. What kind of economic and development trajectory has it taken? What has changed over time?**

As Scandinavia’s oldest capital, Oslo has become a significant trade hub and immigrant destination over the past 30 years, during which time it has been one of the highest-performing metro areas in the region. Rather than pursuing an explicit agenda of internationalization, economic growth since 1990 has been based on a strong domestic position in the global maritime, oil, and gas sectors, supported by niche knowledge-based services, including information/communications technology (ICT), finance, and consultancy. Cultural flagship projects, such as the Oslo Opera House, have been nurtured by public bodies in order to attract surrounding private investment.

Oslo is now examining the opportunities to leverage its command-and-control status in the commodities sector to invest in new technologies and new industries, including media, higher education, and medicine. These opportunities are timely, given concerns that Asian maritime hubs will move ahead in terms of technology and efficiency. Oslo’s industry-specific offering in adjacent services such as finance, law, and insurance are seen as critical to maintaining a global position in the maritime sector despite the decline of traditional deep-sea shipping. Alongside a clear push toward economic diversification, Oslo now seeks to attract high-performing small firms and entrepreneurs.

**3) Elements of international and global orientation - In what ways is the city globally connected and relevant? What sort of trade patterns does it exhibit?**

Despite its largely mono-cultural history, Oslo is rapidly becoming a very diverse city. Immigrants and their first-generation children are forecast to account for 47 percent of the city population by 2040, almost double the present proportion. A diverse economic profile and generous social welfare programs attract overseas arrivals from across the skills spectrum. Asian immigrants are now the most numerous in the city, followed by Africans. The city hosts substantial populations of Iraqis, Somalis, Pakistanis, and Iranians, as well as growing numbers of Russians and Polish.<sup>14</sup>

Among international visitors, Oslo is heavily reliant on Northern European markets. The United Kingdom, Sweden, and Germany account for more than a third of all incoming travelers. Polish and Russian visitors now are major secondary sources, as are Japan and Korea. Chinese visitors make up only 2 percent of guest nights, but this figure is rising quickly.<sup>15</sup>

**4) To what extent is the city’s international dimension inherited or intentional?**

Oslo inherited a favorable position as a capital of a small, open economy. The city has always relied on exports, and so openness to global trade is an intrinsic feature in the urban DNA. Its position at the periphery of European politics has also seen diplomacy and peace-making play a role in its international activity and reputation. Oslo has been synonymous with the Nobel Peace Prize for a century, and has played an important role in conflict resolution, including the Israeli-Palestinian conflict in the 1990s. This status has been a springboard for its more recent participation in political, intercultural, and environmental diplomacy.

Today, Oslo’s international business proposition is supported by the city council’s large investment capability for urban redevelopment and infrastructure projects. The city is a majority shareholder in Norwegian firms such as energy companies Hafslund and E-CO Energi, and occasionally withdraws large extraordinary dividends to speed up or guarantee project completion. It also benefits from a lucrative toll road scheme, recently renewed, which funds a variety of critical road and rail projects.

Oslo’s globally facing sectors – such as oil and gas, and oncology – are products of tight but externally facing cluster management, supported by the city government but led mostly by enlightened business leaders. New metropolitan collaborations such as Oslo Knowledge Partnership have emerged, and indicate a shared commitment to a more international focus in technology, life sciences, climate change, and architecture. The

new development body Oslo Teknopol has increased power to link business, research, and higher education, as a new process of innovation is embedded for clusters such as oncology, ICT, neuroscience, and biology. Cluster innovation has also occurred through the regular communication channels that local entrepreneurs develop beyond the region and with the outside world. Long-term accumulated assets such as a high-quality education system, advanced infrastructure, and a consistent supply of well-trained researchers and scientists have enabled Oslo to be successful at commercialization.<sup>16</sup>

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<sup>1</sup> Brookings analysis of Moody's Analytics and Oxford Economics data.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> "The World According to GaWC; Classification of Cities 2010," September, 14, 2011.

<sup>7</sup> The data were produced by G. Csomós and constitute Data Set 26 of the Globalization and World Cities (GaWC) Research Network (<http://www.lboro.ac.uk/gawc/>) publication of inter-city data.

<sup>8</sup> Brookings analysis of Moody's Analytics and Oxford Economics data.

<sup>9</sup> "2012 People Risk Index," AON, 2012, available at <http://aon.mediaroom.com/index.php?s=43&item=2610>.

<sup>10</sup> "Toronto as a Global City: Scorecard on Prosperity 2011," Toronto Board of Trade, 2011, p. 23.

<sup>11</sup> "Statistics Report: International Association Meetings Market Country and City Rankings," International Congress and Convention Association, 2012, available at [www.iccaworld.com/dcps/doc.cfm?docid=1520](http://www.iccaworld.com/dcps/doc.cfm?docid=1520).

<sup>12</sup> "European Cities Monitor 2011," Cushman & Wakefield, 2011.

<sup>13</sup> "The Global Financial Centres Index: 12," Z/Yen, 2012.

<sup>14</sup> Kristin Henriksen, Lars Østby, and Dag Ellingsen, eds., "Immigration and Immigrants," Statistics Norway, 2010, available at [www.ssb.no/english/subjects/02/sa\\_innvand\\_en/sa122/sa122\\_en.pdf](http://www.ssb.no/english/subjects/02/sa_innvand_en/sa122/sa122_en.pdf).

<sup>15</sup> "Hotels and Similar Establishments: Guest Nights, by Nationality of the Guests, May 2011 and 2012," Statistics Norway, 2012, available at [www.ssb.no/english/subjects/10/11/overnatting\\_en/tab-2012-06-29-02-en.html](http://www.ssb.no/english/subjects/10/11/overnatting_en/tab-2012-06-29-02-en.html).

<sup>16</sup> Vivek Wadhwa, "Industry Clusters: The Modern-Day Snake Oil," *Washington Post*, June 19, 2011, available at [www.washingtonpost.com/national/on-innovations/industry-clusters-the-modern-day-snake-oil/2011/06/19/gIQAmtx3EI\\_story.html](http://www.washingtonpost.com/national/on-innovations/industry-clusters-the-modern-day-snake-oil/2011/06/19/gIQAmtx3EI_story.html).

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