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**Revisiting the ‘Informational City’: space of flows,  
polycentricity and the geography of knowledge-intensive  
business services in the emerging global city-region of  
Dublin.**

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**Revisiting the 'Informational City': space of flows, polycentricity and the geography of knowledge-intensive business services in the emerging global city-region of Dublin.**

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**Revisiting the 'Informational City':  
space of flows, polycentricity and the geography of  
knowledge-intensive business services in the emerging  
global city-region of Dublin.**

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7 **Revisiting the 'Informational City': space of flows, polycentricity and**  
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9 **knowledge-intensive business services in an emerging global city.**  
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16 **Abstract:**  
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21 The paper engages with the notion that the new spatial logic, underpinned by  
22 information and communication technology (ICT) and the 'space of flows',  
23 manifests itself in the form of 'informational cities' described as multinuclear  
24 spatial structures or polycentric city-regions in the knowledge-based  
25 economy. Focusing on the geography of knowledge-intensive business  
26 services (KIBS) the paper argues that there is little evidence of such  
27 polycentric pattern emerging within the Greater Dublin Region. The  
28 exploration of factors underpinning weak decentralisation tendencies of KIBS  
29 opens for reconsideration the concept of the 'informational city'.  
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47 knowledge-intensive business services polycentricity city-region Dublin  
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52 JEL classifications: R12, R30, L80, O18  
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56 CRES-2006-0239.R1  
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58 Revisiter la cité de l'information : espace de flux, polycentricité et  
59 géographie des secteurs à haute densité intellectuelle aux  
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3 entreprises basés sur la connaissance dans la nouvelle ville-région  
4 de Dublin.  
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7 Martin Sokol, Chris van Egeraat et Brendan Williams  
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12 **Résumé**  
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16 Cet article s'intéresse au fait que la nouvelle logique spatiale, sous-tendue par les  
17 technologies de l'information et de la communication (TIC) et les espaces de flux se  
18 manifeste sous la forme de cités de l'information décrites comme des structures spatiales à  
19 noyaux multiples ou de villes-régions polycentriques dans l'économie de la connaissance.  
20 S'appuyant essentiellement sur la géographie des secteurs à haute densité intellectuelle  
21 (KIBS), les auteurs font valoir qu'il y a peu de preuves de l'émergence de tels modèles  
22 polycentriques au sein du grand Dublin. L'analyse de facteurs confirmant de faibles  
23 tendances à la décentralisation des KIBS invite à reconsidérer le concept de cité de  
24 l'information.  
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38 Secteurs à haute densité intellectuelle, polycentricité, ville-région, Dublin

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40 Classement JEL : R12, R30, L80, O18  
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44 CRES-2006-0239.R1

45 **Neubewertung der 'Informationsstadt': Raum der Ströme, Polyzentrität**  
46 **und die Geografie von wissensintensiven Geschäftsdiensten in der**  
47 **entstehenden globalen Stadtregion von Dublin**  
48

49 Martin Sokol, Chris van Egeraat and Brendan Williams  
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51

52 **Abstract:**  
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54  
55 In diesem Beitrag befassen wir uns mit der Vorstellung, dass sich die neue räumliche Logik  
56 dank der Informations- und Kommunikationstechnologie und des 'Raums der Ströme' in Form  
57 von 'Informationsstädten' manifestiert, die als multinukleare Raumstrukturen oder  
58 polyzentrische Stadtregionen in der wissensbasierten Wirtschaft beschrieben werden. Wir  
59 konzentrieren uns auf die Geografie von wissensintensiven Geschäftsdiensten und  
60 argumentieren, dass innerhalb der Großregion Dublin nur wenige Anzeichen für das  
Entstehen solcher polyzentrischer Muster vorliegen. Die Untersuchung von Faktoren, die

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schwachen Dezentralisierungstendenzen von wissensintensiven Geschäftsdiensten zugrundeliegen, führt zu einer Neubewertung des Konzepts der 'Informationsstadt'.

Wissensintensive Geschäftsdienste  
Polyzentrität  
Stadtregion  
Dublin

JEL classifications: R12, R30, L80, O18

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Revisión de la 'Ciudad Informativa': espacio de flujos, policentralidad y la geografía de los servicios comerciales con alto nivel de conocimientos en el área emergente y global de la región metropolitana de Dublín

Martin Sokol, Chris van Egeraat and Brendan Williams

**Abstract:**

Este ensayo trata sobre la noción de que la nueva lógica espacial, respaldada por las tecnologías de la información y la comunicación (TIC) y el 'espacio de flujos', se manifiesta en forma de 'ciudades informativas' descritas como estructuras multinucleares espaciales o regiones metropolitanas policéntricas en la economía basada en el conocimiento. Centrándonos en la geografía de servicios comerciales con alto nivel de conocimientos, en este artículo sostenemos que existen pocas evidencias de este modelo policéntrico en la región metropolitana de Dublín. El análisis de los factores detrás de las tendencias débiles de descentralización de los servicios comerciales con alto nivel de conocimientos nos lleva a reconsiderar el concepto de la 'ciudad informativa'.

Servicios comerciales con alto nivel de conocimientos  
Policentralidad  
Región metropolitana  
Dublín

JEL classifications: R12, R30, L80, O18

## 1. Introduction

The twin processes of globalisation and knowledge-intensification of the economic processes said to be resulting in the emergence of the 'global knowledge-based economy' have raised serious questions about the future of cities and regions. A commonplace view is that the new global knowledge-based economy will bring about new spatial forms or even an entirely 'new spatial logic' (CASTELLS, 1989) superseding spatial forms, or the existing spatial logic of industrial capitalism. In recent decades, this 'new spatial logic' has been subject to an intensifying debate. Interestingly, there has been a strong convergence of views among the leading scholars identifying 'polycentricity' or 'multinuclearity' as a defining feature of the city-region of the 21<sup>st</sup> century – in the form of 'multi-core metropolis' (HALL, 1999, 18-19), 'multicentered agglomerations' (SCOTT *et al.*, 2001, 18), 'new geographies of centrality' (SASSEN, 2001, 85) or 'multifunctional, multinuclear spatial structures' (CASTELLS, 1989, 167). More recently, HALL and PAIN (2006) have used terms such as 'polyopolis', 'polycentric metropolis' or 'polycentric mega-city region' to describe what they call a 'new spatial phenomenon' (*ibid*, 14). Importantly, spatial structures that are characterised by some form of polycentricity are also favoured by policy-makers who often see them as a way of ensuring more balanced development at various spatial scales (e.g. EC, 1999).



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However, there are two key questions that the polycentric debate needs to address: (1) whether a 'multinuclear' or 'polycentric city-region' is indeed emerging as a dominant spatial form of the knowledge-based economy, and if so, (2) whether such a city-region contributes to balanced spatial development. The challenges in addressing these two questions are significant. One of the key problems is the fact that the concept of polycentricity is itself subject to an important debate that leaves a definition of a 'polycentric city-region' somewhat problematic and inconclusive (e.g. RICHARDSON and JENSEN, 2000; JENSEN and RICHARDSON, 2001; BAILEY and TUROK, 2001; KLOOSTERMAN and MUSTERD, 2001; KLOOSTERMAN and LAMBREGTS, 2001; DAVOUDI, 2003; TUROK and BAILEY, 2004; PARR, 2004). In the absence of a generally accepted conceptual framework, this paper will refer to definitions proposed most recently by HALL and PAIN (2006) – who view 'polycentric mega-city regions' as emerging through a 'long process of very extended decentralisation from large central cities to adjacent smaller ones' (ibid, 3) or 'outward diffusion from major cities to smaller cities within their spheres of influence' (ibid, 12). Clearly, definitional issues alone would deserve a detailed discussion or even a full paper (see other contributions in this issue) but this is not the intention of this paper.

Instead, this paper focuses on the factors impinging upon the fundamental process through which a 'polycentric mega-city region' is supposed to be created – i.e. the process of 'decentralisation' or 'outward diffusion'. The paper will do so by engaging with the conceptual approach of the 'space of

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3 flows' (CASTELLS, 1989, 2000). There are at least two good reasons for this.  
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5 First, it has been argued recently that a 'polycentric mega-city region' is in fact  
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7 'based on Castells's "space of flows"' (HALL and PAIN, 2006, 12). The second  
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9 reason is that CASTELLS (1989) developed a fairly comprehensive  
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11 theoretical framework that may help to understand the emergence of such a  
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13 city-region. Indeed, some years ago, CASTELLS (1989) predicted the  
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15 emergence of 'informational cities' in a form of 'multifunctional, multinuclear  
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17 spatial structures' resulting from the balance of centralising and decentralising  
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19 effects of the 'space of flows' in the 'information age' dominated by  
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21 information and communication technologies (ICT).  
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29 The main aim of the paper is to examine key aspects of the Castells's theory  
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31 (summarised in Section 2) in the light of empirical evidence from the Greater  
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33 Dublin region. The choice of Dublin can be justified on two grounds. Firstly,  
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35 Dublin has been strongly exposed to the forces of globalisation over the last  
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37 two decades. The increasing linkages with the global economy have recently  
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39 led researchers from the Globalisation and World Cities Study Group and  
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41 Network (GaWC) to label Dublin an 'emerging global city' (see TAYLOR *et al.*,  
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43 2002, 100). Secondly, it could be argued that hand-in-hand with its  
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45 globalisation, Dublin experienced unprecedented economic growth, part of  
46  
47 which was a significant expansion of internationally traded services  
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49 (BREATHNACH, 2000; GRIMES, 2003; GRIMES and WHITE, 2005) and  
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51 knowledge-intensive business services (KIBS). Importantly, CASTELLS  
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53 (1989) and HALL and PAIN (2006) alike, see KIBS as the major driving force  
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55 behind the emergence of the 'multinuclear' or 'polycentric' spatial structures.  
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3 With both key ingredients present – high exposure to globalisation processes  
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5 and a strong presence of KIBS – Dublin is a good case for examination of  
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7 whether the ‘new spatial logic’ is taking roots (and if so, whether more  
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9 balanced development is emerging as a result).  
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15 However, following the examination undertaken in Section 3 it will be argued  
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17 that the geography of KIBS in and around Dublin does not seem to imply that  
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19 either dramatically new ‘spatial logic’ or more balanced development is  
20  
21 emerging. The subsequent sections of the paper will therefore examine  
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23 factors that impinge upon the processes of centralisation and decentralisation  
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25 in the region, in order to establish why centralising tendencies are dominant  
26  
27 and whether there are factors that may encourage decentralisation of KIBS in  
28  
29 the future. In doing so, the paper will aim to argue that, in addition to the role  
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31 of ICT (over)emphasised by Castells, a much more complex set of factors  
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33 shaping the geography of KIBS is in operation, thus highlighting the need to  
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35 re-conceptualise the ‘informational city’. The paper will suggest that there is a  
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37 need for a conceptual approach that would be more sensitive to a number of  
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39 other crucial factors such as the role of the state (in its various geographical  
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41 scales), the labour market conditions and locational strategies of KIBS  
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43 themselves, the importance of which will be highlighted by the evidence  
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45 presented in Sections 4, 5 and 6. Furthermore, and importantly, it will be  
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47 argued that a combined effect of these factors may not necessarily support  
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49 the emergence of ‘polycentric’ spatial structures. Finally, Section 7 will  
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51 summarise the arguments and highlight challenges for policy-making.  
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## 2. 'Space of flows' and the 'new spatial logic'

The concept of the 'space of flows' is frequently used, but also often-misinterpreted. Manuel Castells, the originator of the concept, himself contributed to the confusion by offering alternative definitions and interpretations of the 'space of flows' (cf. CASTELLS, 1989 vs. CASTELLS, 2000). This paper will use the original conceptual approach developed by CASTELLS (1989) in his seminal work *The Informational City*. In it he provides the clearest expression of what he means by 'space of flows' while using a conceptualisation which is directly relevant to the polycentricity debate (see HALL and PAIN, 2006, 3-4). It is worth mentioning that, in his later writings, Castells has shifted his analytical focus and changed vocabulary somewhat. However, his emphasis on information and communication technologies remained intact (see CASTELLS, 2000, 2001, 2004) and the continued relevance of *The Informational City* for his concept of the 'space of flows' has been explicitly acknowledged (see CASTELLS, 2000, 409, note 3).

Key arguments of CASTELLS (1989) could be summarised as follows. The starting point of Castells's theorisation is a suggestion that prevailing spatial forms are inextricably linked with dominant social organisation of societies. In other words, if a new social organisation sets in, new spatial form will follow. According to CASTELLS (1989) new social organisation is indeed emerging, giving a birth to an entirely new 'spatial logic'. It was the advent of information and communication technologies (ICT) that provided a trigger for transformation towards a new mode of socio-technical organisation -

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3 'informational mode of development' (see also CASTELLS, 2000). He argues  
4 that through this transformation the economy becomes *informational*, because  
5 'the production of surplus derives mainly from the generation of knowledge  
6 and from the processing of necessary information' (CASTELLS, 1989, 136;  
7 see also CASTELLS, 2000, 77 and CASTELLS, 2004, 8-13). He puts forward  
8 a hypothesis that this new 'informational mode of development', together with  
9 the process of restructuring of capitalism, forms a 'fundamental matrix of  
10 institutional and economic organisation in our societies' (CASTELLS, 1989,  
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27 CASTELLS (1989) offers a detailed description of this new organisational  
28 matrix and the way it impacts on cities and regions. He asserts that one of the  
29 key features of this new matrix is the 'large-scale organisation', in particular  
30 the large private corporation (CASTELLS, 1989, 137). While small and  
31 medium enterprises may continue to play a dynamic role in the economy, their  
32 'role is auxiliary in relation to processes that depend largely on the  
33 commanding heights of the economy' (ibid, 137) dominated by large  
34 corporations. Castells also makes a point that although informational mode of  
35 development penetrates all spheres of the economy (including agriculture and  
36 manufacturing; ibid, 167), it is a 'nucleus of information-intensive industries  
37 whose organisation and spatial logic occupies the top of the functional and  
38 economic corporate hierarchy' (ibid, 144; see also TAYLOR et al., 2002 for  
39 similar a argument). Castells's definition of 'information-intensive industries'  
40 corresponds to KIBS, including banking and finance, insurance, legal service,  
41 engineering, accounting and other business services (see CASTELLS, 1989,  
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3 144). In other words Castells argues that KIBS play a pivotal role in shaping  
4 the new spatial structure (see also TAYLOR et al., 2002) and its potentially  
5 polycentric form (see also HALL and PAIN, 2006).  
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12 CASTELLS (1989) then offers more details on how this new (polycentric)  
13 spatial structure will come about. He suggests that, thanks to new information  
14 technologies, large office-based information-intensive corporations (read  
15 KIBS) are dramatically transforming their organisational and spatial structure,  
16 resulting in a 'complex, hierarchical, diversified organisational structure'  
17 characterised by a 'variable geometry depending upon time, place, and realm  
18 of activity' (ibid, 168). He argues that in terms of spatial structure these  
19 corporations are undergoing a 'two-fold process of simultaneous centralisation  
20 and decentralisation' (ibid, 151). By centralisation he means  
21 'metropolitanisation' of service activities (ibid, 151) or reinforcement of  
22 decision-making in corporate cores of major central business districts (CBD;  
23 ibid, 167). By 'decentralisation' he understands a spread of service activities  
24 over three spatial levels: from inner cities to the suburbs of metropolitan  
25 areas; from metropolitan to non-metropolitan areas and small cities; and  
26 between regions<sup>1</sup> (ibid, 152). He argues that the process of office  
27 centralisation or decentralisation is differentiated according to the different  
28 types of office functions and their place in the hierarchy of the corporation  
29 (ibid, 159), resulting in a 'complex territorial development process' (ibid, 169).  
30 This complex process – where '*neither centralisation nor decentralisation is*  
31 *dominant*' (ibid, 169; emphasis added) - impacts on the urban-regional  
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3 structure and transforms metropolitan areas into 'multifunctional, multinuclear  
4 spatial structures' (ibid, 156 and 167)<sup>2</sup>.  
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11 Importantly, all various office functions within a corporation (from head office  
12 to back offices) regardless of their actual location have to be interrelated and  
13 interconnected by the means of 'communication flows' (CASTELLS, 1989,  
14 169) via ICT infrastructure<sup>3</sup>. Consequently, the 'space of organisations in the  
15 informational economy is increasingly a *space of flows*' (ibid, 169). Crucial for  
16 the understanding of this emerging 'new spatial logic', however, is the  
17 recognition that the 'space of flows' and the creation of 'multifunctional,  
18 multinuclear spatial structures' is not an undifferentiated process (ibid, 167).  
19 Rather, it follows a 'hierarchical and functional logic' (ibid, 167). In other  
20 words, flows are 'structured' and possess 'directionality' (ibid, 170) as a result  
21 of both hierarchical corporate structure and ICT infrastructure available. It  
22 follows then, that the impact of the 'new spatial form' on balanced  
23 development may be problematic (see also SCOTT et al, 2001). Castells  
24 (1989) fully acknowledged this and indeed predicted the increase of spatial  
25 and social inequality (ibid, 346).  
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48 In drawing these conclusions, CASTELLS (1989) relied on the data from the  
49 United States which he regarded as 'the most advanced society ... in the  
50 production and use of new information technologies' (ibid, 4). However, he  
51 contends that by identifying socio-spatial effects of macro-processes that are  
52 fundamental to all advanced capitalist societies, his theory is 'intended to aid  
53 understanding of the techno-economic transformation of the urban-regional  
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3 process in a broad range of social contexts' (ibid, 5). This paper will explore  
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5 the factors behind this urban-regional process in the context of Dublin, an  
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7 emerging global city-region.  
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### 10 11 12 13 **3. Dublin: towards an informational city?** 14

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17 Dublin - with its high exposure to globalisation and large presence of  
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19 knowledge-intensive service firms is a good case to study the effects of the  
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21 Castells's 'informational' mode of development. In terms of size, Dublin would  
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23 also qualify as one of the 'large metropolitan area' analysed by CASTELLS  
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25 (1989, 145, Table 3.6), although arguably at the lower end of the scale -  
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27 population of the Greater Dublin region in 2001 was 1.64 million of which the  
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29 Dublin metropolitan area accounted for 1.12 million inhabitants.  
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35 The key aim of our investigation is to establish whether the forces of  
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37 simultaneous centralisation and decentralisation are present in and around  
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39 Dublin resulting in the emergence of the new urban form or 'multifunctional,  
40  
41 multinuclear spatial structure'. Following CASTELLS (but see also HALL and  
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43 PAIN, 2006), three main spatial levels are considered here: (1) Dublin's city  
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45 centre / CBD, (2) the Dublin metropolitan area, and (3) the Greater Dublin  
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47 region. For the purposes of this paper, the *Greater Dublin region* is defined as  
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49 a functional urban region comprising the Dublin metropolitan area and four  
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51 surrounding local authorities in its 'hinterland' (County Louth, County Meath,  
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53 County Kildare and County Wicklow). In turn, the *Dublin metropolitan area* is  
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55 defined as comprising the following four 'metropolitan' local authorities: Dublin  
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3 City, Fingal, Dublin South and Dun Loaghaire-Rathdown. Finally, *Dublin's*  
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5 *CBD* is defined as comprising three postcode areas in the very centre of  
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8 Dublin City - Dublin 1, Dublin 2 and Dublin 4. The focus of our study is on  
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10 decentralisation within the Dublin metropolitan area (from city centre to  
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12 suburbs) and within the Greater Dublin region (from Dublin to surrounding  
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14 urban centres).  
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20 In order to examine decentralising tendencies from Dublin to surrounding  
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22 hinterland, nine major urban centres outside Dublin City have been selected.  
23  
24 While still relatively small, all these urban centres have experienced dramatic  
25  
26 population growth in the last decade or so (see Table 1). Our interest was to  
27  
28 find out whether these centres (all within a 100km radius of Dublin) are also  
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30 becoming major locations for KIBS.  
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36 < please insert Table 1 about here >  
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41 In line with the 'informational city' hypothesis, our main interest focuses on  
42  
43 specialised KIBS<sup>4</sup>. The following eight KIBS sectors have been considered:  
44  
45 banking/finance, insurance, management consultancy, accountancy, law,  
46  
47 advertising, logistics and design consultancies. Some of them (e.g.  
48  
49 international financial services within banking/finance/insurance) could be  
50  
51 labeled as 'internationally traded services' (cf. BREATHNACH, 2000;  
52  
53 GRIMES, 2003; GRIMES and WHITE, 2005), while others are predominantly  
54  
55 oriented to domestic markets (e.g. domestic banking, domestic insurance, law  
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57 and accountancy firms, management consultancies, architecture firms, etc.)  
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3 with either national or regional market scope. In some cases, however, market  
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5 boundaries are much harder to establish (e.g. in logistics). There are also  
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7 instances where domestic KIBS and foreign-oriented KIBS simply provide  
8  
9 markets for each other.  
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15 To date, the above KIBS sectors have not been comprehensively studied in  
16  
17 the Irish context. Certainly, the existing literature provides useful insights into  
18  
19 the growth of internationally traded services in Ireland (BREATHNACH, 2000;  
20  
21 GRIMES, 2003; GRIMES and WHITE, 2005), some of which may be part of  
22  
23 larger manufacturing or software-producing corporations. However, our  
24  
25 present study represents the first attempt to examine service-specific KIBS  
26  
27 firms while focusing on their locational pattern within the Greater Dublin  
28  
29 region.  
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36 This is not an easy task given that there are no reliable statistics on the  
37  
38 subject. Our own attempt to provide a preliminary picture at the level of the  
39  
40 Greater Dublin region is captured on Fig.1. In line with Castells' hypothesis, it  
41  
42 focuses on the spread of operations of multi-location KIBS firms. It is based  
43  
44 on information collected from various sources, including sectoral  
45  
46 organisations, regulatory bodies and corporate sources. Although the figure  
47  
48 needs to be treated with caution, it nevertheless clearly shows that, in the  
49  
50 case of the Greater Dublin region, there is very little evidence of  
51  
52 decentralisation of KIBS outside the metropolitan area (see also EGERAAT *et*  
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58 *al.*, 2006).  
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<please place Figure 1 about here>

Indeed, in the urban centres around Dublin larger, multi-office KIBS are very rare. They can be found, however, in sectors like accounting and design consulting (architecture or engineering) but these are typically operating within regional or national market scopes of service provision. The only other significant KIBS presence outside Dublin metropolitan area consists of a network of operations of financial services (banking and insurance). Almost exclusively, however, these networks are made up of local (retail) branches. Perhaps more importantly, there is also a small number of decentralised back offices or call centres from major financial players (headquartered in Dublin). One way or another, the operations that have been decentralised are clearly subordinated to a higher level of decision-making invariably located in the capital city. The operations in question are, in other words, part of a highly hierarchical corporate structure and highly centralised functional/informational flows dominated by a single centre – Dublin, thus compounding uneven regional geography. It is therefore hard to talk about a “balanced” polycentricity, i.e. balanced spread of KIBS functions across the region.

The potential for the increased presence of decentralised operations in Dublin’s hinterland in the future should not be underestimated. However, at the present time, at the regional level at least (i.e. *outside* Dublin’s metropolitan area), a ‘multifunctional, multinuclear spatial structure’ does not seem to be a dominant feature (see also SOKOL and EGERAAT, 2005a, 2005b).

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6 The picture is more complex when one considers processes *within* the  
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8 metropolitan area of Dublin. Here, there is some evidence to suggest that a  
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10 limited decentralisation is taking place, in line with what CASTELLS (1989)  
11  
12 calls 'suburbanisation' of business activities and HALL and PAIN (2006, 11)  
13  
14 identify as decentralisation to 'edge city' locations. Indeed, in the last two  
15  
16 decades or so, Dublin has experienced a major upsurge in construction of  
17  
18 office space in its suburbs (MacLARAN and O'CONNELL, 2001; MacLARAN  
19  
20 and KILLEN, 2002; BERTZ, 2002). Some of these developments can be seen  
21  
22 as contributing to the emergence of 'edge cities' in Dublin, especially around  
23  
24 the M50 C-ring motorway (WILLIAMS and SHIELS, 2000; MacLARAN, 2004).  
25  
26 We found several examples of KIBS moving their entire operation or parts of  
27  
28 their operations into such sites including those in Tallaght and Sandyford-  
29  
30 Leopardstown. Other sub-urban office parks and office locations capable of  
31  
32 accommodating KIBS include Blanchardstown, Palmerstown, Citywest and  
33  
34 Parkwest, among others. However, relatively high vacancy rates in some of  
35  
36 these office developments (MacLARAN, 2004; BERTZ and FOLEY, 2006)  
37  
38 suggests that decentralisation to suburban locations has clear limits. Indeed,  
39  
40 the bulk of Irish KIBS remain stubbornly anchored in Dublin's CBD - an  
41  
42 epicentre of metropolitan, regional and national KIBS activity<sup>5</sup>. As for those  
43  
44 operations that *have* been decentralised to suburbs, these rarely outstrip the  
45  
46 volume and quality of functions of their parents in Dublin's city centre, again  
47  
48 suggesting imbalances in corporate spatial structure. In addition, the current  
49  
50 pattern of office suburbanisation within metropolitan Dublin could be seen as  
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52 "highly inappropriate and inefficient" (MacLARAN and KILLEN, 2002, p. 34),  
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3 not least because it encourages the emergence of an unsustainable, car-  
4 dependant urban form. Therefore, the evolving forms *within* the metropolitan  
5 area of Dublin cannot be automatically equated with a balanced and  
6 sustainable polycentric development.  
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15 In conclusion, the above picture of KIBS geography does not seem to imply  
16 that either dramatically new 'spatial logic' or more balanced development is  
17 emerging in and around Dublin. To understand the reasons behind this we  
18 gathered qualitative evidence via interviews allowing us to gain insights into  
19 the factors that underpin both the current and future locational patterns of  
20 KIBS. The aim of the interviews was to help us (a) to explain why  
21 decentralisation of KIBS operations in and around Dublin has been rather  
22 limited so far, and (b) to ascertain whether there are any factors that may act  
23 as impulses for a larger-scale decentralisation process in the near future.  
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39 More than 100 semi-structured interviews took place in the Greater Dublin  
40 region. Of this number, over 20 interviews were undertaken with institutional  
41 players, such as sectoral or local 'gatekeepers' including representatives of  
42 relevant local authorities, industry associations, professional bodies and  
43 sectoral experts. Nearly 90 interviews were conducted with senior business  
44 managers of multi-location KIBS in the eight aforementioned sectors. The  
45 sampling strategy for firm interviews aimed at achieving, wherever possible, a  
46 cross-section of firms by urban centre, market scope and sector (see SOKOL  
47 and EGERAAT, 2005a, 2005b, for more details).  
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3 A wealth of qualitative data has been produced through this interviewing  
4 effort. Despite this, we do not claim that this data is representative of the  
5 entire population of KIBS in the region. Generalisations are also difficult  
6 because of a huge diversity that exists between and within KIBS sectors. We  
7 do not have a space to elaborate on this here, although responses from  
8 managers of KIBS presented below provide a good illustration of this.  
9 However, what emerged clearly from the interviews is that, rather than  
10 resulting from some universal 'spatial logic' driven by ICT, the geography of  
11 KIBS is contingent on a host of complex factors. We focus here on three  
12 factors that appear to be dominant: (1) firms' own corporate strategies (2) the  
13 conditions of the labour market and (3) the role of state. As will be  
14 demonstrated below, these three factors are highly interrelated and are  
15 strongly influencing each other, while interacting with a plethora of other  
16 overlapping factors.  
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#### 39 **4. Corporate strategies and their spatial implications**

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42 In line with Castells' arguments, it can be said that corporate strategies of  
43 KIBS play a pivotal role in understanding the geography of knowledge-  
44 intensive services. These strategies can also be seen as resulting from a  
45 series of tensions, one of which is a 'locational tension' (see HOYLER and  
46 PAIN, 2001). In the case of Dublin, one needs to understand why this  
47 locational tension is predominantly resolved through locating in the city centre  
48 (CBD) and whether there are factors or tensions that may encourage more  
49 decentralisation in the future.  
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6 The interviews helped us to identify reasons behind the concentration of KIBS  
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8 in Dublin metropolitan area. Respondents in all sectors strongly emphasised  
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10 that Dublin represents both the most important market for their services and  
11  
12 provides much of their labour. Many managers also highlighted the  
13  
14 connectivity to transport infrastructure both nationally (roads, rail) and  
15  
16 internationally (airport). A senior management consultant summed-up the  
17  
18 importance of Dublin as follows: "So the talent pool is here. The client base is  
19  
20 here. The infrastructure is here, so that's why we are here" (Interview, mc04-  
21  
22 here. The infrastructure is here, so that's why we are here" (Interview, mc04-  
23  
24 07, 2004).  
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30 As for the location decisions *within* the metropolitan area, the three issues of  
31  
32 clients, labour and (transport) infrastructure again dominated, strongly  
33  
34 favouring locations of KIBS in the centre of Dublin. On the client accessibility  
35  
36 side, face-to-face contacts remain critical for most KIBS and proximity to, or  
37  
38 accessibility to/by clients is regarded as essential. Due to the predominantly  
39  
40 radial transport pattern in Dublin this is best achieved in the city centre. The  
41  
42 same applies to accessibility by staff (see Section 5).  
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49 There are further advantages that the CBD has to offer. Several respondents,  
50  
51 for instance, pointed to the importance of proximity of related professional  
52  
53 services. Senior managers in design and advertising firms perceived the area  
54  
55 as displaying a 'cluster effect' (e.g. Interview, dc08-20, 2004). A number of  
56  
57 respondents also praised the relative spatial compactness of the CBD which  
58  
59 allows them to walk to most of their business meetings. Other important  
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3 factors contributing to the attractiveness of the city centre location include the  
4  
5 need for a prestigious location, the office building as a form of investment  
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7 asset, better opportunities for sub-letting (vacant) office space, proximity to  
8  
9 amenities and the attractiveness of urban environment including opportunities  
10  
11 for socialising.  
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17 In addition to the above factors that continue to play a key role in the  
18  
19 'traditional' clustering of service firms in Dublin 2 and Dublin 4 areas (see  
20  
21 BANNON, 1973), government policy has undeniably influenced the  
22  
23 emergence of a major concentration of KIBS in the International Financial  
24  
25 Service Centre (IFSC) in the former Docklands area in Dublin 1 (see Section  
26  
27 6). Importantly, interviewed IFSC companies seem to be relatively happy to  
28  
29 stay in the area, despite the fact that the importance of some of the original  
30  
31 incentives has been recently weakening. For these companies, due to the  
32  
33 nature of their operations, the reliability of telecommunication infrastructure is  
34  
35 also a major concern. In fact, as one of the informed banking experts noted, it  
36  
37 is evident that ICT infrastructure, connecting Dublin with the rest of the world,  
38  
39 was critical to the development of international financial services in IFSC  
40  
41 (Interview, ii02-00, 2004).  
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51 While the advantages (or 'economies') of locating in Dublin's city centre are  
52  
53 considerable, managers of firms also identified factors that may promote  
54  
55 centrifugal tendencies and eventual decentralisation of certain KIBS away  
56  
57 from the CBD. Among the disadvantages that managers associated with city-  
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59 central location were classic 'diseconomies' factors such as traffic congestion  
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3 and cost (and in some cases unsuitability) of office accommodation, but also  
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5 lack of parking spaces for staff and clients (restricted by local planning  
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7 authorities). However, despite these constraints, the pull of the CBD remains  
8  
9 strong at the moment.  
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15 The question is whether there are any factors that may change this current  
16  
17 pattern in favour of decentralisation in the future. However, we found very little  
18  
19 evidence for this. Very few KIBS firms that we interviewed were actively  
20  
21 considering relocating to suburban locations (e.g. around the M50), and it is  
22  
23 not clear whether such a move will eventually materialise. Indeed, there is a  
24  
25 concern among many managers that the expected benefits of relocation to  
26  
27 suburbia (such as cheaper office accommodation) may not compensate for  
28  
29 the lost advantages of a central location. While one or two firms indicated that  
30  
31 a 'signature building' may attract them to a sub-urban site, others expressed  
32  
33 concern that office parks in the edges of Dublin may become 'ghosts towns'.  
34  
35 Keeping city-central location is therefore seen as the safest bet.  
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44 Even less impetus among KIBS managers is for decentralisation to locations  
45  
46 *outside* the metropolitan area. We found that there are huge perceived risks of  
47  
48 such a dramatic locational change. Indeed, when asked about the implications  
49  
50 of a potential move to smaller urban centres around the capital city, most  
51  
52 firms indicated that they would be risking losing either staff or clients, or both.  
53  
54 In the case of an architectural practice, a move outside Dublin would be a  
55  
56 matter of "losing soul" too (Interview, dc03-25, 2004).  
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3 While the potential relocation of entire KIBS firms into suburbs or beyond is  
4 very limited, in some cases, large players are decentralising *parts* of their  
5 operations. The banking sector is perhaps the best example of this process.  
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9  
10 As explained by a Deputy CEO of a major bank, amid competitive pressures,  
11 location becomes “an important dimension to cost management” (Interview,  
12 bk01-02, 2004). Consequently, some more routine, back office operations are  
13 being relocated to Dublin’s suburbs or further afield. The distance from Dublin  
14 may be an important element in locational decision-making where the  
15 intention of tapping into a particular labour market outside the reach of the  
16 capital city (see below) has to be balanced against the requirement of an easy  
17 managerial reach (a comfortable car drive from a Dublin head office).  
18  
19  
20 However, it would be too early to consider this process of back-office  
21 decentralisation as a beginning of a new multinucleated or polycentric city-  
22 region. In fact, sceptics could argue that there is no guarantee that this  
23 decentralisation will automatically favour urban centres within the Greater  
24 Dublin Region. Indeed, some operations may simply be outsourced or  
25 decentralised to more remote parts of Ireland or even internationally, with  
26 Dublin’s hinterland losing to cheaper locations in Eastern Europe or Asia, for  
27 instance.  
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50 Having said this, it is important to recognise that for large international  
51 financial services players, Dublin itself is a “decentralised” location (Interview,  
52 bk14-00, 2004) within much larger corporate networks. In other words, Dublin  
53 can be at the receiving end of functions relocated from other (even higher  
54 cost) locations such as London. Exceptionally, large international players may  
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3 even choose smaller urban centres outside Dublin metropolitan area as a  
4 location for their decentralised operations (as was the case of one insurance  
5 company). Such a move would benefit from advantages of escaping Dublin's  
6 expensive office accommodation while still tapping into the labour pool of the  
7 capital. This latter case also leads us to consider the operation of labour  
8 market and its impact on geography of KIBS.  
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## 20 **5. Labour market as a locational factor**

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24 It could be argued that skilled labour in general, and "knowledge workers" in  
25 particular, are critical for *operation* of KIBS. Consequently, labour market  
26 conditions also seem to play an important role (in fact, sometimes the key  
27 role) in determining *locations* of KIBS activities. As revealed by the interviews  
28 in the Greater Dublin region, labour markets also have a significant "inertia"  
29 effect on the "movement" of offices. Once established, it is often considered  
30 problematic (if not impossible) to relocate an office to a new location, largely  
31 because of the reluctance of its staff to move. As a manager of a Dublin-  
32 based logistics company plainly put it, "people would not move" (Interview,  
33 log00-08, 2004). The interviewee added "we could not just move this office  
34 out of here to Naas and 95 percent of our staff living in Dublin" (Interview,  
35 log00-08, 2004). A business person in the insurance sector contemplated a  
36 hypothetical move from Dublin to Drogheda (some 50km north of Dublin) in  
37 the following way:  
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3 “How could you operate in Drogheda? Half your management team  
4 would leave; all the sales people would look for a new job in Dublin...”  
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8 (Interview, in00-07, 2004).  
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12 Interestingly, for a regionally-based, out-of-Dublin design practice, moving to a  
13 new location is not an option either. As the manager of the firm maintains this  
14 would result in losing half of its staff and therefore would represent a “suicide  
15 in this business” (Interview, dc04-27, 2004). What the above statements point  
16 at is that the labour market in the Greater Dublin Region is characterised by a  
17 significant “spatial rigidity”. This “rigidity” applies to moves both between  
18 urban centres in the region and within the Dublin metropolitan area. Indeed,  
19 within Dublin itself, several managers indicated that a move to a different  
20 location (from the city centre to suburbs, or from one part of the metropolitan  
21 area to another) could be problematic. Many employers thus prefer central  
22 location, because  
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38 “Funnily enough a city centre location is seen as the fairest for staff. If  
39 we were to move, we are going to disenfranchise some group of staff”  
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44 (Interview, in00-07, 2004).  
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48 On the other hand, in certain circumstances, firms may see a disruption of  
49 their existing labour force as ‘desirable’. This is especially true when firms are  
50 seeking efficiency gains via reduced labour costs and/or an introduction of  
51 new labour practices. In such cases, KIBS firms are using the strategy  
52 (similar to their manufacturing counterparts) of relocating operations precisely  
53 in order to instigate a labour changeover. There is some evidence to suggest  
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3 that this is indeed happening. Indeed, several financial services providers  
4 indicated during the interviews that their decision to open new back-office  
5 facilities outside the capital city was partly influenced by the desire to move  
6 away from the overheated labour market in Dublin. Such firms target more  
7 remote locations (often beyond the boundaries of the Greater Dublin Region)  
8 and more remote labour markets where they can recruit staff that are  
9 perceived as generally cheaper, more loyal and more flexible.  
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22 Another interesting (if hardly surprising) aspect of the survey results on labour  
23 market in and around the capital city is a residential geographical  
24 “segmentation”. Many people are simply priced out of the Dublin housing  
25 market and end up commuting from various locations within the sprawling  
26 metropolis and beyond (see also WILLIAMS and SHIELS, 2000, 2002a).  
27 Having said that, there are people who actually do prefer to live (and work) in  
28 smaller towns or more rural settings. The issue is that such locations may not  
29 be able to offer jobs that would suit their qualifications and career aspirations.  
30 This leads us to the consideration of differences between Dublin and  
31 surrounding urban centres in terms of labour supply and demand.  
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48 It is safe to argue that Dublin metropolis dominates the entire city-region in  
49 both labour supply and demand. For KIBS firms, Dublin is seen as a large  
50 pool of talent they can tap into. In fact, some skills are only available in the  
51 capital city (thus clearly constraining locational choices of KIBS firms). For  
52 instance, a Chief Executive Officer (CEO) of an advertising firm suggested the  
53 following:  
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3 “If we were up in Dundalk, we wouldn’t be able to recruit the people  
4 (...). Students who want to get into advertising wouldn’t go there (...)  
5  
6 You just would not get people who want to work in advertising ... if we  
7  
8 move down to Cork, or even 50 miles out of Dublin, you would have no  
9  
10 staff. It would be impossible to find the skills in a town like Naas”  
11  
12  
13 (Interview, ad00-08, 2004).  
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20 Importantly, Dublin provides a continuous stream of graduates from its  
21 universities where KIBS providers recruit from every year. Attractiveness of  
22 Dublin is also important and works as a “magnet”, especially for younger  
23 people, who “like to live in Dublin... Dublin has an attraction socially which I  
24 don’t think you would get in Naas or Navan” (Interview, lw00-05, 2004). One  
25 could add that a prestige and image of a particular place also plays a role, for  
26 both firms and people.  
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39 One way or another, the smaller towns in the study area have a relatively  
40 limited supply of professional staff. It is possible that one faces a circular and  
41 cumulative causation (MYRDAL, 1957) or a “chicken-and-egg” problem here.  
42 Large KIBS firms would not move to these centres, because there is not  
43 enough relevant staff, and vice-versa. By the same token, jobs in KIBS  
44 sectors attract skilled professionals, but also skilled labour attracts KIBS firms.  
45 One could argue that this is just a part of a wider circular and cumulative  
46 causation in the “knowledge economy”, reinforcing existing (uneven) urban-  
47 regional patterns and thus working against balanced regional development  
48 (cf. SOKOL and TOMANEY, 2001). Such a process would also work against a  
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3 polycentric development and will be hard to reverse without a policy  
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5 intervention (cf. BANNON, 2004) to which we now turn.  
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## 10 **6. Public policy and the role of state**

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15 The Irish case demonstrates that public policy can make a difference and that,  
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17 more generally, the role of the state at various scales still does matter.  
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19 Indeed, various levels of governance, from local to regional to national to  
20  
21 supra-national, individually or in combination, exercise considerable influence  
22  
23 over economic affairs. A good example of this is an aforementioned  
24  
25 concentration of financial services into Dublin's IFSC, created through  
26  
27 national government intervention and EU tax concessions, and connecting the  
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29 city with global 'space of flows' (see MURPHY, 1998; WILLIAMS and SHIELS,  
30  
31 2002b; WHITE, 2005; SOKOL, 2007; for more details).  
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39 However, while the economic success of Dublin is welcome, it also fuels  
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41 space-economic imbalances at national, regional and metropolitan levels  
42  
43 (SOKOL, 2005). Therefore, the key question for our study is whether the state  
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45 and public policies are encouraging the emergence of a polycentric city-region  
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47 and balanced development in and around Dublin. Our research suggests a  
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49 mixed picture, as policy makers are facing major dilemmas.  
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55 These dilemmas are perhaps most apparent at the level of national policy-  
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57 making. The difficulty is that national policy find itself in a continuous tension  
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59 between the need to foster competitiveness and, simultaneously, to promote  
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3 balanced development. This tension has been reflected in the National  
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6 Development Plan (GOVERNMENT OF IRELAND, 2000), generously part-  
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9 financed by EU funding. The plan, on the one hand, seeks to address  
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12 bottlenecks in Dublin (seen as the engine of the Irish economy) and on the  
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14  
15 other hand aims to support balanced regional development for the rest of the  
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18 country.

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20 There are no easy solutions to the above conundrum, however. Interviews  
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23 with experts working in the field of inward investment confirmed that, in the  
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26 case of international financial services for instance, investors are encouraged  
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29 to set up front office/head office-type operations in the capital city, while the  
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32 rest of the country is promoted as being more suitable for back office  
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35 functions (Interview, ii01-00, 2004; Interview, ii02-00, 2004). Occasionally,  
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38 urban centres in Dublin's hinterland may benefit from such a promotional  
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41 effort, but it remains to be seen if such approach will bring about balanced  
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44 development within the Greater Dublin region.

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46 In the meantime, an intervention at the regional level may be considered as  
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49 suitable. However, regional governance in Ireland is rather weak  
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52 (MORGENROTH, 2000). While the strategic regional documents (e.g.  
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54  
55 Regional Planning Guidelines) are officially promoting a polycentric city-region  
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58 around Dublin, strong implementation mechanisms are missing (see more in  
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61 SOKOL and EGERAAT, 2005b; STAFFORD *et al.*, 2005; CONVERY *et al.*,  
2006; SOKOL *et al.*, 2006).



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4 In comparison, local state (city and county councils) has currently more  
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6 leeway for influencing corporate behaviour and the location of KIBS, or  
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8 businesses more generally. Interviews with senior planning and economic  
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10 development officers of local authorities *outside* the Dublin metropolitan area  
11  
12 (Counties Louth, Meath, Kildare and Wicklow) indicated a strong desire to  
13  
14 further capitalise on advantages their areas offer to potential investors. The  
15  
16 advantages (as compared to Dublin) most frequently quoted by the  
17  
18 interviewees included better quality of life, cheaper housing, cheaper office  
19  
20 space and the availability of a labour force eager to abandon the commute to  
21  
22 Dublin in favour of working locally, even at lower wages. Recently, three local  
23  
24 authorities of Mid-East region (Kildare, Meath and Wicklow) have considered  
25  
26 policies of encouraging Dublin-based businesses to relocate in the hinterland  
27  
28 (e.g. Interview, ii18-00, 2004; Interview, ii20-00, 2004), in an attempt to boost  
29  
30 their income from local business rates. It remains to be seen what effect such  
31  
32 initiatives will have on their economic fortunes or their share of KIBS.  
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42 In the meantime, economic strategists at the local (county) level start to  
43  
44 realise that they cannot compete on a cost basis alone and are keen to  
45  
46 develop more knowledge-intensive and value-added business. Thus  
47  
48 strategies are being developed in County Louth to promote, for instance, a  
49  
50 multimedia cluster in Dundalk (Interview, ii17-06, 2004) as part of the effort to  
51  
52 foster “knowledge based industry” (Interview, ii17-04, 2004). Similar thoughts  
53  
54 are emerging in County Kildare which is working on its own development  
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56 strategy amid the growing realisation that the rules of the game for attracting  
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3 investment are changing with the advent of the globalising economy  
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6 (Interview, ii19-12, 2004).  
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10 It is important to recognise, however, that local authorities *within* the Dublin  
11 metropolitan area do not remain passive. They are active players in the  
12 competition for investment and economic success. For instance, the Dublin  
13 City Development Board, the economic development arm of the Dublin City  
14 Council, works actively to foster a favourable business environment in the city.  
15 This includes strengthening telecommunications infrastructure and harnessing  
16 ICT to support the transition “from an investment driven society to a  
17 knowledge driven society” (Interview, ii13-01, 2004). Therefore, it seems that  
18 in the case of Dublin city, the combined forces of the state (local and national)  
19 work together to accommodate rather than reverse the centralising tendencies  
20 of KIBS. On the other hand, one could argue that the initiatives of the counties  
21 in the Dublin’s hinterland may provide some impulses for decentralisation of  
22 certain KIBS operations. However, it is not clear if such decentralisation will  
23 provide a balance to overwhelmingly centripetal tendencies of KIBS and in  
24 doing so instigate a ‘new spatial logic’ as portrayed by CASTELLS (1989).  
25 This leads us to a reconsideration of the ‘informational city’.  
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### 53 **7. Beyond the ‘informational city’**

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57 In the light of the evidence presented above, Castells’s thesis looks  
58 problematic, but we cannot reject a theory on a basis of one case study.  
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3 Instead, we would like to undertake a careful interpretation of our findings  
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5 and, where appropriate, to advance the argument further.  
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10 The key consideration has to be given to the factors that impinge upon the  
11 processes of centralisation and decentralisation. As shown in our study, these  
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13 two processes are not universally present on the economic landscape.  
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15 Instead, we could argue that these processes work differently at different  
16  
17 spatial scales. In our case, decentralisation is very limited at the regional  
18  
19 level, while at the metropolitan level, a two-fold process of simultaneous  
20  
21 spatial centralisation and decentralisation is more evident. At both spatial  
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23 scales, centralisation seems to be dominant, however. The question arises as  
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25 to why, in the case of Dublin, centralisation and decentralisation processes  
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27 are not in balance.  
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36 Several hypotheses can be put forward. One obvious proposition would be to  
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38 highlight the role of size. One could imagine that Dublin is simply too small a  
39  
40 metropolis to display processes expected from a major 'informational city' by  
41  
42 Castells. Indeed, it is plausible that the (limited) size of Dublin has an impact  
43  
44 both on the size/type of KIBS operations and their locational distribution. This  
45  
46 would imply that metropolitan areas considered by Castells are not displaying  
47  
48 universal patterns, but instead are behaving differently according to their size.  
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51 However, the case of a rather monocentric Paris region (see HALBERT, this  
52  
53 issue), which is 10 times bigger than Dublin, underlines the fact that the level  
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55 of polycentricity is not necessarily a function of size either (see also HALL and  
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57 PAIN, 2006).  
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6 Another hypothesis is that the 'new spatial logic' has not yet fully materialised  
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8 and has yet to supersede the old spatial form. This would imply that the pre-  
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10 existing urban pattern of the Greater Dublin region, characterised by a strong  
11  
12 dominance of Dublin, is likely to continue for some time. In other words, the  
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14 process of a circular and cumulative causation will continue until old historical  
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16 legacies associated with this urban pattern (e.g. transport infrastructure  
17  
18 centred on Dublin) will be subverted by a new logic driven by ICT. It is also  
19  
20 possible that the 'new spatial form' will never materialise, in Dublin or  
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22 elsewhere, if Castells and other thinkers overestimated the decentralising  
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24 power of ICT.  
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32 Yet another possibility is that the processes of centralisation and  
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34 decentralisation do work as predicted by Castells, but are operating at much  
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36 higher spatial scales. If so, we would need to zoom out of relatively small  
37  
38 metropolitan and regional scales and consider Dublin as operating within  
39  
40 'space of flows' at international and global scales. Seen from this perspective,  
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42 Dublin could be considered, in Castells's language (CASTELLS, 2000, 440),  
43  
44 as a 'hub' at a receiving end of decentralised KIBS operations from global  
45  
46 'nodal points' or 'mega-cities' such as London or New York. One way or  
47  
48 another, these tentative hypotheses could have important implications for the  
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50 way the 'new spatial logic' is understood or conceptualised.  
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58 A further point we wish to make relates to the alleged drivers of the 'new  
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60 spatial logic', KIBS themselves. Despite some common features, we found a

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2  
3 huge diversity among KIBS firms in a way they organise and locate their  
4 operations. There are big differences both *between* and *within* KIBS sectors.  
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6 For instance, creative or team-work based firms (e.g. in advertising and  
7 management consultancy) usually have only one single office within the  
8 region, invariably located in Dublin. Meanwhile, financial services firms display  
9 perhaps the biggest propensity to locate some of their operations outside the  
10 capital city, reflecting their complex internal division of labour. However, there  
11 are also significant differences with the financial services sector itself (see  
12 SOKOL, 2007, for more details). One way or another, some KIBS firms may  
13 have a bigger potential to fuel decentralisation, while other firms display a  
14 fundamental lack of it. The bottom line is that there is no universal  
15 organisational-spatial logic of 'large-scale organisations' that would  
16 automatically contribute to the emergence of a 'multifunctional, multinuclear  
17 spatial structure'.  
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39 Despite all this diversity, it needs to be recognised that there is one logic  
40 shared by all KIBS - a business logic of profit-making. Indeed, one could  
41 argue that the profit imperative has not been disrupted by the arrival of the  
42 'knowledge-based economy' (SOKOL, 2004). KIBS are no exception to this  
43 rule and so while the flow of information may be critical to their operation, it is  
44 the creation and appropriation of surplus value that pre-occupies their  
45 managers. Therefore, instead of 'space of flows' (read 'flow of information'), it  
46 is the 'flow of value' that is critical for the economic fortunes of firms,  
47 organisations, people and places. Indeed, the examination of geographies of  
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3 economies may be more fruitfully approached through the prism of 'value  
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5 chains' or 'value networks' (SMITH *et al.*, 2002).  
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12 While all the above points suggest that 'informational city' thesis needs further  
13  
14 elaboration and testing, there is one concern that we do share with Castells  
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16 (1989) - the concern about the inequality produced under the 'new spatial  
17  
18 logic'. Indeed, the evidence collected in the case of Dublin confirms that even  
19  
20 where (modest) processes towards a 'multifunctional, multinuclear spatial  
21  
22 structure' are in operation, the emerging spatial structure is highly uneven in  
23  
24 its nature. Decentralised operations are usually subordinated to higher level of  
25  
26 decision-making invariably located in Dublin. In other words, such  
27  
28 decentralised operations form part of a highly hierarchical corporate structure  
29  
30 and sharp intra-firm spatial division of labour. This opens up the question  
31  
32 about the implications of the 'new spatial logic' for balanced development,  
33  
34 echoing old concerns about the uneven spatial divisions of labour (MASSEY,  
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36 1995).  
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46 As discussed earlier, CASTELLS (1989) is aware of the 'hierarchical structure'  
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48 and 'directionality' of the 'space of flows' and negative implications it can bring  
49  
50 to people and places. Castells's strategy to counter the ever increasing power  
51  
52 of 'space of flows' over the 'space of places' is through the 'renaissance of the  
53  
54 local state' (*ibid.*, 352) and 'a network of local communes controlling and  
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56 shaping a network of productive flows' (*ibid.*, 353). But as we have seen in the  
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58 case of Dublin, local authorities are often mediating and welcoming the 'space  
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3 of flows' rather than resisting it. In doing so, they often compete against each  
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5 other, rather than forming co-operative networks. It is hard to see how local  
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7 governments alone can master the 'space of flows'. Rather, we would suggest  
8  
9 that synchronised interventions at all governance levels needs to be in  
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11 operation if the hope for a more balanced development in the 'knowledge  
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13 economy' is to last.  
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21  
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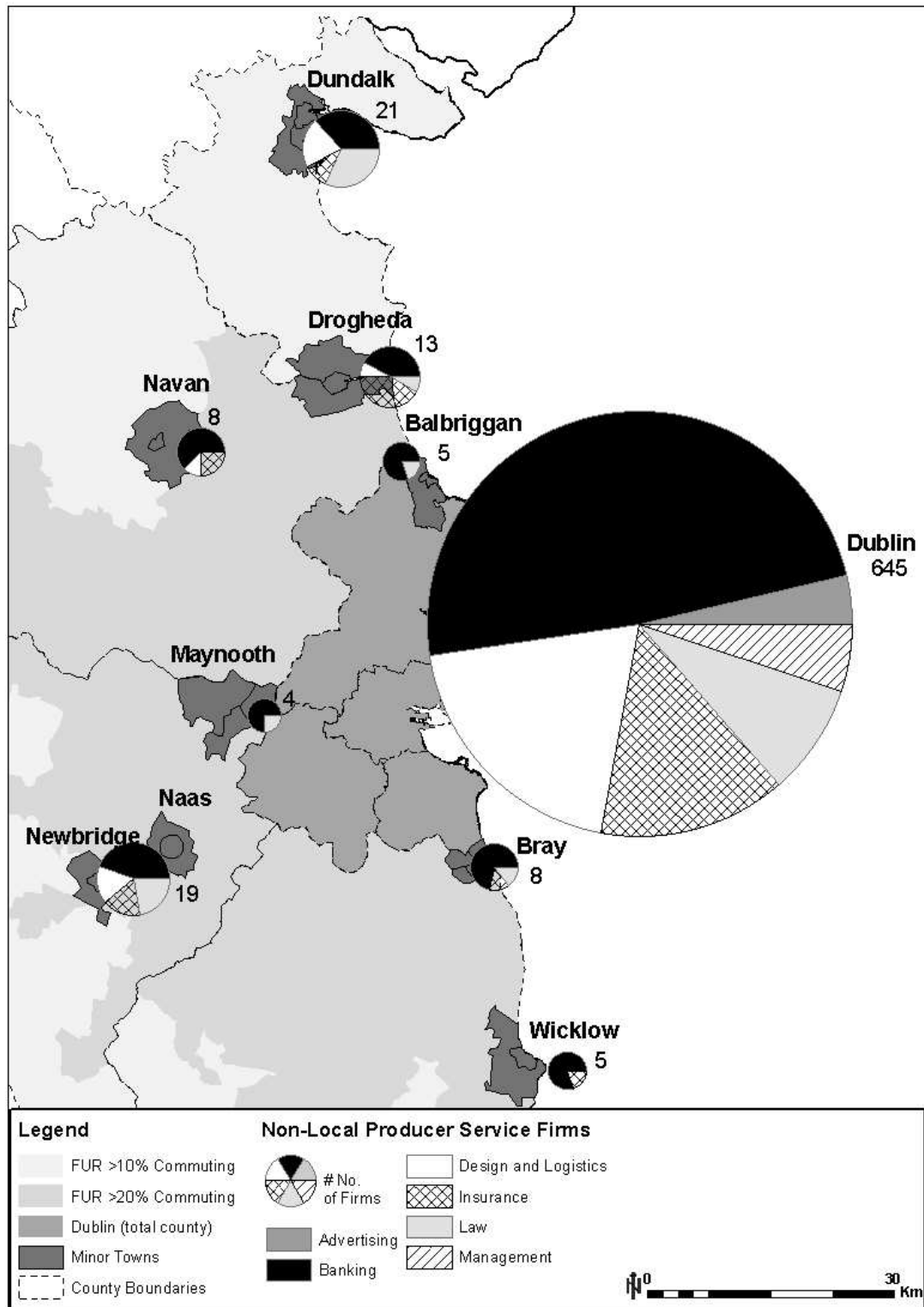
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**Table 1. Selected urban centres outside Dublin**

Urban centre	Total Population			Population	Note
	(including suburbs or environs)			change	
	1996	2002	2006	1996-2006	
Drogheda	25,282	31,020	35,090	38.8%	Ireland's largest provincial town. Previously industrial and port town, becoming established commuter town of Dublin.
Dundalk	30,195	32,505	35,085	16.2%	Administrative centre of County Louth. Previously industrial and port town, now developing niche expertise in digital media.
Bray	27,923	30,951	31,901	14.2%	Established suburb of Dublin with recent new economy developments.
Navan (An Uaimh)	12,810	19,417	24,851	94.0%	Principle town and administrative centre of County Meath, becoming commuter town of Dublin.
Naas	14,074	18,288	20,044	42.4%	Administrative centre of County Kildare. Market town, developing as commuter town.
Newbridge (Droichead Nua)	13,363	16,739	18,520	38.6%	Market and industrial town, now affected by commuting developments.
Balbriggan	8,473	10,294	15,559	83.6%	Previously industrial and market town, now experiencing high levels of residential commuter development.
Maynooth	8,528	10,151	10,715	25.6%	University and market town, recently developing as a commuter centre.
Wicklow	7,290	9,355	10,070	38.1%	Administrative centre of County Wicklow. Market town with recent commuter developments.

Source: CSO (2007) and authors

Fig. 1: Distribution of multi-location KIBS firms in the Greater Dublin region





**Endnotes:**

<sup>1</sup> Two additional dimensions of decentralisation are represented by offshoring of service activities abroad and the decentralisation of office work at home ('telecommuting'; Castells, 1989, 152).

<sup>2</sup> For an interesting discussion on forces for agglomeration and deagglomeration see also Leamer and Storper (2001), who also acknowledge that the geography of the Internet Age will be dominated by 'increasingly large and internally polycentric' metropolitan areas (ibid, 658).

<sup>3</sup> These communication flows, however, are notoriously hard to measure (see HALL and PAIN, 2006).

<sup>4</sup> The prominence of KIBS is also emphasised by HALL and PAIN (2006) and GaWC researchers (e.g. TAYLOR et al., 2002). See also the work of LEAMER and STORPER (2001, 642) who emphasise the importance of 'specialised firms' producing 'intellectual inputs' for other businesses.

<sup>5</sup> Perhaps with the exception of logistics firms which seem to favour locations close to the Dublin airport.