UN SYSTEM TASK TEAM ON THE POST-2015 UN DEVELOPMENT AGENDA

Sustainable Urbanization

Thematic Think Piece

UN Habitat

Following on the outcome of the 2010 High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, the United Nations Secretary-General established the UN System Task Team in September 2011 to support UN system-wide preparations for the post-2015 UN development agenda, in consultation with all stakeholders. The Task Team is led by the Department of Economic and Social Affairs and the United Nations Development Programme and brings together senior experts from over 50 UN entities and international organizations to provide system-wide support to the post-2015 consultation process, including analytical input, expertise and outreach.

Sustainable Urbanization

1. Introduction

In the last quarter of 2011, the world population reached the seven billion mark. This historic event took place 12 years after the six billion mark. It took 123 years to double from one to two billion but 'only' 33 years to cross the three-billion threshold.[1] Although demographic growth is slowing down in the whole world, the fact that it has taken the ever-shortest time to add one extra billion signals a major shift in both the pace and scale of global demographics. An important facet of this shift is the historic milestone achieved in 2007 when more than half of the global population was living in cities and towns, thus making urban centres the dominant habitat for humankind. This seemingly geographical shift has tremendous implications for the current and future dynamics of human development.

The change in the dominant habitat of world population makes the process of urbanization to be among the most significant global trends of the twenty-first century. Cities and urban places in general now occupy the centre stage in global development. They no longer function as mere spaces for settlement, production and services. They now profoundly shape and influence social and political relations at every level; determining advances and setbacks in modes of production; and providing new content to norms, culture and aesthetics. Cities have become a major locus of power and politics consequently influencing vision achievement and dictating policy outcomes. They are also a major factor in environmental trends and sustainability processes. Urbanization is thus providing the setting, the underlying base, and also the momentum for global change.

The shift towards a dominantly urban world is not simply a demographic phenomenon characterized by an anticipated population movement and change from one locale and profile to another. Rather it is a transformative process as well as a galvanizing momentum permeating many aspects of global development. It is also a dynamic which, if effectively

---

[1] United Nations Department of Economic and Social Affairs, The World at Six Billion (New York, 1999), available at: http://www.un.org/esa/population/publications/sixbillion/sixbilpart1.pdf

steered and deployed, can potentially serve as a force for enabling the world to overcome some of the current and future challenges.

The inclusion of the urbanization factor in determining the post-2015 global development agenda is therefore fundamental if evolving positive processes, salient contextual factors, and the powerful momentum prevailing at this advent of the new millennium are to be harnessed. In addressing the urbanization phenomenon, a post-2015 UN development agenda should go beyond the demographic dimension and should address the main challenges and opportunities that are shaping twenty-first century cities and towns, including how these affect and contribute to sustainable development.

Indeed, the demographics of urbanization tend to project several critical elements which are important in defining the new agenda. Most outstanding is the volume and rate of change at which the new human habitat is evolving. Interestingly, only 60 years ago or so (1950), the number of people living in urban centres was slightly higher in the developed nations (58.5 per cent, or 426.9 million) compared to developing countries. By 1970, the proportion of people living in urban and rural areas was virtually equal at around 630 million. Today, of every 10 urban residents in the world more than seven are found in developing countries, which are also hosts to an overwhelming proportion of humankind (82 percent of the world's population). Moreover, of the 187,066 new city dwellers that will be added to the world's urban population every day between 2012 and 2015, 91.5 per cent, or 171,213, will be born in a developing country.

Beneath the above numbers are questions of needs, demands and capacities to deliver for this large world population whose life base is fundamentally changing. Not only do new cities have to be built and managed differently, but a whole set of relations and ways of thinking about new agenda items will have to be developed. For example, the entire environmental agenda needs to be recast when the urbanization dimension is factored in. Cities contribute to up to 70 per cent of the total greenhouse gas emissions. Currently, mobility systems within and between cities promote an excessive dependence on fossil fuel and building designs tend to overuse non-renewable resources. The overall urban metabolism is totally unsustainable and it may worsen if no immediate action is taken.

The above elements, coupled with the current urban based and crisis-ridden modes of economic development underscore the need to pay attention to the urbanization agenda. On this aspect, there are important lessons to be derived from recent experiences. On one hand, the negative imperative arising from mishandling an urbanization element, such as the case of sub-prime lending, needs to be taken into account. Equally so, the opposite dynamism exhibited by emerging economies as they optimize on opportunities is an experience worthy of consolidation. Other critical factors of urbanization which will have a bearing on defining the new global agenda include the increasing urban sprawl; the rise of mega cities, increasing metropolitanization, emergence of urban corridors and regions – all of which generate new demands, novel institutions, and will entail a profound overhaul in international relations.

At the social level, some of the current concerns will continue to deserve priority attention. Poverty, this time dominantly urban, will be compounded by the rise of the 'new poor' particularly in cities of industrial economies. The rising inequality in many parts of the world will generate tension and even conflict whose locus will be in cities and towns. The issue of social inclusion will remain of prime concern as the infrastructure for global mobility improves but at the same time natural and human-made disasters increase. The political implications of immigration, particularly of the transnational variety, will have to be grappled with.

2. The City – An Axis for the New Global Agenda

A new positive agenda has to be designed for the post-2015 period. An agenda which capitalizes on the positive momentum, harnesses opportunities and builds on the transformative potential that the world is currently exhibiting. The city, as a pivotal node of the prevailing urbanization dynamic, offers a critical axis for delivering the new agenda.

Indeed, cities, in as far as they are crucibles containing human agents, critical movements and spaces of change, are an appropriate platform for driving a new agenda. Cities are the places where new ideas crystallize, technological and artistic innovation happen, and

creative solutions to problems emerge.[2] Cities have shown to be settings for social and political change and where new forms of participatory decision-making can be experimented. Cities are therefore places where prosperity can be claimed for. The more recent protests for social and economic fairness and deeper democracy – the Arab Spring, Los Indignados and the Occupy Wall Street movements – are a call for a better form of prosperity, which in fact means prosperity for all. These protests have shown that cities are the scenario where the fight for prosperity and for human dignity could take place. In that sense, cities are not only hubs of innovation and places for economic development, but also the space where goals of social justice can be advanced.

Indeed, cities are important economic forces not just for themselves, but to the entire nation, and central players on the world stage. When they are well-articulated with the national and provincial governments and their own development agendas are linked to regional and national development plans, when investments from central governments are aligned with local investments, cities can yield critically important results for the nation as a whole.[3]

Cities can prioritize investments in social safety nets and local and regional infrastructure development to ensure longer-term growth that in turn can stimulate consumption. Moreover, cities have the capacity to deal with underlying problems of the global economy, addressing issues of growing inequality through redistributive policies implemented in close collaboration with central governments. Cities can influence political leaders to respond to local and regional priorities proposing very clear outcomes and ways to measure them. Policy performance of cities in social, economic, environmental and political areas is clear in many accounts and different latitudes. When working at city scale, resources can be used more effectively and higher levels of accountability can be achieved.

Cities represent a framework – flexible, creative, and operational – to deal pragmatically and efficiently with regional and global challenges. They are coherent entities to promote growth and prosperity and to fight off decline, or prospects of decline. They can also be effective agents contributing to repair the crisis of trust by working at the local level in

---

2 Hall (2001)
3Peirce Neal et al (2012), op cit.

actions that involve collective efforts. They offer more opportunities for direct connections with different actors, bringing various stakeholders and sectors to the 'table of discussion' in order to forge broadly supported agendas. Cities are "arenas to build relations and trust – respect, inclusiveness – in stark contrast with the divisive partisanship and ideologies that easily paralyze decision-making at the level of states and nations".[4]

This is not to say that competitive interest and values do not often arise at city level, including political disagreements and local conflicts; however cities organized in networks still represent an operative platform for imagining the future, forging partnerships, creating social and political innovations, searching synergies and urban/regional plans that can positively impact the nation as a whole. Cities can become a critical platform to address global challenges.

Experience of the past decade has demonstrated the role cities play in the realization of a global development agenda as the fight against poverty – encapsulated in the Millennium Development Goals. The link between urbanization and socio-economic development cannot be disputed. Cities make countries more prosperous. Countries that are highly urbanized have higher incomes, more stable economies, stronger institutions and are better able to withstand the volatility of the global economy than those with less urbanized populations.[5] The experiences of developed and developing countries also indicate that urbanization levels are closely related to levels of income and performance on human development indicators.

Cities around the world are playing an ever-increasing role in creating wealth, enhancing social development, attracting investment and harnessing both human and technical resources for achieving unprecedented gains in productivity and competitiveness. As countries develop, urban settlements account for a larger share of national income. In both developed and developing countries, cities generate a disproportionate share of gross domestic product (GDP) and provide huge opportunities for investment and employment. Urban-based economic activities account for up to 55 per cent of gross national product

---

4Peirce Neal et al (2012), op cit.
5 UN-Habitat, State of the World's Cities Report 2010/2011 (Nairobi, 2010)

(GNP) in low-income countries, 73 per cent in middle-income countries and 85 per cent in high income countries.[6] In the United States, for example, some cities outpace even some countries in economic output. If the five largest cities in the United States – New York, Los Angeles, Chicago, Boston and Philadelphia – were treated as a single country, it would rank as the fourth largest economy in the world. This trend is also evident in the developing world: São Paulo, Brazil's largest city, and Bangkok, the capital of Thailand, both host just over 10 per cent of the total population of their respective countries, but both account for more than 40 per cent of their countries' GDP.[7]

Cities also generate a disproportionate amount of revenue for governments; the residents of India's commercial capital Mumbai, for instance, pay almost 40 per cent of the nation's taxes. Goods and services are generally produced more efficiently in densely populated areas that provide access to supportive services, transport and communication links, a pool of labour with appropriate skills, and a critical mass of consumers – all attractive qualities associated with cities. In the new, increasingly knowledge-based global economy, cities are particularly efficient producers. Improved economic and social infrastructure, together with economies of scale and agglomeration benefits associated with large urban centres, allow businesses and enterprises in cities to flourish. The concentration of economic activity in cities makes them prime generators of non-agricultural employment in both the formal and informal sectors.

While the formal sector accounts for a much larger share of urban employment in industrialized countries, the informal sector employs a significant proportion of the non-agricultural labour force in developing regions (up to 80 per cent in sub-Saharan Africa and more than 60 per cent in Asia and Latin America). Cities are also engines of rural development. They provide many opportunities for investment, which not only support urban development but also contribute to rural development in an environment of strong urban-rural linkages. Improved infrastructure between rural areas and cities increases rural productivity and enhances rural residents' access to education, healthcare, markets, credit, information and other services. On the other hand, enhanced urban-rural linkages

─────────────────────

6 Ibid
7 Ibid

benefit cities through increased rural demand for urban goods and services and added value derived from agricultural produce. Increased productivity and competitiveness also fuels the urbanization process: all over the world there are examples of sleepy fishing villages becoming thriving ports, barren outposts becoming major trading centres and railway depots or harbours becoming capital cities. Urban transformations often translate into positive performance on human development indicators and reduced poverty in both rural and urban areas.

Put together, all of these factors provide an apt environment for the attainment of the Millennium Development Goals and targets. However, the relative absence of infrastructure, such as roads, water supply, communication facilities, and adequate housing in small- and medium-sized cities – which are currently absorbing most of the world's urban population growth – makes these cities less competitive at the national, regional and global levels. In many countries, a disproportionate amount of public investment, especially investment in infrastructure, goes to the larger cities, particularly national capitals. Attempts to "decentralize" economic activities to secondary cities are unlikely to be successful unless the decentralization is supported by pro-poor investment in infrastructure and public services, and by the financial and institutional strengthening of local authorities.

3. Prominence of the Local in a Context of Inclusive and Multi-level Governance

The process of urbanization has brought to the fore new actors in global development. The framework is no longer strictly determined by relations among states, and the role of various actors, at different levels, needs to be fully acknowledged. A more earnest and rigorous endeavor has to be adopted in operationalizing the notion of partnership and in recognizing the importance of the local, particularly local governance.

Increasingly, intergovernmental and supranational institutions are assuming an important role in steering regional and global development. At the same time, a stronger interdependence is developing among national and sub-national levels of governments, and also with other spheres of society in the development agenda. The emerging constellation of

such global and regional institutional developments, coupled with changing vertical relations within nations, brings to prominence a new partnership in governance. It is no longer tenable for one level of government or one set of actors to operate on their own: city authorities, regional and national governments, civil society and private sector actors, all play an increasing role and have political influence in development issues. Collaboration, coordination and the fostering of synergy is becoming the norm.

Multi-level governance in this case recognizes linkages, promotes flows beyond official urban boundaries, accepts the participation of different actors, and concedes to the need for an overall governance architecture which accommodates different interests. At the same time, it also goes beyond the conventional emphasis on transactional relations and transfer of resources. It underscores an endogenous response thrust, encourages leveraging and promotes sustainable action, recognizing the need to settle disputes and different forms of conflicts. The pursuit of a global agenda, in whatever manner it will be defined, necessitates the consolidation of such a multi-level governance framework, and the promotion of a more encompassing global partnership beyond its current configuration. It also necessitates acknowledging the fact that local authorities, as key institutional vehicles of cities, have transcended narrow local political confines to become prominent players exerting regional and global influence.

Key to the success of the new partnership in governance is therefore the role of the city. When taken beyond demographics, the city is the local space at which all the above forces crystallize themselves and exert their impact on the citizenry. And in terms of change, the city is almost the immediate milieu of action on the ground – where the economic, political, social and environmental impact can be acted upon. It is the main platform for transformation. It is the locus for change, and the venue where the human agency can be mobilized. Thus, the mode of urban development as a whole has a major bearing on global development in general. In this respect, in defining a new development agenda utmost attention needs to be given to the city as a whole, particularly in the period after the second decade of the new millennium.

National, regional and city governments have a key role to play to ensure the fluidity of markets for land, labour and products, while ensuring that the benefits of density and economies of agglomeration are realized through effective urban planning and investment in core infrastructure. By concentrating more attention and resources to the city-region level, national governments are not only connecting the nation to globalized business flows, but providing trajectories of opportunity to peripheral rural areas.

4. Anchoring the New Agenda at the Sub-national Level

In its transformative dynamic, the process of urbanization is increasingly revealing its pervasive impact. A new agenda cannot afford to ignore it. More urgently, it brings to the fore the role of the sub-national level, in terms of actors, institutions and settings. The MDG experience calls for the need to anchor the new agenda at the local level, particularly within the framework of city development. Indeed, all the elements of change are embedded and influenced by the dynamics of urban development. The manner in which we shape and steer change in the city will have a major bearing in determining human destiny in the post-2015 period.

UN System Task Team on the Post-2015 UN Development Agenda

Membership

Department of Economic and Social Affairs (DESA), Co-Chair

United Nations Development Programme (UNDP), Co-Chair

Convention on Biological Diversity (CBD)

Department of Public Information (DPI)

Economic Commission for Africa (ECA)

Economic Commission for Europe (ECE)

Economic Commission for Latin America and the Caribbean (ECLAC)

Economic and Social Commission for Asia and the Pacific (ESCAP)

Economic and Social Commission for Western Asia (ESCWA)

Executive Office of the Secretary-General (EOSG)

Food and Agricultural Organization of the United Nations (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Civil Aviation Organization (ICAO)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Organization for Migration (IOM)

International Telecommunication Union (ITU)

Joint United Nations Programme on HIV/AIDS (UNAIDS)

Non-Governmental Liaison Service (NGLS)

Office of the Deputy Secretary-General (ODSG)

Office of the High Commission for Human Rights (OHCHR)

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS)

Office of the Special Advisor on Africa (OSAA)

Peace building Support Office (PBSO)

United Nations Children's Fund (UNICEF)

United Nations Conference on Trade and Development (UNCTAD)

United Nations Convention to Combat Desertification (UNCCD)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

United Nations Entity for Gender Equality and Empowerment of Women (UN Women)

United Nations Environment Programme (UNEP)

United Nations Framework Convention on Climate Change (UNFCCC)

United Nations Fund for International Partnerships (UNFIP)

United Nations Global Compact Office

United Nations High Commissioner for Refugees (UNHCR)

United Nations Human Settlements Programme (UN-HABITAT)

United Nations Industrial Development Organization (UNIDO)

United Nations International Strategy for Disaster Reduction (UNISDR)

United Nations Institute for Training and Research (UNITAR)

United Nations Millennium Campaign

United Nations Office for Outer Space Affairs (UNOOSA)

United Nations Office for Project Services (UNOPS)

United Nations Office on Drugs and Crime (UNODC)

United Nations Population Fund (UNFPA)

United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)

United Nations Research Institute for Social Development (UNRISD)

United Nations System Chief Executives Board for Coordination Secretariat (CEB)

United Nations University (UNU)

United Nations Volunteers (UNV)

United Nations World Tourism Organization (UNWTO)

Universal Postal Union (UPU)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Intellectual Property Organization (WIPO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)