

THE LEADERS OF INTERNATIONAL FINANCIAL CENTERS: NEW YORK AND LONDON, AND THE EMERGING DYNAMIC FINANCIAL CENTER: SEOUL

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Annotation:

This article aims to examine the meaning and importance of international financial centers, which play a crucial role in global economic growth and stability. It focuses on analyzing the positions and rankings of major cities in the Global Financial Centers Index (GFCI), providing statistical data to illustrate their competitiveness. The research highlights the strengths and advantages that make these cities attractive to investors and global businesses, including advanced financial infrastructure, innovation, and effective government policies. Moreover, the study considers the historical evolution of these financial hubs, showing how their past development has contributed to their current leadership. Special attention is given to the traditional leaders New York and London as well as the rapidly developing and dynamic financial center of Seoul, which is emerging as a new global player in international finance.

Keywords: New-York, London, Seoul, statistics, startups, international trade, history, innovation.

Introduction

A financial center is known as a city or place where a large number of financial institutions are located, such as banks, financial markets, corporations, investment funds, and other financially significant institutions that play an important role in the development and growth of a country's capital. These centers serve as the heart of international financial operations, where global investment flows are managed and economic influence is shaped. Initially, the concept of a financial center referred to a place where trade, banking, and other services were highly concentrated. Today, it is more than that it is a driver of both local and international economies.

According to recent statistics, cities like New York and London have consistently held the top two positions in the Global Financial Centers Index (GFCI-37) in 2025. New York ranks 1st place, supported by strong and influential stock exchange markets NASDAQ and NYSE which lead in global trading volume, especially in tech companies such as Apple and Microsoft. For example, on September 26, 2025, the total number of shares traded reached approximately

7,627,625,421^[2]. This demonstrates the New York like a main key player in the global economy and confirms why it continues to be the most powerful financial center in the world. London holds 2nd place in the GFCI-37, mainly due to its leadership in the FOREX market. Its time zone allows it to overlap with both Asian and European trading hours, making it the perfect bridge for 24 hour currency operations. As the Bank for International Settlements (BIS) reports, London accounts for nearly 40% of global currency trading volume, which makes it the king of FOREX trading.

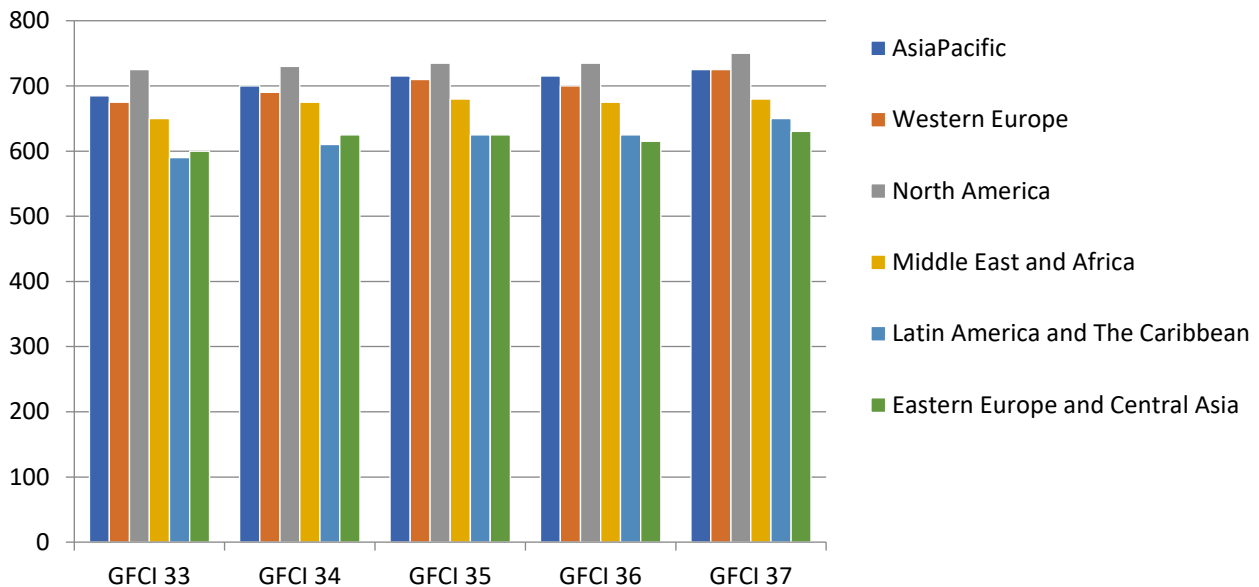
Seoul currently ranks 10th in the same index. This position is largely due to the growth of FINTECH startups, high levels of foreign investment, and strong government support. Digital platforms like KAKAO Bank and innovation-driven policies have made Seoul one of the fastest-growing financial centers in Asia. According to sources, around **26,000** startups are created annually in South Korea, with approximately **8,800** of them receiving funding^[1]. In total, these companies attracted **\$102** billion in venture capital much of which is powered by AI (Artificial Intelligence) technologies.

Table 1

Global Financial Centers Index 37			
Centers	Ranks	Ratings	Region
New York	1	769	North America
London	2	762	Western Europe
Hong Kong	3	760	Asia/Pacific
Singapore	4	750	Asia/Pacific
San Francisco	5	749	North America
Chicago	6	746	North America
Los Angeles	7	745	North America
Shanghai	8	744	Asia/Pacific
Shenzhen	9	743	Asia/Pacific
Seoul	10	742	Asia/Pacific

The table above shows the **Top 10 Global Financial Centers**. Among these, **5 are located in Asia**, **4 in North America**, and **1 in Western Europe**. This highlights the strong presence of Asian and North American cities in the global financial landscape, with Asia slightly leading. Below, a **chart by region over the past 5 years** will further illustrate the regional distribution of these financial centers^[3].

Average Rating of CFCI by regions over the past 5 years



From a historical perspective, every financial center has its own path of development. New York began rising during the industrial era, when railway networks and infrastructure attracted both capital and labor. After the First and Second World Wars, New York's economy boomed due to military production and increased immigration. This helped it transform into a global financial leader.

London's power is rooted in the history of the British Empire, which once controlled vast territories from North America and India to Africa and Australia. Trade connections and the early establishment of banking institutions like the Bank of England gave London a strong advantage in global finance. The development of the Eurodollar system and global trust in the British banking structure allowed London to maintain its relevance, even today. In fact, the euro remains stronger than the dollar in many cases.

As for Seoul, its development is closely tied to modern history. After being colonized by Japan during World War I and later divided post-World War II, South Korea declared independence in 1948 and named Seoul its capital. The government focused on industry and sea trade, especially through Pusan Port, the country's largest trading harbor. Over time, Seoul shifted towards exporting electronics, ships, and automobiles. Combined with strong innovation in FINTECH and startup culture, this has helped Seoul rise quickly on the global financial map. Today, financial centers are defined not only by traditional metrics such as trading volumes and institutional presence but increasingly by their ability to innovate and adapt. Seoul

exemplifies this trend, rapidly developing its FINTECH ecosystem with startups supported by venture capital and artificial intelligence technologies.

Cybersecurity is another critical factor. Seoul ranks high in global safety indexes, offering robust protections for online financial transactions, which contrasts with ongoing cybercrime challenges faced by New York and London. Additionally, Seoul's emphasis on digital banking and smart financial services positions it as a leader in the digital economy.

Conclusion

The study confirms that New York and London remain the undisputed leaders in global finance, sustained by their extensive capital markets, strong regulatory systems, and deep-rooted institutional trust. Their historical legacies and continued influence in stock and currency markets ensure their ongoing dominance in international finance. However, the rapid rise of Seoul reflects a significant transformation in the global financial landscape. As one of the fastest-growing hubs in Asia, Seoul demonstrates how technology, innovation, and state support can create a competitive advantage in a field once controlled exclusively by Western powers. With a thriving FINTECH ecosystem, advanced digital banking infrastructure, and growing global investment, Seoul is positioning itself as a leading force in the new financial era. The future of global financial centers will depend less on size or tradition and more on their capacity to innovate, ensure cybersecurity and adapt to digital transformation. The evolution of financial hubs like Seoul proves that the global economy is moving toward inclusivity, diversification, and sustainable growth a trend that will define the next generation of international financial centers.

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