**Centering or Suburbanization? Changing Location of Producer Services**

**in Shanghai**

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**Abstract:** Producer services are a critical indicator of global cities in advanced economies, whose spatial-temporal dynamics reflect the trajectory of urban transformation. However, the growth of producer services in China cannot be fully explained by current theories (e.g., neoclassical, institutional, global city, and human capital theories), especially regarding their development process and geographical contexts. This study developed a context-sensitive analytical framework to comprehensively examine the location of producer services in Shanghai, a global city. We used rigorous geospatial analytical methods and considered sectoral differences and local contexts, especially institutional factors and urban spatial structure. We found that producer services in Shanghai were still concentrated in the city center, but a dispersion trend could be detected, and subcenters were emerging in suburban areas. Further analysis highlighted producer service firms’ significant sector differences and various underlying spatiotemporal locational determinants. We identified positive effects of agglomeration on the emergence of centers for IT and research services. However, the concentration of financial and real estate services needs diversity, and agglomeration had a negative impact on them. Also, access to public transit promoted the development of IT and research services. Our study suggests that none of the existing theories alone can explain the location of producer servicer firms in Shanghai, and that sectoral heterogeneity and spatiality of producer services should be seriously considered in policy development and future studies.

**Keywords:** Global city, Producer Service, Agglomeration, Human Capital, China

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