

CHAPTER I

# Vast Challenges, Startling Opportunities

a century of the city, an urban future for mankind, has dawned. The year 2008 marked the first time in history that a majority of the world's people lives in cities—a percentage projected to rise to 70 percent by 2050. In the most massive population movement the world has ever seen, millions of people continue to pour out of rural villages each year, hoping for fresh economic opportunity in the world's cities. The populations of many of today's metropolises—Tokyo at 35.7 million, Mexico City at 19 million, Mumbai at 19 million—would have defied imagination just a few decades ago.

At the same time, some cities of the developed world are recovering from the initial impact of suburbanization, their urban cores thriving as centers of finance and new technology, which have given cities their dynamism since the first of significant size emerged in Mesopotamia between 3,500 and 4,000 B.C. Modern day electronic communications and easier travel, which many had thought could spell the doom of cities, are actually making them more vital than ever as they connect the capital markets of the developed world, also known as the Global North, with the human capital and new economic vigor of such nations as India and China.

Throughout human history, cities have provided the world's great ideas and economic innovations. Indeed, the words cities and civilization both spring from the common root of civitas, a Latin word that reflected both citizenship and human settlements in ancient Rome.

dynamism

At an opening session of the July 2007 Global Urban Summit at the Rockefeller Foundation Bellagio Center in Italy, Rakesh Mohan, deputy governor of the Reserve Bank of India, underscored the dramatic possibilities of 21st century urbanism. Today's cities, he noted, are creating a continuous increase in people's access to water, sanitation, education, health services, and economic opportunity. It is true that islands of severe urban poverty in developing countries, collectively referred to as the Global South, may be as dehumanizing as the most severe rural poverty. Yet it is also true, he stressed, that never before in history have such large numbers of human beings had access to electricity, water, sanitation, schools, and telecommunications.

efficiency

And don't underestimate cities' immense efficiency, Mohan added. It is no accident that corporations large and small, banks and investment houses, universities and research laboratories, and specialized manufacturing all congregate, in overwhelming measure, in cities. Cities are great magnets for the world's best thinkers and innovators. The proximity of roadways, rails, ports, and airports in urban areas reduce time, travel, and energy costs in a way that rural areas simply cannot match. And cities do satisfy the universal need for face-to-face contact to foster new products, processes, and intellectual capital.

innovators

cities make  
countries rich

As UN-HABITAT, the U.N. agency charged with promoting adequate shelter for all, has noted, "Cities make countries rich. Countries that are highly urbanized have higher incomes,

# Rockefeller Foundation Global Urban Summit

the dilemmas and opportunities of the ever-increasing urban populations in the developing world were a major focus of the July 2007 Rockefeller Foundation Global Urban Summit:

- **Water, Sanitation, and Shelter: A Fresh Look at Finance** (Chapter 2) Given the entrepreneurial spirit — despite dire circumstances — in many Global South slums, how can global financial sources be tapped to help low-income communities invest in the basic water, sanitation, and housing they need?
- **Climate Change Resilience: An Urgent Action Agenda** (Chapter 3) While the world works on methods of mitigating greenhouse gas emissions and preventing the worst potential effects of climate change, the big challenge in the Global South is building resilience and fostering ways to deal with inevitable impacts. How can Global South cities prepare, with meaningful global assistance?
- **Urban Health: Learning From Systems That Work** (Chapter 4) Slums may be the epicenter of the world's most critical health problems, but the repercussions of poor health among the economically disadvantaged can be seen worldwide. What steps can improve disease-fighting and monitoring while tapping the community-based social capital and networks of those most in danger?
- **Designing the Inclusive City** (Chapter 5) How can the disciplines of urban planning and design recruit and train enough broad-minded professionals to think across narrow jurisdictional boundaries and fortify the vital urban building enterprise of the Global South?

Other Summit sessions delved into the United States' capacity to become a more resourceful and future-oriented society:

- **America 2050: U.S. Strategy for the Next Half Century** (Chapter 6) What new policies and investments should the United States undertake to assure protection of its infrastructure and natural areas, promote social and economic equity, and reduce its climate footprint as its population rises 120 million more by 2050, mostly in the nation's ten vast urban "megaregions"?

- U.S. Transportation Challenge: Better Outcomes for Billions Spent (Chapter 7) The United States' federal and state governments expend impressive sums yearly on transportation, yet their policies are fragmented, insensitive to environmental and safety needs, unfair to the disadvantaged, and often hostile to cities' health. What is a better prescription for the immediate future — and for this century?
- U.S. Metros: Building Blocks of American Prosperity? (Chapter 8) Metro regions are home to most of America's population and represent the heartbeat of the economy, yet federal policy routinely disregards them. How can their strengths be tapped for a more prosperous American future?

The final chapters summarize Summit highlights and look toward the future:

- Building Evidence to Sustain an Urban Future (Chapter 9 ) Informal city-to-city contacts can spread the word of urban policy innovations. But what are the ways that focused academic research can be fostered (and connected) across the globe to identify key questions and measure and compare innovations?
- New Frontiers for a Global Urban Commons (Chapter 10) What policies and approaches might world cities — Global South and Global North alike — share and learn from to enhance urban opportunities during this century of the city?

more stable economies, stronger institutions, and are better able to withstand the volatility of the global economy than those with less urbanized populations.”

## the global urban boom

Throughout the 20th century, cities all over the world grew in population, from 250 million to 2.8 billion—unprecedented expansion, and one that is accelerating, as cities have absorbed four times as many people in the second half of the century as in the first. Overall global population rose from 2.2 billion inhabitants of the world in 1950 to most recent estimates of 6.7 billion, with 9.2 billion now the projection for 2050. The growth rate will fall far short of 20th century levels, but the added billions of people will be highly significant. The most rapid increase in sheer numbers will switch from Latin America to Africa and Asia. Indeed, two-thirds of the added world inhabitants anticipated in the next 30 years will be in Asia, and overwhelmingly in cities.

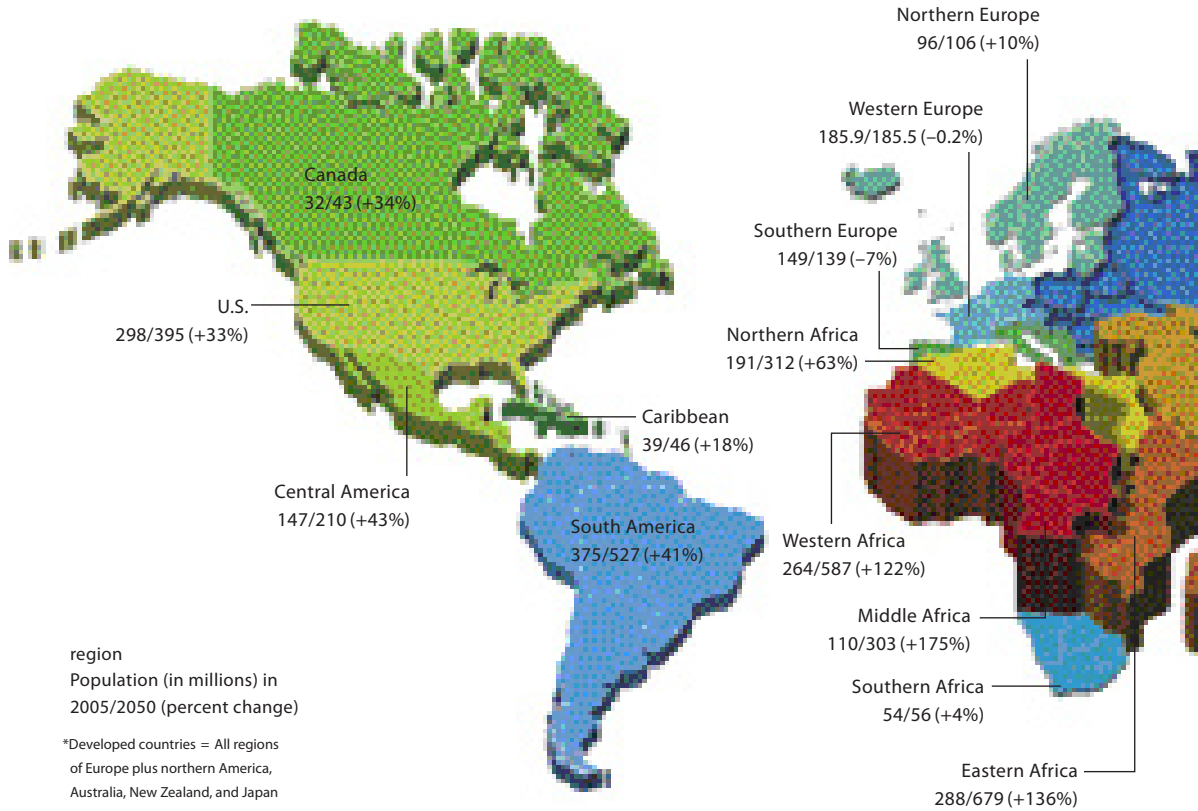
There is no question that cities are top players in their nations’ economies. As *The Economist* reports, Mumbai accounts for 40 percent of India’s tax revenues, Tokyo alone accounts for a third of Japan’s GDP, and more than three-quarters of Senegal’s industrial production originates around Dakar.

None of the Summit participants dismissed the weight of 21st century problems and potential crises tied closely to cities.

climate change

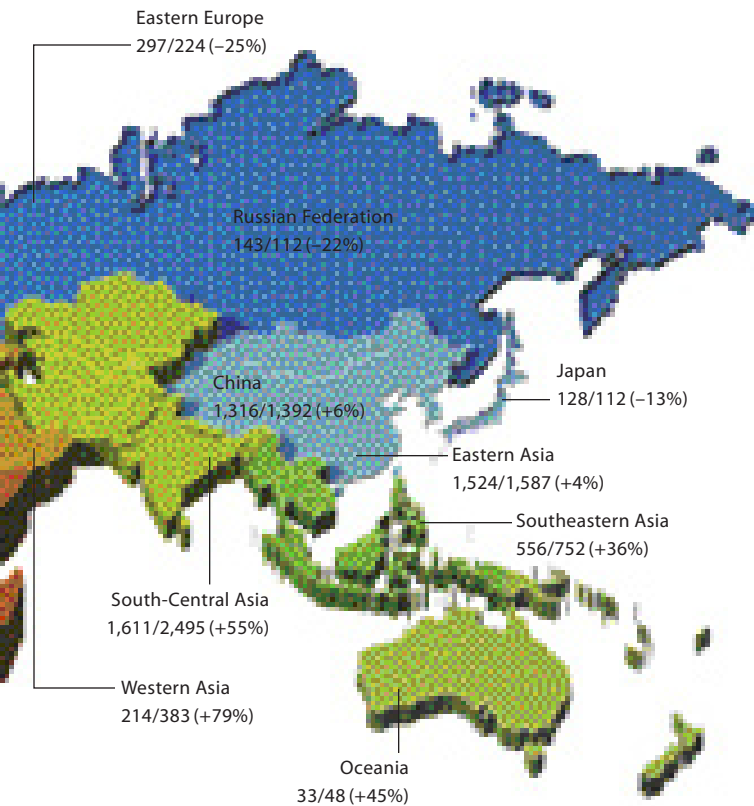
Climate change triggered by two centuries of fossil fuel burning raises fears of drowned metropolises, parched highlands, and

## global population in transition



Source: Population Division, Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2004 Revision and World Urbanization Prospects: The 2003 Revision, <http://esa.un.org/unpp/>; July 7, 2005

Credit: Scientific American, September 2005; the Bryan Christie Studio



Uneven growth will further shift the population balance between rich and poor nations. In 2005 developed\* countries were home to 1.2 billion of the world's 6.5 billion people; less developed countries were home to the other 5.3 billion. In 2050 the rich countries will still have about 1.2 billion people, but the poor countries will grow to 7.9 billion. Falling fertility rates will cause some rich nations to begin losing population from 2010 onward. Fertility will also drop, on average, in developing countries, to a replacement level of 2.1 children per woman by around 2035, although birth rates in some of the poorest countries will remain higher.

## citistates of the world

rank	city/urban area	country	population in 2006 (millions)	rank	city/urban area	country	population in 2006 (millions)
1	tokyo	japan	35.53	28	london	uk	7.61
2	mexico city	mexico	19.24	29	tehran	iran	7.42
3	mumbai (bombay)	india	18.84	30	hong kong	china	7.28
4	new york	usa	18.65	31	chennai (madras)	india	7.04
5	são paulo	brazil	18.61	32	bangalore	india	6.75
6	delhi	india	16.00	33	bangkok	thailand	6.65
7	calcutta	india	14.57	34	dortmund, bochum	germany	6.57
8	jakarta	indonesia	13.67	35	lahore	pakistan	6.57
9	buenos aires	argentina	13.52	36	hyderabad	india	6.34
10	dhaka	bangladesh	13.09	37	wuhan	china	6.18
11	shanghai	china	12.63	38	baghdad	iraq	6.06
12	los angeles	usa	12.22	39	kinshasa	congo	5.89
13	karachi	pakistan	12.20	40	riyadh	saudi arabia	5.76
14	lagos	nigeria	11.70	41	santiago	chile	5.70
15	rio de janeiro	brazil	11.62	42	miami	usa	5.48
16	osaka, kobe	japan	11.32	43	belo horizonte	brazil	5.45
17	cairo	egypt	11.29	44	philadelphia	usa	5.36
18	beijing	china	10.85	45	st petersburg	russia	5.35
19	moscow	russia	10.82	46	ahmadabad	india	5.34
20	metro manila	philippines	10.80	47	madrid	spain	5.17
21	istanbul	turkey	10.00	48	toronto	canada	5.16
22	paris	france	9.89	49	ho chi minh city	vietnam	5.10
23	seoul	south korea	9.52	50	chongqing	china	5.06
24	tianjin	china	9.39	51	shenyang	china	4.94
25	chicago	usa	8.80	52	dallas, fort worth	usa	4.72
26	lima	peru	8.35	53	pune (poona)	india	4.67
27	bogotá	colombia	7.80	54	khartoum	sudan	4.63

Population figures for the world's 100 largest urban areas—central cities and surrounding urban territory combined (2006 figures or estimates).

rank	city/urban area	country	population in 2006 (millions)	rank	city/urban area	country	population in 2006 (millions)
55	singapore	singapore	4.47	79	recife	brazil	3.59
56	atlanta	usa	4.47	80	monterrey	mexico	3.58
57	sydney	australia	4.45	81	montréal	canada	3.53
58	barcelona	spain	4.43	82	chengdu	china	3.52
59	houston	usa	4.39	83	phoenix, mesa	usa	3.51
60	chittagong	bangladesh	4.37	84	pusan	republic of korea	3.49
61	boston	usa	4.37	85	brasília	brazil	3.48
62	washington dc	usa	4.25	86	johannesburg	south africa	3.44
63	hanoi	vietnam	4.22	87	kabul	afghanistan	3.43
64	yangon	myanmar	4.18	88	salvador	brazil	3.41
65	bandung	indonesia	4.15	89	algiers	algeria	3.37
66	detroit	usa	3.99	90	san francisco, oakland	usa	3.36
67	jidda	saudi arabia	3.96	91	düsseldorf, essen	germany	3.35
68	milan	italy	3.96	92	fortaleza	brazil	3.35
69	guadalajara	mexico	3.95	93	medellín	colombia	3.33
70	surat	india	3.90	94	berlin	germany	3.33
71	guangzhou	china	3.88	95	pyongyang	north korea	3.33
72	pôrto alegre	brazil	3.86	96	caracas	venezuela	3.30
73	casablanca	morocco	3.83	97	xian	china	3.28
74	alexandria	egypt	3.81	98	athens	greece	3.25
75	frankfurt, wiesbaden	germany	3.73	99	east rand (ekurhuleni)	south africa	3.23
76	melbourne	australia	3.71	100	cape town	south africa	3.21
77	ankara	turkey	3.69				
78	abidjan	côte d'ivoire	3.62				

Credit: City Mayors ([www.citymayors.com](http://www.citymayors.com)). This table provides population figures for cities and their surrounding urban areas; in some cases, several cities of similar status and their suburbs make up an urban area. The 2006 population figures are based on censuses carried out between 2000 and 2005 and are adjusted for average annual population changes.

severe threats to the world's food supplies already imperiled by rapidly growing demand, volatile markets, and shortages rarely seen before in urban areas. Global oil reserves dwindle, even as energy demand by world cities soars. Severe water supply and quality issues loom on all continents. Motorized traffic, while enhancing mobility for millions, monopolizes urban space and degrades the daily life space of billions of city dwellers.

energy demand

traffic

fast-expanding  
slums

Fast-expanding slums in the rising cities of Asia, Africa, and Latin America—forcing many people to live in horrific conditions, deprived of durable housing or safe water supplies or sanitation—raise deep moral, environmental sustainability and health issues. And the human torrent seems unquenchable: In a report on the future economy of India, Goldman Sachs projects that 31 villagers will continue to arrive in an Indian city every minute over the next 43 years—700 million people in all.

While the numbers are difficult to measure, it is clear that hundreds of millions now live in slums and that in many places conditions are deteriorating. As Michael Cohen, a former World Bank official who is now the director of the New School of International Affairs, notes, "When I hear of how many may live in slums, it's unimaginable, a terrible problem. More than half the GDP of countries comes from cities, so it is not a big leap to say the future of the world depends on what happens in the cities of the developing world, whether the issue is social and political conflict, food, energy, or practically any other."

Some claim that cities have defused the population bomb: In most world regions, women in cities have one fewer children than those in rural areas. Levels of women's education are sometimes an even more powerful predictor of lower fertility rates—and cities offer far more educational opportunities than rural areas.

Joel Cohen, head of the Laboratory of Populations at Rockefeller University and Columbia University, told his fellow panelists at one Summit session that the world would have to build one city of 1 million people every five days for the next 42 years to accommodate the massive rural-to-city migration and the natural population increase that follows. "Is this," Cohen asked, "feasible—physically, environmentally, financially, socially?"

Cohen noted that if fertility rates could be reduced by an average of 0.50 fewer children per woman, the population rise to 2050 would be a comparatively more manageable 7.7 billion. Others have calculated that if global fertility averages could be reduced radically (they are currently 2.5 children per woman, ranging from 7.8 in Niger to 1.3 or less in countries including Japan, Italy, Spain, Singapore, Russia, and Poland), world population might level off and ultimately drop by several billion in the next 150 years. But, population experts note, there's little hope for long-term population stabilization or decline in the absence of stepped-up availability of reproductive health services, as well as broad gains in the status, rights, and opportunities of women.

## a closer look

For now and most likely for the remainder of the 21st century, the massive global population increases—flowing with amazing speed and velocity in high measure into the cities of the developing world—seem all but sure to continue. As overwhelming as this rural-to-urban migration tsunami appears, however, the movement from countryside is hardly a new phenomenon. It has been a worldwide push-pull phenomenon for several centuries: pushed by mechanized agriculture reducing the demand for field hands, pulled by the factories and offices of the city providing the lure of better-paid jobs. Whether 19th century Manchester, 20th century Detroit, or 21st century Lima, São Paulo, Karachi, or Dhaka, the trend has strong parallel roots. “Cities are full of poor people because cities attract poor residents, not because cities make people poor,” notes Harvard University economics professor Edward Glaeser.

Urban areas, however, need not be synonymous with centers of poverty. A quarter century ago, 600 million Chinese—two-thirds of that nation’s population—were living in extreme poverty (on \$1 a day or less); today fewer than 180 million—or 13 percent of China’s 1.3 billion—are that poor. Cities have always been the globe’s wealth builders. “That’s what they do,” Whole Earth Catalogue creator Stewart Brand argues. Consider slum areas across the Global South, he suggests: what looks like chaos, deprivation, and nightmarish conditions is often a heartening, exciting picture of human ambition and ingenuity as well. For example, to the outsider’s

## The World and Its Cities: Defining Terms

the cities of the world, large and small, are the focus of this book. Subgroups range from “megacities” or “metacities,” defined as having 10 million inhabitants or more, through medium and smaller-sized cities, to areas called “suburban” in North America or “peri-urban” in much of the developing world. Suburban or peri-urban areas are included because they function organically as part of their city (or metropolitan) regions.

In essence, modern cities and their local sister communities fit a modern redefinition of historic city states, which the authors developed in the 1990s to reflect realities of modern urban settlement. Used throughout this book, the terms “citistate,” “metropolitan,” and “urban,” along with “Global North” and “Global South,” are worth examining:

**Citistate.** This is a region consisting of one or more historic central cities surrounded by cities and towns that have a shared identification; function as a single zone for trade, commerce, and communication; and are characterized by social, economic, and environmental interdependence. Citistates are similar to city states of antiquity (e.g., Athens, Rome, Carthage) or medieval times (e.g., the Hanseatic League), except that modern citistates engage in instant electronic communication and capital transfer, and are the chief recipients of world population growth.

**Metropolitan.** The technical definition of U.S. metropolitan areas (from the U.S. Office of Management and Budget and used broadly, including by the Brookings Institution) is the area surrounding a densely populated core — typically a city of at least 50,000 people. There are 361 such Metropolitan Statistical Areas in the United States. Brookings analysis focuses primarily on the 100 largest U.S. metropolitan areas, which in 2005 had populations of roughly 500,000 people or more.

**Urban.** While officially designated metropolitan areas (or functional citistates) are fairly easily identified within individual counties, the global definitional challenge is greater. In reality, global analyses of what is urban or not represent baskets of apples, pears, mangos, and more. Why? Each country sets its own definition. And even within countries, definitions are elastic: In 1991, for example, Uganda simply doubled the population threshold for urban areas, from 1,000 to 2,000.

U.N. figures clearly indicate a fast-paced global urbanization trend — with the urban population of the Global South rising 73 percent

between 2005 and 2030 (to 3.9 billion) and a 13 percent increase (to 1 billion) in the Global North. Yet it is fair to say that ambiguity swirls around these figures because definitions of what is urban are so varied. The U.N. estimate of a tipping point, more than half the world's population becoming urban in 2008, has likely been so widely accepted because of lack of any authoritative alternative.

Another complication is that a high proportion of urban development is occurring outside established city boundaries. Estimates put Thailand's real urbanization at close to 50 percent, not the official 30 percent, China's at close to 60 percent instead of the official 43 percent, and India's at approximately 40 percent, not the official 29 percent. If these alternative estimates are correct, world population is probably substantially more urban than the U.N. figures indicate. No matter what the numbers are, however, the fact remains that the world is rapidly growing more urban than ever before.

The Global North and Global South. This book employs the division of the world as "Global North" or "Global South," a rough distinction between the more developed countries of North America, Europe, and Japan and the less developed countries of Africa, Asia, Central America, and South America.

# The U.N. Millennium Development Goals

the most ambitious targets for mankind ever officially adopted, the Millennium Development Goals (MDG) were approved by 189 nations and signed by 147 heads of state and governments during the United Nations Millennium Summit in 2000:

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria, and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a Global Partnership for Development

By 2007, halfway to the 2015 target year for most of the goals, significant but uneven progress was being reported:

The proportion of people living in extreme poverty and hunger fell by nearly a third, but remained at roughly 41 percent in sub-Saharan Africa and 30 percent in Southern Asia.

Most economies were failing to provide employment opportunities for their youth.

Warming of the planet, now unequivocal, climbed from 23 metric tons in 1990 to 29 billion metric tons in 2004, raising massive threats to low-lying cities, arid regions, and other areas.

One of the MDG targets (relevant to the communication capabilities of cities around the world) was to make new information technologies more available worldwide. Internet use, by 2005, was growing briskly in virtually all regions of the globe. But while the number of Internet users per 100 people was up to 53 from 43 in developed world regions between 2002 and 2005, it had risen from just one to three in sub-Saharan Africa, two to five in Southern Asia, eight to 15 in Latin America. Cell phone use, by contrast, has expanded more rapidly; Africa's mobile telephony growth rate is the fastest of any world region — up to 192.5 million cellular subscribers in 2006.

eye, city slums can appear to be human cesspools of dire poverty, and in many respects conditions are truly nightmarish. But take a closer look, Brand says, and “you can also find people getting out of poverty as fast as they can, working as street vendors, artisans ... Slum dwellers are today’s dominant builders and designers. Everyone works. Kids usually can get an education in cities. And starvation, a huge issue in the countryside, is pretty rare.”

Mumbai—which includes Dharavi, with some 600,000 residents making it the largest slum in all of Asia—may seem crushed by the burden of poverty. But an informal economy hums: on a Mumbai street one may find, in close proximity, a food stall, Internet cafe, bar, gadget shop, grocer, hair-dresser, public phone, school, and public transit stop, along with many residents talking on their cell phones.

Global Urban Summit participants agreed that impatient local authorities must resist the urge to simply demolish and disperse slum settlements and force their residents either to flee or be housed in sterile government-financed projects. While income differences may be immense, they are just one measure of the vitality of urban communities. It is true, notes veteran urbanist Janice Perlman (founder of the Mega-Cities Project, which linked formal and informal sector leaders to exchange ideas among major world cities), that “nearly every ‘First World’ city contains within it neighborhoods reflecting a ‘Third World’ city of high infant mortality, malnutrition, homelessness, joblessness, and low life expectancy. And nearly

every so-called 'Third World' city in the developing world contains within it a world of high finance, high technology, and high fashion."

But unexpected progress is possible, she adds: "If cities are to be used as laboratories for urban innovation, they can harvest ideas to be exchanged from the Global North to the Global South as well as from the Global South to the Global North—and, let's be clear, South to South and North to North as well."

### harvesting ideas for packed cities

North–South  
commonality

One major North–South commonality is self-organization by very low-income people anxious to better their lot by creating beachheads of greater self-sufficiency. It was the self-help impulse following the failed federal urban renewal era that sparked creation of community-development corporations in the United States beginning in the 1960s—a critical turning point for many urban neighborhoods. Now this spirit is mirrored in a wave of organizations such as Shack/Slum Dwellers International (SDI), small groups of developing-world people, often women, pooling their modest assets to upgrade their homes, secure titles to the land their houses sit on, build a latrine block, and start a school. Hundreds of thousands of slum dwellers in 26 countries—from Manila to Cape Town, Mumbai to São Paulo—have been mobilized.

Shack/Slum  
Dwellers  
International

In the SDI model, explains Jockin Arputham, the veteran leader of the National Slum Dwellers Federation of India, slum dwellers sit right across the table from local government

authorities, designing projects and negotiating how they will be financed and carried out. It is a far cry, he suggested, from aid programs conceived elsewhere and then imposed by the United Nations or World Bank.

For all its success, however, SDI's network has yet to fully leverage community social capital for development. Fervid debates took place at the Global Urban Summit on ways to build so-called meta-finance institutions that can provide slum dwellers with investable instruments for housing and infrastructure, financed through links all the way up to mainstream international capital markets. The parallel to the role played in recent decades by so-called intermediary institutions providing housing finance in the United States (the Local Initiatives Support Corporation and the Enterprise Foundation, now Enterprise Community Partners) was compelling.

In late 2007, based in large part on discussions begun at the Rockefeller Foundation Global Urban Summit earlier that year, the Bill & Melinda Gates Foundation announced a \$10 million operational and development grant to Slum Dwellers International. The highly flexible funding may even permit SDI chapters to play off the government in one city or nation against another in a search for land, housing, or infrastructure concessions.

Such breakthroughs, realistically, are small chips in the prevailing wall of general indifference of many elites and indifferent middle classes to the cruel circumstances that slum populations face. In the words of Global Urban Summit panelist

isolated good  
practices

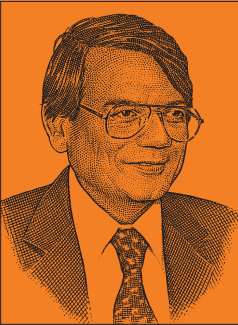
Pietro Garau, past chief of research for UN-HABITAT, these new approaches are “isolated good practices in the panorama of the big numbers,” pointing to the need for serious local government commitment: “If you don’t have a body politic at the local level, committed to the right actions, you will not go far.”

Yet in direct North–South connections, and programs linking classes in cities, there is at least hope to break down a measure of privileged peoples’ feelings that slum dwellers are totally apart from them, close to another species. The Global Urban Summit sessions made it clear to the participants, even those from privileged U.S. cities, that residents of Global South slums are, as one American noted, “more like us than we think.” They struggle, as must all families, with crises of health, adolescence, mobility to jobs. They start businesses, schools, and houses of worship.

Susan Pasternak of the University of São Paulo reported that over the past 25 years some South American slums have registered big gains in water and sewer and electric connections, with residents acquiring stoves, radios, refrigerators, even computers and some cars.

And slum youth have dreams easy to identify with. As Asian researcher Arif Hasan told of interviewing young people from low-income families in Karachi, Pakistan, “Every boy wants a motor bike, a cell phone and a girl sitting on the bike behind him. Every girl wants a job so she can have more independence, a cell phone, and a boy on whose motor bike she can ride.”

# Rakesh Mohan



Deputy Governor,  
Reserve Bank of  
India, Mumbai;  
plenary speaker

as a majority of the world becomes urban, policymakers must begin to recognize cities as the fulcrum of world development. Rising tides lift all boats, so all income groups, not just the wealthy, can benefit from the advancement of cities. Institutions such as the United Nations, the World Bank, national governments, and NGOs can no longer mainly target rural economies to mitigate poverty. They must focus on policies that not only accept the inevitability of urban growth but also work to make cities more efficient and equitable.

In many places around the world, urban growth has increased people's access to water, education, and health services, among other benefits.

With today's globalized economy marked by free trade and virtually standardized prices of traded products, no particular city or country has much inherent advantage over another. So how well all citizens of countries fare socially and economically will increasingly depend on the efficiency and resources of these cities: their financial institutions and universities, their ability to trade goods, and their capacity to construct improved roads, rails, ports, and airports.

Just a few decades ago, European and U.S. policymakers never imagined that Asia could be the economic competitor it is today. The continent has transformed itself by becoming increasingly urban and increasingly efficient. In Japan, for instance, a heavy concentration of people and economic activity has grown in and around coastal cities. Major infrastructure improvements sparked development of the Tokyo–Nagasaki urban growth corridor, where 60 percent of the nation's residents now live. South Korea has also invested heavily in its principal growth corridor, home to 70 percent of the country's population. Recent decades have seen a surge of economic activity in urban concentrations in Taiwan, Singapore, Hong Kong, and Kuala Lumpur. Today, China is focusing its growth on coastal cities (with the exception of Beijing). The economic growth in all of these Asian cities has demonstrated the value of efficiency, which is facilitated by population concentration and access to trade.

Along with quality infrastructure, education is critical to enabling the world's cities to become more efficient. Producing and selling an automobile, for instance, is far more complex than simply transforming a hunk of steel; it involves expertise in design, engineering, and marketing. Recognizing the major role that knowledge plays in urban economies, welfare, and competitiveness, major Asian cities have formed partnerships with universities.

While children in many cities have become literate, the new challenge is providing sufficient vocational education, beginning in secondary school, so that more people are not only literate but are also employable. Technical education has become imperative for successful cities. New models must be created to develop skilled workers, such as Germany's technical education/apprenticeship system. In these late 20th century public-private partnerships, local and state governments coordinated technical training with corporations.

Too often overlooked, quality of life is equally important to a city's current and future vitality and can appeal to people in all socio-economic groups. With overall cleanliness, open spaces, green features, and pedestrian areas, for example, cities can boost their economies in part by attracting "rootless" affluent professionals who can choose to relocate wherever they wish. Well-maintained parks, plazas, widened sidewalks, and improved public transit systems, however, don't just attract the privileged; they can also serve as great equalizers, used by rich and poor residents alike.

With the poorest cities expected to grow the fastest in the coming decades, the world faces a major challenge: How can these critical facilities and urban infrastructure be financed? One answer is innovative partnerships that encourage impoverished people to pool assets. Above all, however, quality urban planning is key. So how do we make urban planning and management sexy occupations? If we could generate funding for new, high-quality planning schools across the globe, we could persuade more talented young people to choose careers in urban planning instead of derivatives.

## Urbanization and Economic Growth: Necessary Twin Phenomena?

Was it not remarkable that Rakesh Mohan, in his keynote address to the Global Urban Summit, described cities as the primary economic engines of our time — the sources of creativity, dynamism, and true economic growth in this century?

Mohan is a high official of the Reserve Bank of India. And it is well known that the world's central bankers rarely talk of urbanization. Usually they view national economic stability through a lens of growth rates, inflation, currency, and investments. So how could Mohan have seemingly wandered off the reservation, focusing on cities?

The answer is that he is not alone. Mohan's views are spreading rapidly in the developing nations that once saw their future in their rural areas and now increasingly recognize how critical cities are to overall growth and national economic health.

Startling evidence was provided in a paper presented in 2008 to the Commission on Growth and Development, an independent international group headed by Nobel Prize Laureate Michael Spence and sponsored by the Hewlett Foundation along with the governments of Australia, the Netherlands, Sweden, and the United Kingdom, as well as the World Bank.

The paper's author was one of the world's most powerful economic actors — Zhou Xiaochuan, governor of the People's Bank of China. Zhou noted that up to the mid-1990s, the Chinese central government had "resisted urbanization because the authorities thought its pace was too rapid." But, Zhou reported, the Chinese government, recognizing the dynamics of growth inherent in cities, has "reversed policy," responding to "the key role of urbanization" in the transformation of the nation's economy.

The Commission on Growth and Development to which Zhou submitted his observations — and of which he is a member — consists of 21 well-known practitioners from government, business, and the economic policy field from around the world. Their major report, issued in May 2008 after 21 months of deliberation, considered the array of factors that promote growth in developing countries. A primary finding: poverty cannot be reduced in isolation from economic growth — indeed full economic growth depends on urbanization. Developing countries must accelerate their rates of growth significantly for their incomes

to start catching up with those of industrialized nations, and for the world to achieve a better balance in the distribution of wealth and opportunity.

“The Growth Report,” Spence concluded, “kills off once and for all the misguided notion that you can lift people out of poverty in the absence of growth. Growth can spare people en masse from poverty and drudgery. And with India needing to grow at a fast pace for another 13 to 15 years to catch up to where China is today, and China having another 600 million people in agriculture yet to move into more productive employment in urban areas, growth will lift many more people out of poverty in the coming decades.”

Many factors do affect economic growth in developing nations. The commission enumerated a substantial list— for example, understanding growth will require leadership, stamina, transparency and support of the population; a nation must be open to engagement with the global economy if it hopes to import knowledge and technology, access markets, and develop its export sector; and it is important to value equity— sharing the benefits of globalization with all classes of society, and dealing with issues of gender inclusiveness.

Housing was noted as a special challenge, as the commission concurred with Zhou’s findings that rent controls or restrictions on the use of land “distort private decisions” and “rapidly become very costly.” The commission also reflected Zhou’s concern that “land is the most valuable asset in urban settings, and how it is allocated, and the mechanisms for allocation, determine how urbanization takes place.”

The value of urbanization was underscored in the findings— and not only because of the “agglomeration” theories of the economic power, cited by Mohan, of interaction among multiple corporations, specialized industries, intellectual brain power, and innovation virtually unique to cities. The commission noted that it is “extremely rare” for any nation to achieve per capita incomes over \$10,000 (in purchasing power parity terms) before half the population lives in cities.

It is true that a rush to the cities involves downsides — many fast-growth Global South cities, the commission observed, “are disfigured by squalor and bereft of public services.” Providing necessary infrastructure early and adequately, and creating stocks of housing provide huge

challenges for city governments, challenges they typically lack revenue to address well, making central governments assistance critical.

But is preference for rural areas a feasible alternative? Hardly, the commission concluded. There may be strong reasons for nations to invest in agriculture, which has real economic payoff in today's world markets. But, the panel concluded, "As a way to slow the growth of cities, rural investment is likely to disappoint ... No country has ever caught up with the advanced economies through farming alone."

## north–south commonalities

The big challenge that emerged at the Global Urban Summit was how best to combine insights, strategies, and communications between the Global South and the Global North to enable cities across the globe to have a better chance to achieve prosperity, sustainability, and opportunity. Participants examined new and broadened solutions, along with specific activities of the urban research/practitioner community, ranging from Internet to direct global meetings. While economic and environmental concerns were at the forefront of all the discussions, considerations of equity for various social and economic classes was a major undercurrent throughout the Summit.

Distrust in local authorities, national governments, or professionals in general was at issue. But the reasons behind this prevalent distrust were clearly also concerns: simple lack of capacity in many city governments, many localities' support for their elite and apparent lack of commitment to poorer citizens, and both the suspicion and the reality of corruption.

Some Global South panelists asserted that the wealthiest in their societies would never concede the privileges they enjoy in today's cities, that we live in a world of indifference, that greater equity could only be achieved through hard "us versus them" political and social conflict. During the Summit's U.S.-focused sessions, there was clear impatience with wealthy individuals and corporations tending only to the growth and security of their own income—the spread, in both the Global North and South, of gated communities and "walling off"

lack of capacity

corruption

Global North or South, there was clear agreement that equity, opportunity, and the common welfare are inextricably linked—that the potential of improving incomes, education, and environmental standards for even the most troubled groups would, in the long run, provide the optimum benefits for poor and rich alike. The implied formula: More equity equals more opportunity and quality of life for all classes.

Clear strategies emerged during the Summit: Encourage open and candid dialogue between income groups. Build middleclass values by encouraging a socioeconomic mix of people in urban neighborhoods. Tap and develop hidden talents of the poor. Make breathable air and drinkable water a universal right. Create agendas to permit all classes to withstand new century storms worsened by global warming. And don't count on "higher powers"—national governments, specifically, to impose solutions.

Participation is clearly a central element: Unless people believe they are heard, respected, and allowed the chance to participate, they will remain suspicious and resentful of others who "want to help"—a problem most acute in working with low-income communities. This suggests that in any urban initiative, from finance to collecting data to constructing new communities, professionals must listen hard and consistently to the people on the ground who will be affected—ordinary citizens, government workers, private businesses, and NGOs. Tapping new ideas from all realms, creatively partnering, leveraging assets, and building relationships of trust and respect may take time, but they are critical to success.

## networks, a key

interdisciplinary  
approaches

Broad networks—interdisciplinary approaches—are a key to breakthroughs in complex urban problems that resist single-arrow solutions. Health care is not just a medical visit, for example; it means reaching out to women as caregivers, to public health officials, social workers, nutritionists, and mental health personnel, building resistance, discovering “upstream solutions,” as well as curing diseases. Likewise, efforts to upgrade slums require broad networks focused on every issue from housing and sanitation to employment opportunities, food markets, and public safety.

Use of data and research tools—from simple neighborhood surveys to increasingly sophisticated GIS (geographic information systems databases) analysis to the kind of satellite monitoring of cities’ growing urban footprint is essential. But there is a caution: the tools may be only marginally useful unless the research findings are shared with local governments, integrated across disciplines, and made easily accessible to practitioners and neighborhood representatives. Complex megacities may find real benefits in the new monitoring technologies. Even more dramatic, these 21st century tools may provide make-or-break opportunities (and opportunities to avoid others’ mistakes) for the fast-growing smaller cities of the Global South. But in both cases it is effective networking, especially South–South networks, that is likely to make the critical difference. And the networking can’t just be within cities; it must be deepened through frequent

South–South  
networks

global communications exchanges that help ideas spread rapidly to stakeholders.

## growing global leadership

national  
governments

Summit participants made frequent reference to U.N. efforts to mobilize national governments to prevent climate disaster; to U.N. Millennium Goals for improving slum conditions; to community-building projects of the World Bank and its sister global finance organizations; and to imaginative efforts by national governments, foundations, and NGOs. All, it was generally agreed, are welcome and necessary, a partial base for 21st century survival, recovery and constructive advance. The participants heard with sympathy the case made by Anna Tibaijuka, UN-HABITAT executive director, for greater U.N. and global attention to the plight of slum dwellers in Global South cities. “Even in the World Bank and the U.N.,” she said, “we continually have to combat the mind-set that marginalizes urban issues. But the good news is that slum dwellers are gaining ground in economic recognition for themselves.”

In various forms, a companion idea began to take shape: Is it also possible, in this global age, to tap the minds and skills of leaders, activists, academics, and innovators in great cities across the world? Create a global city dialogue of front-line policies, planning, construction, and social action? Explore ways of challenging “same old” approaches, debate alternatives, and mobilize unappreciated human, fiscal, and environmental resources?

## Global Cities' Many New Challenges

globalization is spelling an age of competition among world cities. National governments are able to offer their industries less tariff and trade protection. New technologies and efficiencies easily threaten established economies. The scramble for corporate headquarters and activities, research facilities, and manufacturing is often intense. Onetime monopolies may be broken by aggressive business interests in cities halfway around the world.

But trade ties and strategic alliances with other metropolises — some in other hemispheres — may be as vital as competition alone. And many world cities, notes former World Bank official Tim Campbell, are beginning to recognize that they often have more in common with each other than with their national systems. In 80 countries, for example, the process of decentralization is devolving decision-making and some various degrees of added spending powers to localities.

“Of all the global trends on the planet,” notes Campbell, “none is more intriguing — more disorganized, yet promising; more unruly, yet filled with creative potential — than the rise of the world’s major cities.”

Becoming greener — finding inventive ways to save energy and deal with the effects of climate change — is a big part of the challenge. Others are satisfying investors’ searches for security and adequate infrastructure and planning well enough to temper the growth of slums while creating parks and attractive downtown areas and lessening the fear of crime — keys to drawing and holding the new century’s creative, yet footloose, professional workers.

On the economic front, there is the enticing goal for Global South cities to reverse their traditional dependence on the North and pioneer new technologies: cutting-edge mobile telephone networks avoiding expensive hard-line infrastructure; distributed energy generation; solar and bio-gas to replace the burning of fossil fuels; mobile banking and remittances via cell phone. Global businesses will also be obliged to pay more attention to the Global South market. As the BBC’s Business Web site asks, “Would you run a business and ignore 5 billion customers?”

And there’s a practical challenge for cities: understanding that in a dramatically shrunken world, their ability to prosper requires close collaboration with surrounding communities. Such cities as Seoul, Stuttgart, and Seattle have illustrated the economic power of full metropolitan

strategies. Now is the time, insists U.S. community economic development strategist Anne Habiby, for systems of “360 degree economics,” strategically combining the capital and talent of broad metropolitan regions, and “going local to go global,” leveraging a region’s foreign-born nationals to build transnational alliances with international economies.

To build cities that are prosperous, sustainable, and inclusive, the mayors and other city officials across the world will need to play a major role in such contact, conversations, and debates. But the capacity of city officials is just one element of this challenge. The fullest talent of the urban world must be engaged in this global debate about critical choices and new directions. Elected and appointed officials, university thinkers, foundations, slum dwellers, bankers, and entrepreneurs bridging continents, disciplines, bureaucracies, and professions—all the creative and concerned voices of this urban century will need to be heard, all skills mined.

global urban  
commons

The time may be ripe, in short, to create a global urban commons—face-to-face and Internet conversations to stimulate a worldwide set of new and superior practices, to discover the best mankind can achieve, to forge a global citizenship focused in and on the cities where the human race increasingly gathers.

Notwithstanding the staggering challenges that 21st century cities face, great fonts of knowledge, skills, and both local and global networks do exist and are poised to be tapped. If the world's cities seize these opportunities, they will have more than a fighting chance of succeeding; ignore them and blind forces ranging from climate change to hunger to social conflict may set this urban century on a destructive course. At the Rockefeller Foundation's Global Urban Summit, there was a clear sense of urgency: While the window of opportunity for creative alliances and new strategies may now be open, there is no time to lose.