THE CENTURY OF GLOBAL CITIES

How Urbanisation Is Changing the World and Shaping our Future

edited by **Andrea Tobia Zevi**

ISPI

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Edited by Andrea Tobia Zevi
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Introduction

Think tanks and research centres worldwide are devoting increasing attention to the growing role of global cities. Why do global cities matter? And why should a think tank dealing with international affairs such as ISPI look at the evolving role of global cities? The obvious answer is: because cities do matter. Urban settings cover barely 2% of the Earth's surface, yet they host over half of the global population. In the coming decades, the number of mega-cities in Asia and Africa will grow dramatically, and this represents a huge challenge in terms of social and environmental sustainability. As urbanisation increases at a steady pace, cities are where most of the world's GDP, greenhouse gas (GHG) emissions, and waste are produced. *Global* cities, metropolises acting as key hubs in global economic and political networks, matter even more.

A growing number of phenomena requiring international coordination and response are closely related to developments at the city level. Cities tend to be the places that are most impacted by issues such as climate change and migration. Given their size and political and economic relevance, cities are also the actors that affect these phenomena the most, for better or for worse: what happens in cities has repercussions at the national and international level. Besides, cities are testing grounds for most policy innovations, which can then spread to higher levels of government, thus shaping present and future developments of internationally-relevant phenomena. At the same time, they are stages for political experiments and trends that

often spill over into other cities and countries. To use a medical analogy: global cities are the patient, the disease, the treatment, and the laboratory, all at once.

As a result, the international community decided to devote to cities a specific Goal within the Sustainable Development Agenda approved at the end of 2015: "Make cities and human settlements inclusive, safe, resilient and sustainable" (Goal no. 11). We should not take this for granted, since cities were not considered in the previous international targets, which were set at the beginning of the century. Some prominent global cities, starting with New York City (and now Buenos Aires, Durban, Helsinki, Kitakyshu, Los Angeles, Medellin, Pittsburgh, Rio de Janeiro, and others), are already moving forward. They "replace" states in implementing the Agenda and tackling the problems: through their "Voluntary Local Review", which is supposed to mirror the National Review that each nation should release every year, they testify their strong commitment to addressing the major challenges of our era.

This correlation between global phenomena and developments at the city level is crystal clear in three major fields. First, global cities matter for international economy. A country's economic power is increasingly linked to the power of its cities – especially the largest ones. At the same time, to grow stronger cities need constant investment in infrastructure, and this in turn requires economic growth. This virtuous circle can either be kick-started at the city level, or stop there. As cities boost trade and tourism, they also offer a "window" on local culture, hence bolstering not only the "hard power" of a country, but also its "soft power" on the world stage.

Second, global cities matter for climate change. Cities are the places that are most affected by climate change, in particular by rising sea levels or extreme weather conditions (such as heat waves or cold snaps). They produce the largest share of GHG emissions, but the economies of scale cities offer have the potential to limit such emissions over the longer term. Solutions devised by city managers can be at the cutting edge

of technological development, opening up new pathways for mitigating climate change or adapting to it.

Third, global cities matter for international migration. Internal and international migrants flock to cities, so the lack of international rules governing migration affects cities the most. At the same time, many cities' tendencies to confine newcomers to their peripheries can heighten the migrants' sense of exclusion, which can further complicate their integration in host countries. Yet cities also serve as laboratories for inclusion, as shown by US "sanctuary cities", in which foreigners have managed to thrive despite a more hostile broader environment.

This Report investigates these and other fields where dynamics at the city level ripple through the international level and vice versa. It also shows how global cities are often taking over responsibilities on behalf of their national governments, addressing challenges autonomously or even in opposition to national decisions. This is a crucial development, but it is a double-edged sword, because as cities act more independently, governments may find it harder to regulate and sanction "rogue" behaviour.

A few years ago, New York-based scholar Benjamin Barber suggested that "mayors should rule the world". More modestly, global cities and their managers should be seen as pragmatic and accountable "solution providers". In this respect, it is reasonable to expect that cities and their networks will claim a more central role in the future as they become willing to influence the political process of decision-making within the international community. In one word, they will try to get a "seat at the table". This looks like an interesting development and a great opportunity for the future.

1. Why Global Cities?*

Saskia Sassen

The 1980s marks a very specific economic transformation in major western cities. It was, in many ways, the beginning of a new era, one that saw digitisation as having the capacity to launch foundational transformations. One key transformation many experts asserted would be decisive, was that cities would no longer matter for the advanced economy. Cities might still matter for people who wanted to go to the theater and such, but they would not matter much for the advanced economy. There was great conviction that powerful firms, global firms, and such would no longer need cities given the digital revolution.

This turned out to be mostly wrong. Cities have become even more important, and this is especially so for the most advanced and digitally enabled/connected sectors. Why? Because time began to matter even more – fractions of seconds mattered. And they mattered precisely because of the digital revolution: now competition was everywhere, accessing the latest innovations could be executed by anyone, and so on.

How could such smart high level professionals get it so wrong – both the developers of digitisation and the high-level users of digitisation. And why do distance and time matter even more now for the most digitised sectors?

These became some of the several key questions that led me to go digging, to understand, to discover so to say, the actual conditions and needs of digitised sectors.

* This opening chapter collects abstract and builds upon the paper of the author: "The global city: Enabling Economic Intermediation and Bearing Its Costs".

Discovering the Global City

Contesting the widespread notion in the 1980s that place no longer mattered to highly digitised economic sectors turned out to be the first step towards conceptualising the Global City function[1]. It became an effort to detect a new, somewhat elusive formation deep inside major cities. And the Global City Function included only some of the most advanced sectors of major cities. It did not include every single resident of a global city.

Then came 8 years of endless data analyses and exciting fieldwork. My basic mode was discovery, not replication. What was the combination of elements that might produce this ironic outcome: the fact that the most powerful, rich, and digitised economic actors needed "central places", and perhaps more than ever before? Large corporate firms engaged in routinised production did not really need to be located in cities – they could locate anywhere. What these types of firms needed if they went global was access to a whole new mix of complex specialised services almost impossible to produce in-house (as had been the way of doing things for many big firms after World War 2 especially.

A second hypothesis that was stronger than I expected was that this new economic logic, partial as it was, would generate high-level jobs and low-wage jobs; it would need far fewer middle-range jobs than traditional corporations. But those low-level jobs, whether in the office or in households, were going to matter more than one might imagine. I described them as the work of maintaining a strategic infrastructure. And this strategic infrastructure includes the family or home life of top level personnel. Everything needs to work fine, because this top level personnel could not have family crisis, children crisis… none of that.

[1] S. Sassen, "The Global City: Introducing a concept", *The Brown Journal of World Affairs*, Volume XI, Issue 2, 2005, p.28.

Intermediation: From Minor Sideshow to Key Logic of the Global City

A key hypothesis I arrived at early on in my research was something I named "intermediation". I posited that intermediation was an increasingly strategic and systemically necessary function for the global economy that took off in the 1980s[2]. This in turn led me to generate the hypothesis about a need for specific types of spaces: spaces for the making of intermediate instruments, form of knowledge, and capabilities. One such strategic space concerned the instruments (legal, of talent and knowledge, of transport, of where to locate the factories off-shore, etc) needed for outsourcing jobs, something I had examined in my first book (*The Mobility of Labor and Capital*).

But what began to emerge in the 1980s was on a completely different scale of complexity and diversity of economic sectors: it brought with it the making of a new type of city formation. I called it the Global City – an extreme space for the production and/or implementation of very diverse and very complex intermediate capabilities. This did not refer to the whole city. I posited that the Global City was a production function inserted in complex existing cities, albeit a function with a vast shadow effect over a city's larger space.

In that earlier period of the 1980s, the most famous cases that made visible the ascendance of intermediate functions were the big mergers and acquisitions. What stood out to the careful observer was how rarely the intermediaries lost. The financiers, lawyers, accountants, credit rating agencies, and more, made their money even when the new mega-firm they helped make eventually failed. Finance became the mother of all intermediate sectors, with firms such as Goldman Sachs and JP Morgan making enormous profits, followed at a distance by the specialised lawyers and accountants.

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[2] See S. Sassen, *The Global City*, Princeton, NJ, Princeton University Press, 1991, updated edition 2001; Id., *Cities in a World Economy*, London, Sage, 2012; and S. Sassen-Koob, "Recomposition and Peripheralization at the Core", *Contemporary Marxism Social Justice/Global Option*, vol. 5, 1982, pp. 88-100.

From the early phase dominated by mergers and acquisitions, intermediation has spread to a growing number of sectors. This also included modest or straightforward sectors: For instance, most flower sellers or coffee shops are now parts of chains, they only do the selling of the flowers or the coffee, and it is headquarters that do the accounting, lawyering, acquisition of basic inputs, etc. Once, those smaller shops took care of the whole range of items; they were a modest knowledge space. Intermediation can now be thought of as a variable that at one end facilitates the globalising of firms and markets and at the other end brings into its envelope very modest consumer oriented firms.

It also contributes to explaining the expansion in the number of global cities and their enormous diversity: each major global city has specific knowledge cultures that tend to come from a deep local history.

Making and Inventing Intermediate Functions

A major concern for me was to capture the fact that intermediate functions needed to be produced, developed, refined, mixed with other types of instruments, and so on. In its narrowest sense, then, I conceived of the Global City function as a space of production: a Silicon Valley for advanced services, inventing new modes of producing wealth (notably by completely re-inventing high finance).

Finance could not have become as complex and innovative (to put it kindly) if it had not had a network of global cities. Each major city has had a history of inventing economic/financial instruments. Chicago's was very different from New York's. And I would argue that Shanghai's is very different from Beijing's, and so on.

Eventually, I expanded the category to incorporate a diversity of meanings, including the instruments needed by counter-systemic actors to operate in complex global settings – from environmental to human rights activists. And I began to include

conventional actors such as museums engaging in international exchanges often for the first time because now they had access to a range of complex legal, accounting, and insurance instruments. It also enabled a massive scale up of irregular actors, from traffickers in drugs and people to an irregular market for armaments.

As a space of production, the Global City generates extreme needs. These include state of the art infrastructures that almost inevitably go well beyond the standards for the larger home cities; thus, for instance, the financial centres in New York and London in the 1990s had to develop types of digital infrastructure that were on a completely different level from most of the rest of the city. Further, the Global City generates a sharp rise in the demand for both high-level talent and masses of low-wage workers. What it needs least are the traditional modest middle classes so central to the era when mass consumption was the dominant logic; larger cities with more routinised economies do continue to need them. Finally, as the global economy globalised, this Global City function spread to more and more cities: it was a sort of frontier space enabling global corporate actors to enter national economies.

What started as a hypothesis and then became a researched fact is that such instruments for intermediation are a marking feature of the type of global economy that emerged in the 1980s and had developed its global reach by the late 1990s. Today intermediation is a major, and much needed factor. This, then, also explains the rapid increase in the number of global cities during the 1990s and onwards. Today, we can identify about 100 plus global cities. And each one has specific specialised capabilities.

Again Shanghai, Nanjing, Wuhan, and Beijing are sufficiently different, with sufficiently specialised knowledges that partly come from their long histories, that competition is not the major issue. Their diverse power to shape a major global trend, the capacity to develop/invent new instruments, and so on, in good part arises, comes out of their older deep economic histories.

I always want to tell mayors that they should never forget the fact that the deep economic history of place is what makes them different, special, and leaders in one or another domain. They compete far less with each other than much of the talking and newspaper writing would suggest. Their old histories are partly in play in those domains where they stand out, where they are the strongest. And it is often those older specific, often highly specialised knowledge domains, that gives them strength today.

Invisible but Important

Finally, and critical to the whole project was what I refer to as the *infrastructure* to ensure maximum performance by high-income talent – the broad range of conditions enabling their work-lives. This aspect is never really mentioned.

Prominently included in my analysis was a range of lowly rewarded tasks, from low-level office tasks to low-wage household work. I argued that in many regards the homes of top-level staff in the Global City are an extension of the corporate platform. To get such tasks out of the easy language of "low-wage jobs", I described these tasks as the work of "maintaining a strategic infrastructure". And, very important to my analysis but never mentioned in any analyses of the global city, is the fact that the households of top-level workers are strategic sites in the larger set up. Everything has to function like clockwork, with no little crises.

This interpretive move also fed into the notion of the Global City as a very specific space of production, and one enabling the organising of its low-wage workers, such as janitors and household workers, precisely because it was about the maintenance of a strategic space. History bore this analysis out when it was janitors in major cities in the United States and Europe who managed to organise a janitors union. Some years later, it was domestic workers who succeeded in creating a union in high-income neighbourhoods – while they had failed to organise in

middle class neighbourhoods, where families either could not afford to hire an outside household worker, or did not want to "waste" their money. In contrast, in the high-level homes of top professionals, enabling/maximising the intelligence and peace of mind was critical – so yes, they are expected to hire outside cleaners and cooks and baby sitters, and people who come and water all the plants, and more.

In my reading at the time (and today), the particular types of spaces where these jobs were being executed mattered. This underlines the notion that the homes of these high-level workers matter. And, thus, the need for a workforce in charge of maintaining this strategic infrastructure – that is, the homes of these high level workers). The same tasks in a typical suburban mid-level household would not have enabled the low-wage workers doing those tasks to organise as they did in the top level households. In short, the jobs could not be flattened into the tasks involved.

The Global City

To conclude, let me add a few final elements.

The Global City function is *made*, and that process of making is complex and multi-faceted: it needs to factor in laws, accounting practices, logistics, and a broad range of other components, such as the existence of diverse cultures of investment depending on the country and the sector.

This process of making could not take place simply in a firm or a laboratory situation. It had to be centred at the intersection of different types of emergent global economic circuits with distinct contents, all of which cut across economic and cultural strengths of a given city or region. It needs a space where professionals and executives coming from diverse countries and knowledge cultures wind up picking up knowledge bits from each other even if they did not intend to do so. And, not often understood, an important but overlooked fact is that even minor global cities have invented new instruments and built new

markets, often based on a single commodity – that is, based on what they have long known how to do.

I see in this mix of processes the making of a distinctive "urban knowledge capital". I mean by this a kind of capital that could only be made via a mix of conditions, among which was the city itself with its diverse knowledge and experiential vectors. I saw this both in its broad sense (all the knowledge-making institutions, individuals, experimental moves), and in the narrower sense of the Global City function. The latter is marked by highly specialised and dedicated knowledge systems that need each other, even if only bits of each other's knowledge strengths). Out of this then came my hypothesis that particular types of cities would become highly desirable sites for ensuring the production and supply of extraordinary combinations of knowledge components.

2. Reliable Data, New Tools and Sustainable Goals to Foster Urban Growth

Patricia L. McCarney

Cities Leading

Cities are leading on, and propelling, multiple growth trajectories that are currently in play globally. In the simplest terms of population growth, cities are leading the demographic shift across the globe, driving change nationally, witnessed by some 100 countries where over 70% of the population are living in urban areas[1], and globally, with cities driving population across the rural urban divide as of 2006, whereby more than half of the world's population became urbanised[2]. In addition, it is the world's cities that are propelling economic growth. On measures of economic prosperity, cities are now responsible for over 80% of the world's gross domestic product[3]. Cities across the globe are also leading on innovation; they are the global positioning for finance capital concentrations, for the largest infrastructure investments in history, and for intensely heightening

[1] UN Population Division. Department of Economic and Social Affairs, *World Population Prospects: The 2018 Revision*, New York City, 2018.

[2] UN HABITAT, *State of the World's Cities 2008/2009*, Nairobi, 2008.

[3] UN HABITAT, Fact Sheet, Urban Economy, http://nua.unhabitat.org/details1.asp?ProjectId=33&ln=1.

real estate market valuations. Cities are a defining phenomenon of the XXI century.

Alongside these global growth trends, come vast opportunities for citizens and businesses alike. With cities positioned as the global drivers of economic production, it is also in cities where the highest opportunities for inclusive wealth creation now occur. Land and locally scaled economy provide openings and access by a multiplicity of actors. Local governance, empowered with regulatory functions of municipal finance and zoning for example, can open up points of access for a more inclusive prosperity in cities. The innovation sector, in the not so recent past, dominated by large technology firms, is now counter-balanced by an explosion of one- and two-person firms, start-ups and spin-offs, often finding marginal spaces in the city to gain a foothold into the system.

While cities are the economic drivers of global production and present untold opportunities, they also pose a new set of challenges for city leaders on the ground. Global challenges are increasingly finding expression in the world's cities. Whether climate change, poverty alleviation, cultural tolerance, the global financial crisis, or global risk and conflict, cities are sites where these global challenges are most symptomatic, where the greatest concentrations of individual citizens and communities are affected, and where informed responses can be most strategic.

In addressing both these challenges and the global opportunities for economic growth and prosperity, the need for empowered local governments has never been greater. Effective urban governance depends on the ability of city leaders to have command over both local and global city data, to be guided in decision making processes by strategic analytics and be equipped with baselines of information that ensure measurement of progress over time. Comprehensive knowledge on cities has never been greater.

Now more than ever, a stable and sustained trajectory for economic development in cities is dependent upon effective management, strategic planning and informed policy making – and often rapid or more nimble policy change. Cities need

data – to drive economic development, inform investment decisions, benchmark progress, and moreover, to drive a culture of innovation in their cities. Throughout all of recent history, city leaders have been, and remain, charged with effective and efficient delivery of city services to their citizens. However, with this rapidly changing growth trajectory of cities globally, city leaders are being tasked with a wider and more complex set of challenges – ranging from, for example, youth employment, to digital connectivity, efficient high-speed mobility, creating healthier environments, to cyber security and emergency preparedness for an increasing menu of shocks and stresses confronting their regulatory territories.

Cities need data to measure performance in delivering services and improving quality of life, but also a set of indicators to measure their investment in smarter and more sustainable solutions in the delivery of these city services, as well as indicators to monitor resilience – data that informs emergency preparedness, recovery planning and data to inform how to build the city back better after an external shock. Cities are confronted by an escalating set of climate related episodes such as heavy rains and wind, by natural shocks generated for example by volcanic or seismic events, as well as an emerging range of economic and political stresses from conflict to economic crisis, health and disease vectors, and cyber and terrorist attacks.

As cities move to a more connected and global positioning, and respond to economic opportunities both locally and globally, city leaders worldwide want to know how their cities are doing relative to their peers. Comparative analysis and knowledge sharing are vital in the face of rapid urbanisation, for global economic competitiveness and the associated demand for larger and more complex scales of infrastructure investment. Cities compete by, for example, assembling a skilled and educated labour force through education and training. They develop efficient modern infrastructure to support households and businesses to be healthy and productive and to gain wealth. Cities are also responsible for building strong and responsive systems of local governance that

are inclusive and recognise and support entrepreneurial development in their locales. Cities are pivotal in developing flexible land and property markets and housing markets that are a basis of wealth and prosperity within their boundaries. Cities are also increasingly proactive in creating high environmental standards and a high quality of life for their citizens.

City level data is therefore not only necessary for city leaders to inform year over year benchmarking on their service provision and their investments, but also needs to be globally standardised if city leaders are to measure their performance and compare it with other peer cities in their own countries and across the globe.

The Case for Standardised City Level Data Across Global Cities

Comparable city level data is at the heart of economic competitiveness, but is also essential to enabling cities to talk to each other for peer to peer learning. As cities increasingly take up positions of leadership on the global stage, the need for globally comparable and standardised city data has never been greater. Cities must be equipped with a globally standardised set of indicators if they are to compare data across cities both locally, within their own vicinities and countries, and globally across nations and other continents. This data is essential for comparative learning, economic planning to drive progress, strategic marketing to attract investment, cooperative engagement on global agendas ranging from climate accords to sustainable development, and security. Globally comparative city data builds collaboration and understanding by fostering information exchange and sharing of best practices across cities. High calibre data in cities guides more effective city governance for economic progress and is at the core of a successful economic development platform for cities across the globe.

However, policy responses to today's most pressing challenges and opportunities for sustained prosperity are hindered by a

set of core weaknesses in current research and information at the city level. Until recently, city data has not conformed to a standardised methodology that can ensure sound global comparison and learning across cities, making globally comparative research and exchange impossible.

The evolving world of international standards has only very recently begun to address the need for standardisation in cities, and in particular the need for standardised data across cities. A new international standard was published in 2014 by the International Organization for Standardization (ISO) titled ISO 37120 *Sustainable Development of Communities - Indicators for City Services and Quality of Life*[4]. This is the first international standard to offer support to cities for building more reliable data with standardised definitions and methodologies. Most cities produce metrics and measure their core service delivery and their quality of life across almost all of the same themes but the problem has been that there has been no standardised way of collecting and reporting this data.

Almost all cities measure what they are most concerned with – for example, water and sanitation services, transit and mobility, waste management, budget and governance. It is not that cities are lacking data. It is the fact that although cities are all measuring similar things, definitions on what is being measured and methodologies on that measurement are uneven and differ across cities despite very similar objectives. This is true of cities within the same locale and country and also across states and countries worldwide. By way of example, many cities are measuring "emergency response time", but they do so without a standard definition of what is included in this measure and how it is collected. Some cities measure response time from time of the citizens' emergency call, while others measure from time of dispatch of the emergency vehicle. This causes unevenness in the data, an inability to compare and an inability to improve from

[4] International Organization for Standardization (ISO), *ISO 37120: Sustainable development of communities – Indicators for city services and quality of life*, Geneva, 2014.

peer cities experiences. And of course, this puts cities in challenging positions when this data is used for national or global rankings or benchmarking studies. In this example, a city measuring "emergency response time" from the time of the citizen's emergency call (for example 9 minutes) looks slower and is argued to be ineffective, relative to a city that measures it from the time of the dispatch of the fire engine or ambulance or police car (for example 7 minutes). Even though the indicator chosen by most cities is titled Emergency Response Time, the definition and methodologies are so different that they render the indicator an ineffective measure. This type of discrepancy holds true for all sorts of data points across transit, recreation, education, housing, safety, air quality and other city services and quality of life data that affect a city's planning and economic policy.

It was the recognition of weaknesses and inconsistency in city level data in cities across the globe that drove the creation of ISO 37120 in 2014. Cities, once equipped with ISO 37120, then began stepping up to request additional indicators on Smart Cities, ISO 37122[5] and another set of indicators on Resilient Cities, ISO 37123[6]. This has led to the creation of a body of ISO standards for globally comparable city data, and what has become known as the "ISO 37120 Series" on city indicators for sustainable, smart and resilient cities.

Factors that Influence Economic Development, Attractiveness and Prosperity in Cities

While many cities are growing in economic importance on a regional, national and global scale, some cities thrive economically while others do not, and the driving force behind this difference

[5] International Organization for Standardization (ISO), *ISO 37122: Indicators for Smart Cities*, Geneva, 2019a.

[6] International Organization for Standardization (ISO), *ISO 37123: Indicators for Resilient Cities*, Geneva, 2019 (forthcoming).

is difficult to pinpoint. The OECD[7] has argued that a city's economic success is not merely a function of its population size: for a city to be both economically attractive and prosperous, simply having more people producing more is not enough.

While it is appealing to believe that the discovery of one key solution will drive a city's wealth, the complexity of cities on the ground suggests otherwise. City leaders, academics and professional think-tanks have attempted to discover the key to city prosperity, and many argue for magic bullets that will drive the engine of growth, including offerings of fiscal incentives to promote growth in the industrial sector[8], or the centrality of young talent in the so-called creative sectors[9], or developing locational incentive packages to invite and attract new businesses in the technology and innovation sectors. While all valuable, the strength of a city's economy is more nuanced and hence requires a multi-layered strategy for sustained success.

While the success of one economy over another may be easily explained in some cases, for example the concentration of the largest banks or financial institutions[10], it is often the result of a more intricate web of influences. Despite this, and the fact that city economies are becoming increasingly important, there continues to be little standardised and global data collected on city economies or the various influences on economies at the city level. PricewaterhouseCoopers, among others, early on recognised the need for "systematic global data" on city economies[11]. Companies such as MasterCard have ranked major

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[7] Organisation for Economic Co-operation and Development (OECD), *The Metropolitan Century Understanding Urbanisation and Its Consequences - Policy Highlights*, Paris, 2015.

[8] For a review of such incentives see: D.A. Rondinelli and W.J. Burpitt, "Do Government Incentives Attract and Retain International Investment? A Study of Foreign-Owned Firms in North Carolina", *Policy Sciences*, vol. 33, no. 2, 2000, pp. 181-205.

[9] R. Florida, *The Rise of the Creative Class*, New York City, Basic Books, 2003.

[10] P.J. Taylor, *World City Network: A Global Urban Analysis*, London, Routledge, 2004.

[11] PricewaterhouseCoopers LLP (PWC), *UK Economic Outlook November*, London,

global cities on various indicators reflecting, for example, the "ease of doing business" within those cities[12]. However, cities are still largely ranked based in only narrow terms, including the size of their population and economy – without reference to important contextual or supporting data that could help unearth why cities succeed at varying levels, according to different trajectories and to varying degrees and timeframes.

Investments in physical and social infrastructure and the delivery of city services create city assets that are the foundation for sustainable prosperity. Investments in education – primary and secondary schools and universities; in health – hospitals and health care services; in transport infrastructure – roads, ports, trains and transit services; in safety – strong police and fire and ambulance services that create a safe place to live and work; in environmental infrastructure and services – safe drinking water, waste disposal, a safe and high quality of air and safe food; and in housing – residential ownership and rental property that is affordable, protection of property and safe housing for city residents; all create critical attributes and a city asset base that build the foundation for prosperity in cities. When city management can effectively and efficiently direct investments in physical and social infrastructure, these city assets help to ensure safe, inclusive and diverse cities to live in, and efficient and economically vibrant places to work in. A city rich in such assets and attributes retains and grows its skilled labour, enhances its business attractiveness and expands its economic base for innovation and prosperity.

Economic development strategists require informed data analysis that is built upon a globally standardised set of indicators. This data provides an opportunity for cities to identify their inherent or existing competitive economic advantages as well as areas that should be targeted for improvement. From this enhanced understanding of a city's present economic

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2009.

[12] G. Angelopulo and Y. Hedrick-Wong, *MasterCard African Cities Growth Index*, MasterCard Worldwide Insights, 2013.

landscape, with short- and long-term goals in mind, a strategy for improved prosperity and economic attractiveness can be designed and translated into evidenced-based policy, whose effects can be tracked over time once implemented.

A core city asset for cities in building economic development is the skilled and educated workforce that the city produces within its region and also that it attracts in from outside. Education indicators can inform how the education system and skills base contribute to the ability to propel business and attract investment in the city, compare them to that of peer cities, turn to peer groups or target cities in the network with strong performance in the relevant indicators to learn alternative models and practices, and pose key policy questions such as: how many university degrees do we have per capita in our region? What percentage of these higher education degrees are in STEM – Science, Technology, Engineering and Mathematics? For businesses planning to locate in a city, the quality of a city's education system is considered an important attribute since the millennials being hired need to be retained, which in no small part depends on the quality of the city's education for their children – so a city's indicators on, for example, the quality of primary education and secondary education are data components important to a city's economic development officers. Questions such as "how are class sizes in our primary and secondary schools?", for example, which can be answered with indicators on student-teacher ratio, or "how is our high school completion rate relative to other peer cities?", become important.

The attraction of skilled workers to any city will depend on the job potentials, the ability to accumulate wealth while there and the quality of life offered by the city. While labour and capital are generally seen as more footloose in our current era of globalisation than in the past, a key role for cities in building attractiveness, retention and economic prosperity lies in offering critical city services for efficient, cost effective and time effective mobility and transport. Cities can be regarded as logistics platforms, the places where major highways, port facilities,

international airports, finance, marketing and distribution centres converge. They perform as marketing and distribution centres for moving people and products by planes, trains and high-speed rail, light rapid transit, and by road and inter-regional freight corridors for transport rail and trucks and through increasingly sophisticated ports for global container ships. New "logistic supply megaregions" have been identified by the public policy group, America 2050[13]. They examine the role of high-speed rail in megaregion corridors such as California and in the proposed New Haven-Hartford-Springfield Rail project to connect new business, educational, and cultural opportunities along what is referred to as the "Knowledge Corridor". Such initiatives highlight the importance of three-way partnerships – educational institutions, government and business partnerships – for local leadership alliances.

Cities equipped with internationally comparative data is able to drill down into comparative case studies to understand and learn from other cities. For example, in the case of London, this comparative data indicates that 74% of Londoners, a high proportion of the city's population, commute to work outside of a personal vehicle[14]. It can then be asked: how did London achieve this? What does it mean for Londoners in terms of economy and well-being, for example? And for other cities, how can we target improvements by learning from this case?

High Calibre Data Informing and Driving Sustainable, Smart and Robust Economic Development in Cities

A core component of a sustainable cities agenda is sustainable infrastructure – that which is designed, developed, maintained,

[13] M. Pisano, "Thea Jig is Up: Unless We 'Change the Rules of the Game'", *Citiwire.net*, 14 January 2012.

[14] World Council on City Data, www.dataforcities.org (last retrieved on 21 August 2019).

reused, and operated in a way that ensures minimal strain on resources, the environment, and the economy – ensuring balance between a city's present and future social, economic, and environmental needs. Sustainable infrastructure contributes to enhanced public health and welfare, social equity, and diversity[15].

Invention, investment, and construction of sustainable infrastructure are pivotal in planning for the sustainable development of cities worldwide. Why do we need to rethink investment in infrastructure across cities globally? Several global factors have coalesced to create the impetus for the development of new investment strategies for more sustainable infrastructure in cities. These include:

- A growing urban population that is placing greater stress on existing infrastructure and creating unprecedented scales of demand for new infrastructure investment;
- Aging and deteriorating infrastructure, which creates waste and inefficiencies within cities;
- The financial stresses and competing priorities that exert pressure on government budgets;
- Changing climate conditions and events (for example the intensity and frequency of rainfall, hurricanes, storm surges, wildfires) that require infrastructure upgrading and re-building with more resilient infrastructure.

The risks that cities are now facing as a result of climate change and natural disasters, the pressing shortfalls in urban water, sanitation and waste management services, and the deteriorating quality of air and water in city environments, are being

[15] Norwegian University of Science and Technology (NTNU), *Sustainable Infrastructure*, Trondheim, 2012; Community Research Connections (CRC), *Sustainable Infrastructure*; J.M. Fischer and A. Amekudzi, "Quality of Life, Sustainable Civil Infrastructure, and Sustainable Development: Strategically Expanding Choice", *Journal of Urban Planning and Development*, 2011, pp. 39-47; H.R. Sahely, C.A. Kennedy, and B.J. Adams, "Developing sustainability criteria for urban infrastructure Systems", *Canadian Journal of Civil Engineering – NRC Research Press*, vol. 32, 2005 pp. 72-85; World Bank, *Sustainable Infrastructure Action Plan FY 2009-2011*, 2011.

experienced in a context of intense urban growth of cities that increasingly manifest deepening income inequities and socio-economic exclusion. A growing international focus on resilient cities and how to ensure cities are less vulnerable to external shocks and how they can recover quickly from such shocks is a core agenda item for the next twenty years.

Global climate change agendas are impacting cities in acute patterns that give rise to highly localised and targeted urban resilience strategies[16]. The resilience of cities can be defined as a city's ability to withstand external shock and its capacity to return to normal levels of function after a catastrophic event. Core capacity in any city's resilience to external shock includes the presence of effective institutions, governance, and infrastructure that is resilient in cities, especially in those cities that are increasingly facing extreme weather and other natural disasters. Cities are increasingly vulnerable to heavy winds, hurricanes and tornados, heat waves of higher intensity and longer duration that augment already existing urban heat island effects[17], rainfalls of higher intensity longer duration, flooding of coastal and riverside city settlements, seismic events and earthquakes coupled with tsunamis. While all cities and their inhabitants are at risk, the poorest cities and the most vulnerable populations are most likely to bear the greatest burden of the storms, flooding, heat waves and other impacts anticipated to emerge from global climate change[18]. A city's resilience will be

[16] R. Leichenko, "Climate change and urban resilience", *Current Opinion in Environmental Sustainability*, vol. 3, 2011, pp. 164-168; United Nations Office for Disaster Risk Reduction (UNISDR), *How to Make Cities More Resilient: A Handbook for Local Government Leaders, A contribution to the Global Campaign 2010-2020 Making Cities Resilient – "My City is Getting Ready!"*, New Yor Cities, United Nations, Geneva, 2017.

[17] Urban heat island effect is a condition whereby cities tend to be hotter due to the absorption of heat by concrete and other building materials and due to the loss of greenspace and removal of natural vegetation that support cooling.

[18] P. McCarney, H. Blanco, J. Carmin, and M. Colley, "Cities and Climate Change: the Challenges for Governance", in C. Rosenzwieg, W.D. Solecki, S.A. Hammer, and S. Mehrotra, *Climate Change and Cities: First Assessment Report of the Urban*

enhanced by reducing social and structural inequalities[19] since vulnerability is exacerbated by rapid urbanisation, expanding slums, ineffective land-use planning and poor enforcement of building codes.

The extent of a city's vulnerability can be assessed according to a set of social, geophysical and economic indicators, including such measures as per capita income; the percentage of the city's population living in poverty and slums; a demographic profile of vulnerable populations including elderly and children; population size and density; physical profiles and mapping of the urban territory; a city's location in high risk zones (seismic, flooding, hurricane, etc); and also by physical form and degrees and availability of resilient infrastructure and services including, for example, storm water systems, construction and building code enforcement, hospital beds and emergency response, etc.).

The smart cities movement is growing rapidly in cities across the globe and represents enormous economic development potential. The smartness of a city is usually described by how Information and Communications Technologies (ICT) and high-quality data is used, as part of a wider approach, to help the city function more effectively, both in its individual systems, and as a whole. Without high quality, standardised data that create baselines and timely trend analyses, the smart city system cannot deliver. ICT and high-quality data allow city and system managers to gain clear insights on how to optimise performance and create efficiencies across the complex city systems. Cities are making significant investments in smart technologies and infrastructure to improve mobility, health care, education and social well-being and for more effective governance.

Countries including China, India, the US and Canada have hosted smart city challenges to promote smart city planning

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Climate Change Research Network Cambridge, UK, Cambridge University Press, 2011, pp. 249-269, cit. p. 250.

[19] Y. Jabareen, "Planning the resilient city: Concepts and strategies for coping with climate change and environmental risk", *Cities*, vol. 31, 2013, pp. 220-229.

and growth in their municipalities. The global scope of the smart city market varies widely as do the predictions on its growth over the next decade.

The China smart cities market is projected to reach $59.9bn by 2023 from $30.4bn in 2018. The China smart cities market is driven by various factors, such the increase in population, need for rapid urbanisation, and governments' investments and several policies to speed up the successful implementation and development of smart cities projects. The Government of China is supporting policies under the Made in China 2025 initiative to assist industrial R&D and strive for Fifth Generation (5G) commercialisation by 2020[20].

In 2014, India announced plans to build 100 smart cities to respond to the country's growing population and pressure on urban infrastructure. The smart city agenda in India aims to drive economic growth; increase government transparency; improve quality of life, services, and infrastructure; and harness technology that leads to smart outcomes[21]. As the United States and Canada also take up the smart cities agenda and host city challenge competitions, both Governments are seeking to help cities to drive a smart economy in order to take full advantage of this growing smart and innovative ICT market nationally and globally. Also in recognising the potential of the smart city model, the European Innovation Partnership on Smart Cities & Communities has put smart cities at the centre of the European agenda – to improve quality of life, increase competitiveness and improve contributions to sustainability[22].

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[20] China Smart Cities Market 2019-2023: Focus on Smart Infrastructure, Smart Transportation, & Video – Increasing Population, Need for Rapid Urbanization, and Governments' Initiatives", *PRNewswire*, 25 March 2019.

[21] Government of India, *Draft Concept Note on Smart City Scheme*, 2015.

[22] I. Vandecasteele at al., *Future of Cities*, Brussels, Publication Office of the European Union, 2019; The European Innovation Partnership on Smart Cities and Community, *The Marketplace of the European Innovation Partnership on Smart Cities and Communities* (last retrieved on 21 August 2019).

One of the greatest challenges we face today is ensuring that the work and experience in building smart cities worldwide can be shared across cities globally. If cities are to share experiences, a common "language" is needed along with a shared agreement on the definitions and practices that make up a smart community, so that processes and lessons become transferable and improvable.

A new international standard released in 2019 by ISO 37122 – Indicators for Smart Cities[23] provides a global definition of smart cities and outlines a set of indicators to enable cities to facilitate and promote the integration and interoperability of city systems. ISO 37122 is meant to build upon a core set of city indicators already standardised in ISO 37120[24]. Standardised indicators for smart cities contained in this new standard now enable cities to draw comparative lessons and facilitate city to city learning. This standard will help cities to innovate and find technological and knowledge-based solutions to address urban challenges.

When equipped with high calibre data, cities take the lead globally in helping to drive knowledge and exchange and build smart economies, and are able to monitor year over year progress and measure success. These "beacons of success" can be emulated by other cities globally if a common language – i.e. data – is available to inform city to city learning.

Standardised information on cities, gathered on a global scale, builds a strategic base of knowledge for city leaders to act. It has the power to transform city building, to inform smart health care, allocate energy resources, achieve sustainable economic growth, and raise incomes for all citizens. Although a great deal of hypothetical work has been done, there is little empirical analysis available as yet on how smart cities generate urban economic development.

[23] ISO (2019a).

[24] ISO (2014).

Measurement is at the heart of the progressive smart city. Standardised city data can become that common language ensuring city solutions and smart innovations can "travel" globally.

The Pivotal Role of City Governance for Global Success in the Future

Any discussion on the future of cities and their leading role in economic development would be remiss without examining the pivotal role of city governance in propelling long-term and sustainable success.

The future growth and success of cities is dependent upon ensuring that three particular challenges are addressed: the first, associated with cities in a multi-level governance context; the second, associated with the growth of global cities across jurisdictional boundaries and the economic functional areas of cities outgrowing their traditional administrative boundaries; and the third, associated with the need for cities to build more inclusive governance institutions and structures that ensure stability into the future and a shared prosperity.

Well governed, well managed and well financed city governments are pivotal in propelling the long-term success of economic development in global terms. The planning and management functions in cities take on meaning, and develop influence, when local government is recognised as a legitimate tier in the governance structure of a country, and when financial powers to raise revenues and responsibilities to deliver services are commensurate with the growth and expansion of cities. Cities worldwide are entering into renewed dialogues with provincial and national governments to discuss the rapidly expanding urban agenda in a multi-governance framework.

When cities are empowered and recognised as significant sites of governance in national and global contexts, they will gain the ability to build more inclusive institutions in cities. For example, empowered local governments can better plan and design transportation systems that support access by all

citizens. Empowered local government leaders can also develop creative financing tools for mobilising investments that help to overcome risks derived from a lack of basic infrastructure and environmental amenities for all, especially the poorest urban residents in cities. And with strong local governments, city planners can better address land tenure and land rights in the city and adopt policies governing access to and use of land in the city as well as amend building codes and zoning by-laws and adopt flexible standards governing safer construction of housing, buildings and infrastructure that are more resilient to climate change risk.

Over the past few decades, efforts to improve urban governance have focused on the essential first step of devolution of power, authority and resources from the central and sub-national (state, provincial, etc.) to the municipal level. Governed by the principle of subsidiarity, decentralisation processes seek to ensure that decisions are taken, and services delivered, at the sphere of government closest to the people while remaining consistent with the nature of the decisions and services involved[25]. Empowering cities to govern effectively remains a key platform for urban reform in countries across both the more developed and the less developed worlds.

Globally, debates and discussions in the past few decades on how to enhance urban governance have identified the critical need for central and provincial spheres of government to continue to be deeply engaged in the cities agenda, in fostering the vital role and contribution of cities in promoting social and economic development and civic engagement. The importance of national recognition and engagement with cities as well as a cooperative and supportive role by provinces/states in urban development has been underlined in many decentralisation strategies. A responsible fiscal federalism that positions cities

[25] P. McCarney et al. (2011); R. Stren, "Cities and Politics in the Developing World: Why Decentralization Matters", in P. John, K. Mossberger, and S.E. Clarke (eds.), *The Oxford Handbook of Urban Politics*, New York and Oxford, Oxford University Press, 2012, pp. 567-89.

as critical partners in the governing relationship is now recognised as a pivotal policy platform for a sustainable and inclusive prosperity.

For cities to thrive and propel a country's economic development, it is critical to overcome deficient intergovernmental relations, inadequate popular local representation processes, weak sub-national institutions and poor financing mechanisms that under-support municipal governments.

Cities with strong governance institutions are also able to take up leadership roles on emerging global agendas like climate change and security. Strong and empowered city governments for example can influence patterns of energy and land use through important interventions under their control, including land-use planning, urban design, zoning and local by-laws, building codes and height by-laws; they can develop emergency response planning and build more effective emergency alert systems; and they can build more efficient and connected cities through transport planning, transit planning, road networks, master planning, and subdivision controls.

In considering the future of global cities and the strength of their governance capacity to address economic development, an emerging challenge not yet well addressed in most large cities across the world, reflects the multiple and overlapping agency responsibilities for service sectors in a spatial context associated with urban growth and spatial expansion across municipal jurisdictional boundaries. Conceptualising vast, and often diffuse, urban territories and their spread across existing municipal boundaries and broader jurisdictions are difficult tasks. This conceptual challenge mirrors a movement in local governance reform that is in a current state of flux, experimentation and re-formulation in cities across the globe.

World trends in urbanisation are causing urban populations to spread out beyond their old city limits, rendering the traditional municipal boundaries, and by extension, the traditional

governing structures and institutions, outdated[26]. As urban areas around the world continue to expand both in terms of density and horizontal space[27], there is a need to govern these large areas in a coherent fashion. Highly fragmented governance arrangements in many metropolitan areas make efficient planning, management and urban financing for area wide service provision a difficult and on-going challenge[28]. Robust economic development and sound fiscal management of global cities however requires coherence and integration across these jurisdictions.

This expansion is not just in terms of population settlement and spatial sprawl but, perhaps more importantly, in terms of their social and economic spheres of influence. The functional area of cities has extended beyond their administrative and jurisdictional boundaries. Cities have extensive labour markets, real estate markets, financial and business markets and service markets that spread over the jurisdictional territories of several municipalities and, in some cases, over more than one state or provincial boundary. In a number of cases cities have also spread across international boundaries[29].

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[26] P. McCarney and R.E. Stren, "Metropolitan Governance: Governing in a City of Cities", in UN HABITAT, *State of the World's Cities Report*, Nairobi, 2008.

[27] S. Angel, S.C. Sheppard, and D.L. Civco, *The Dynamics of Global urban Expansion*, Washington, Transport and Urban Development Department, The World Bank, 2005; P. McCarney, "Conclusions: Governance Challenges in Urban and Peri-urban areas", in M. Kurian and P. McCarney, *Peri-urban Water and Sanitation Services: Policy, Planning and Method*, London, Springer Science+Business Media, 2010, pp. 277-297.

[28] J. Klink, "Recent perspectives on metropolitan organization, functions and governance", in E. Rojas, J. Cuaudrado-Roura, and F.J. Guell (eds.), *Governing the Metropolis*, Washington D.C., Inter-American Development Bank (IADB), 2007; C. Lefèvre, "Democratic governability of metropolitan areas: international experiences and lessons for Latin American cities", in E. Rojas, J. Cuaudrado-Roura, and F.J. Guell (2007); E. Rojas, "The Metropolitan Regions of Latin America: Problems of Governance and Development", in E. Rojas, J.R. Cuadrado Roura, and J.M. Fernández Guell (2007).

[29] P.McCarney and R.E. Stren (2008).

There is a need to govern these large areas in a coherent fashion and confront the acute challenges of urban governance in contexts of administrative, management and political fragmentation. For example, the metropolitan area of Mexico City (21 million people) extends over the territories of municipalities of two states as well as the Federal District to include as many as 58 municipalities[30]; the economy of Buenos Aires covers the territories of the City of Buenos Aires (3 million people) and the 32 municipalities of the Province of Buenos Aires[31]. In Asia, the Metropolitan Manila Area in the Philippines is composed of 10 Cities and 7 municipalities, with a total population of approximately 13 million[32]. In North America, the City of Los Angeles, with a population of 4 million, is part of the LA County composed of 88 municipalities with a total population of 10 million[33]. These examples are just a few of many metropolitan areas worldwide that are growing rapidly and expanding across territories, creating new pressures on the existing governing arrangements.

These cases are not the exception. Most of the world's largest cities are made up of more than one urban unit. However, most of our comparative statistics on cities and metropolitan areas are based on data that does not attend to these different territorial units. Urban data suffers from limitations in terms of reliability and comparability due to definitional issues on jurisdictional boundaries. For example, urban areas (and by extension metropolitan areas, made up of more than one urban area) are defined by each country; there is no consistent definition for what is "urban" or what is a "municipality" throughout the

[30] National Institute of statistics and Geography of Mexico, *Encuesta origen destino*, 2017.

[31] National Institute of Statistics and Census Argentina, https://www.indec.gob.ar/indec/web/Institucional-Indec-bases_EPH_tabulado_continua (last retrieved on 23 August 2019).

[32] Philippine Statistics Authority, 2018, https://psa.gov.ph/content/quickstat-national-capital-region-june-2018 (last retrieved on 23 August 2019).

[33] Los Angeles County, 2018, https://www.census.gov/quickfacts/losangelescountycalifornia (last retrieved on 23 August 2019).

world. And because metropolitan areas are rarely legally defined entities, there may be a number of different possible boundaries for a commonly understood extended urban area, such as, for example New York City and the New York Metropolitan Area, or the City of Toronto and the Greater Toronto Area. In all these cases, different designations will mean different political arenas for policy and planning as well as different area measurements, service areas and populations. Not only do inconsistent definitions pose challenges for governance, for planning and for research, but also for performance targets, indicators and measurements.

Metropolitan level structures and cooperative arrangements often break down in the absence of solid legal frameworks and constitutional support for this "tier" of governance. As a result, metropolitan authorities often lack adequate resources for governing. The challenges of equitable development between different groups in these vast urban territories point to the need for major improvements in the provision of public services such as health care, shelter and housing, education, water supply and sanitation. Urban poverty has also been worsening, and in many cities it too has been spreading outwards, rendering the areas on the urban periphery of these metropolitan areas some of the poorest and most heavily under-serviced settlements. Governing in this fragmented context of multiple jurisdictional boundaries has become much more complex since a decision made in one municipality that is part of the city affects the whole urban area.

Building prosperity in cities that is ultimately sustainable is dependent upon a local governance system characteristic of deep citizen involvement and inclusiveness. When city governance frameworks are politically accountable and ensure safe, inclusive and diverse cities to live in, and efficient, economically vibrant places to work in, then cities become platforms for sustainable prosperity. Cities worldwide, whether rich or poor, confront the challenge of civic engagement and of how to foster an inclusive governance process in their local political

environment. Governance invokes more than just political strategy; it demands attention to differentiated social circumstances and needs within the community, to accommodate different cultural values and diversity, and to engage the private sector in the governance platform.

Social cohesion, safety, security and stability are being tested by social exclusion, inequities and shortfalls in housing and basic services in cities worldwide. Risks associated with each of these conditions are critical factors in assessing urban risks. Building inclusiveness in local government models is critical to overcoming the core hindrances to social and economic development for citizens. An inclusive city government that involves long-term residents, international migrants, the poor, marginalised groups, national minorities and indigenous peoples is fundamental to building safe, livable and climate resilient cities. The development of new policies and mechanisms for local governance is rooted in strong grassroots participation, where citizens and community groups are equipped with the understanding of democratic governance to hold local and more senior levels of government accountable and where the poorest and most isolated communities are represented in the public debate. Addressing risk in cities depends on a deeper understanding of the relationship between civil society and the state and the cultural competency of local government.

Inclusiveness is a key means of deepening democracy and promoting citizen involvement and social cohesion. When citizens are effectively engaged in their city's development, in everyday decisions as well as in longer-term planning and policy development, they develop a sense of ownership of and loyalty to the city.

Engaging citizens in the running of their city has taken many different forms. Typical forms of participatory governance include public consultations, public hearings and meetings, appointing citizens to advisory bodies inside municipal authorities and designing community councils with stakeholder voice at municipal council sessions.

Case studies on worldwide models of urban governance provide a base for considering next best steps in addressing inclusiveness in cities as they inform a deeper awareness of the intersection between civil society and government and improve our understanding of potential new institutions and paths necessary for fostering inclusiveness, empowerment and engagement in cities globally.

Conclusion

In the not so distant past, cities were often negatively regarded as a drain on budgets, and places whose growth should be limited. Today most nations understand that it is their cities that are the instruments to both drive and revive economic development. Cities drive prosperity, support critical infrastructure development, provide jobs, boost investment, are centres of learning and innovation, and serve as centres for diversity and multicultural tolerance in a changing global order. Cities are now a positive and potent force for addressing sustainable economic growth, development and prosperity, and for driving innovation, consumption and investment. Considerations on cities in the future point to two key agenda around data and data-driven governance. With the rise of ISO standards designed to build high calibre and globally comparable city level data and an increased understanding of the critical role of an empowered and strengthened urban governance, the future trajectory of cities will be on a solid path.

The last twenty years signify a global transformation that positions cities at the core of economic development agendas. The shift towards an increasingly urbanised world constitutes a transformative force which can be harnessed over the next twenty years for a more sustainable economic trajectory, with cities taking the lead to address many of the global challenges of the XXI century, including poverty, inequality, unemployment, environmental degradation, security and climate change. Cities are positioned to drive a dynamic economic transition; to

galvanise the power of density and the economies of scale and agglomeration through planning and design for efficient spatial form in cities; to initiate more sustainable and resilient futures; and to capture the opportunities of connectivity that are at the core of innovation, economic performance and quality of life.

3. The Transformative Potential of Local Climate Change Strategies

Ewa Iwaszuk, Linda Mederake, Doris Knoblauch

With both the impact of climate change on cities and the role cities play in reducing global greenhouse gas emissions becoming increasingly apparent, many cities around the world are adopting long-term climate policy strategies or vision documents outlining how they want to adapt to and mitigate climate change in the coming decades. However, reaching the deep emissions reductions necessary to keep global warming below 1.5°C or 2°C will require far-reaching measures that go beyond energy efficiency or electrification of the public transport fleet.

This chapter analyses the extent to which municipal long-term climate strategies contain formulations and measures aimed at promoting urban transformative change (defined as non-linear change for sustainability that profoundly transforms cities and the systems they form part of[1]. The methodology is applied to the strategies of three cities from around the world (Austin, United States; Berlin, Germany; Melbourne, Australia) to understand the extent to which the visions outlined in these local-level strategies can be said to be transformative. This chapter seeks to contribute to the understanding of the transformative potential of long-term, citywide climate strategies. It uses a methodology devised by Wolfram (2016)[2]

[1] Cf. M. Wolfram, "Conceptualizing urban transformative capacity: A framework for research and policy", *Cities*, vol. 51, 2016.

[2] Ibid., pp. 121-130.

to analyse formulations and measures contained in the climate strategies of Austin, Berlin and Melbourne, to generate insights as to which of the strategies and proposed measures promote the transformative change necessary to reach the deep decarbonisation required to reach the goals of the Paris Agreement.

Cities at the Forefront of Climate Action

Cities in general and global cities in particular are significant sources of the world's greenhouse gas (GHG) emissions, contributing to over 70% of GHG emissions today. Moreover, climate change impacts urban areas, which are especially vulnerable to extreme heat stress and precipitation-related weather events. In addition, more than 90% of all urban areas are coastal, putting a majority of cities on Earth at risk of flooding from rising sea levels and powerful storms[3]. On the other hand, cities are also places where many solutions can be devised: being home to most of the world's universities, think tanks, policy institutes and businesses, cities serve as hubs of innovation and knowledge exchange. Thanks to their density, concentrated populations and control over decisions regarding energy supply, transport, mobility, land use planning, building regulations and stormwater and waste management, cities can significantly contribute to climate mitigation and adaptation.

Cities have been at the forefront of climate action for nearly three decades. During this time, activities undertaken by municipalities in response to climate change have evolved from self-regulation activities, which initially concerned primarily assets and activities directly operated by local governments, to long-term,

[3] O. Hoegh-Guldberg et al., "Impacts of 1.5°C Global Warming on Natural and Human Systems", in V. Masson-Delmotte et al. (eds.), *Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty*, 2018.

citywide climate strategies or action plans with a time horizon to mid-century. These action plans include far-reaching measures that go beyond energy efficiency or electrification of the public transport fleet, such as a transport infrastructure that promotes the use of public transport and cycling over car traffic, the retrofitting of existing buildings, or the increase of green and blue infrastructure.

Long-term strategies as tools for managing the necessary socio-ecological transformation are critical to effectively implementing the Paris Agreement and keeping global warming below 1.5°C or 2°C. To do so, long-term strategies set appropriate targets, chart pathways towards them and identify the policies necessary to achieve them. They can also help to build political support for measures by engaging stakeholders and experts in the process, creating ownership. Many cities are leading the development of governance frameworks with a specific long-term and transformational perspective to prevent and adapt to climate change. The Paris Agreement represents an acknowledgement of these and similar long-term aspirations and frameworks at all levels of government. At the same time, the agreement serves as a catalyst for further action, amplifying the development of policy actions for transformational change[4].

Methodology: Analysing Urban Transformative Capacity

Framework for analysis

To analyse the chosen cities' climate strategies and see if they meet the Paris Agreement's objectives, the chapter uses a framework developed by Wolfram (2016). The aim of Wolfram's

[4] M. Duwe, M. Freundt, E. Iwaszuk, D. Knoblauch, M. Maxter, L. Mederake, R. Ostwald, A. Riedel, K. Umpfenbach and E. Zelljadt with contributions by J. Finnegan (LSE Grantham Institute) and A. Rüdinger (IDDRI), ""*Paris compatible" governance: long-term policy frameworks to drive transformational change. A comparative analysis of national & sub-national case studies"*, Berlin, Ecologic Institute, 2017.

framework is to enable the analysis, understanding and development of urban transformative capacity – in this case inherent to the design and development process of the long-term climate strategies of Austin, Berlin and Melbourne[5]. Wolfram defines urban transformative capacity as the ability of the diverse stakeholders involved in urban development to initiate and perform "non-linear change for sustainability that profoundly transforms the cities and the systems they form part of"[6]. Based on extensive review of literature relevant to the concept of transformative capacity within and beyond urban contexts, the framework defines ten interdependent key components of urban transformative capacity (see Table 3.1).

The first three components scrutinise the "who" of the urban transformative capacity, looking at the urban stakeholders involved in planning urban transitions, the interactions between them and the governance forms. We use the component *C1 – Inclusive and multiform urban governance* to scrutinise the degree of participation and active inclusion of stakeholders from all sectors in the preparation and implementation of climate plans, the diversity of governance modes deployed and the existence of effective intermediaries to manage such transition.

Component *C2 – Transformative leadership* looks at forms and attributes of leadership and its ability to articulate new visions and discourses of sustainability. Component *C3 – Empowered and autonomous communities of practice* looks for evidence that the climate plans acknowledge the existence of, and/or support the development of, autonomous social learning networks that can independently formulate responses to unmet social needs or joint concerns.

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[5] Berlin is not only a city, but also one of Germany's sixteen federal states (*Bundesländer*). The law discussed in this chapter was adopted by the state government, not the city government. Only the cities that are also states (Berlin, Bremen and Hamburg) have law-making power in Germany. Nevertheless, it will be compared to the other city strategies.

[6] M. Wolfram (2016), p. 121.

Tab. 3.1 - Interdependent components of urban transformative capacity

Agency and interaction forms (C1-C3):
C1 – Inclusive and multiform urban governance
C2 – Transformative leadership
C3 – Empowered and autonomous communities of practice

Development processes (C4-C8):
C4 – System(s) awareness and memory
C5 – Urban sustainability foresight
C6 – Diverse community-based experimentation with disruptive solutions
C7 – Innovation embedding and coupling
C8 – Reflexivity and social learning

Relational dimensions: (C9 – C10):
C9 – Working across (human) agency levels
C10 – Working across political-administrative levels and geographical scales

Source: Wolfram (2016).

Components C4-C8 shed light on the "what" of urban transformative capacity, scrutinising primarily the content of the climate strategies. Component *C4 – System(s) awareness and memory* analyses the extent to which the content of the strategies indicates the awareness and understanding of the system dynamics that undermine urban sustainability, including physical obduracies (e.g. existing infrastructures that lock in certain development paths), but also institutions, regulations and values. Component *C5 – Urban sustainability foresight* is used to analyse the extent to which the climate strategies are based on and/or promote co-production of knowledge by diverse stakeholders to inform the urban sustainability transition. It looks for evidence of explicit future vision and the extent to which it is widely shared among stakeholders, as well as the existence and characteristics of scenarios and future pathways leading to that vision. Component *C6 – Diverse community-based experimentation with disruptive solutions* looks for evidence that the strategies acknowledge and/or promote practical, community-driven

experiments. Component *C7 – Innovation embedding and coupling* analyses whether the removal of barriers to promoting and embedding innovative practices is built into the strategies. Component *C8 – Reflexivity and social learning* looks for evidence of formal and informal reflexivity formats to monitor, evaluate and critically question progress towards the vision.

Finally, the last two components represent scalar and relational aspects of the other components. Specifically, component C9 looks at the extent to which the strategies recognise different levels of human agency by addressing their content to individuals, households, groups, organisations and society at large. Component C10 traces the evidence that the local strategies acknowledge and address the implications of interactions between scales of governance and administrative boundaries.

In Wolfram's framework, the ten components encompass together sixty different factors that specify the requirements for the development of the components. These sixty factors[7] guided the analysis of the selected local long-term climate strategies, the results of which are presented in Table 3.2. The analysis focuses on the strategy documents and other accompanying documents adopted or published by the municipalities. Where available, we have consulted secondary literature to back up our interpretation.

Wolfram's framework was designed as a tool to analyse and develop transformative capacity in order to establish "a baseline and direction for capacity growth"[8]. The local long-term climate strategies were obviously not developed in order to satisfy the criteria provided by the framework, and local governments are unlikely to have been familiar with it.

Our analysis therefore is not meant to provide judgement and assess the strategies as "good" or "bad", but rather to understand which elements that support the development of transformative capacity are already emerging in the local long-term strategies, identify those that are largely absent and suggest elements that

[7] M. Wolfram (2016), pp. 127-128, http://austintexas.gov/sites/default/files/files/Sustainability/ACPP_resolution_20070215-023.pdf,

[8] M. Wolfram (2016), p. 9.

local governments should consider while reviewing or developing their local climate plans. A limitation of this study is that the analysis focuses primarily on the strategy documents. This method could lead to an omission of existing initiatives and activities already rolled out in the analysed cities that promote development of transformative capacities for citywide climate protection.

Selection of Cities

The cities selected for analysis have all adopted long-term local climate change strategies with the perspective of year 2050, and a goal of achieving net-zero emissions, i.e. a balance between GHG emissions and sinks. To allow for both an in-depth qualitative analysis of the selected strategies, but also a comparison between them, we have selected three different cities. In an attempt to achieve a more "global" overview, in line with the theme of this publication, each of the selected cities is located on a different continent. The authors of the chapter are at the same time aware that all of the three cities chosen are located in high-income nations, which can limit the diversity of approaches taken and issues addressed in the strategies. However, only a very few cities around the world have already adopted long-term climate strategies with a net-zero target, limiting the available choice[9].

[9] For example, out of the 9209 municipalities listed as members of the Global Covenant of Mayors for Climate and Energy, only 19 are listed as having established a 100% emissions reductions target. Source: Personal communication with Global Covenant of Mayors secretariat and Global Covenant of Mayors for Climate & Energy, *Our Cities,* n.d., https://www.globalcovenantofmayors.org/our-cities/ (last retrieved on 17 July 2019).

Austin, Berlin and Melbourne: Analysis of Long-Term Climate Strategies in Three Global Cities

Austin

Background: long-term climate planning in Austin

Austin is the capital of the state of Texas and the 11th most populous city in the United States, with an estimated population of 964,524 in 2018[10], and 2,115,827 in the metro area[11]. The city of Austin, Texas has been a climate action frontrunner among US cities. Already in 2007, the city adopted a Climate Protection Resolution[12] which established the goal of making Austin "the leading city in the nation in the effort to reduce and reverse the negative impacts of global warming"[13]. The resolution, which was directly inspired by the publishing of the first volume of the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report on 2 February 2007[14], established the Austin Climate Protection Program in five major areas, including a commitment to make all of the City of Austin facilities, fleets and operations fully carbon neutral by 2020.

Another pillar of the Austin Climate Protection Program refers to community-wide emissions. The document established a City Climate Action Team, made responsible for creating a community-wide inventory of greenhouse gases and working with stakeholders to establish short-and long-term targets for reducing these emissions. This exercise led to the adoption of another resolution in 2014, which established the goal of reaching net-zero community-wide greenhouse gas emissions

[10] United States Census Bureau, *American Factfinder*, April 2019.

[11] Austin Chamber of Commerce, *Population,* not dated, (last retrieved 19 June 2019).

[12] City of Austin, *Resolution No 20070215-023*, 2007.

[13] Ibid., p. 2.

[14] L. Athens, "10 Years of Climate Leadership", AustinTexas Gov, 14 February 2017.

by 2050, or earlier if feasible[15]. In 2015, the city adopted the Austin Community Climate Plan (ACCP), a strategy document which includes the specific actions to achieve this goal[16].

A number of other city plans and strategies support the goal of a community-wide emissions reduction. These include the Imagine Austin Comprehensive Plan, the city's 2040 master plan, as well as dedicated sectoral strategies for energy[17], waste management[18], and mobility[19].

As Austin's official long-term community-wide climate strategy, the ACCP is the primary document analysed in this section. However, other documents, including the three resolutions establishing Austin's climate protection activities, were consulted and are referred to where relevant.

Austin analysis

There is evidence of efforts to involve a wide range of stakeholders and citizen interests in the deliberation of the strategy (C1). A Steering Committee consisting of 18 representatives of academia, environmental NGOs and campaigning organisations, faith groups, community organisations and the business community was formed and met regularly, cooperating closely with the city's Office of Sustainability. Two of the Steering Committee's meetings involved the general public, and the results of its work were open for public comment[20]. Moreover, four Technical Advisory Groups (TAGs), each with 5-15 members, were created to elaborate strategies for the major emission sectors[21]. These groups are led by municipal staff

[15] City of Austin, *Resolution No 20140410-024*, 2014.

[16] City of Austin, *Resolution No 20150604-048*, 2015a; City of Austin, *Austin Community Climate Plan*, 2015b.

[17] Austin Energy Resource, Generation and Climate Protection Plan to 2027.

[18] Austin Resource Recovery Master Plan (Zero Waste Strategic Plan).

[19] City of Austin, 2014 Austin Strategic Mobility Plan; 2014 Austin Bicycle Master Plan; Urban Trails Master Plan, http://austintexas.gov/asmp

[20] City of Austin (2015b), p. 11.

[21] Electricity and Natural Gas, Transportation and Land Use, Materials and Waste Management, and Industrial Process.

and involve locally based experts from the respective fields[22].

The online consultation process consisted of a citizen survey and discussion threads on a city-operated online platform. The strategy admits that the Hispanic population was most likely underrepresented, despite attempts to target underrepresented populations[23]. The strategy does not contain other explicit references to efforts to involve excluded stakeholders, although it refers to the importance of engaging the entire community in efforts to realise carbon neutrality and considering the needs and vulnerabilities of low-income residents.

The June 2015 resolution, which adopted the ACCP, created a Joint Sustainability Committee (JSC), an advisory body consisting of representatives of a number of the city's Boards and Commissions relevant to climate change[24]. The resolution "encourages" that these Committee members represent a broad diversity of community stakeholders[25]. The JSC, tasked among others with promoting close cooperation between the various city stakeholders concerned with the implementation of the ACCP and advising the local government, acts as an intermediary, connecting sectors and action domains.

The strategy document emphasises the leadership role of the public sector (C2). It highlights the commitment made in the 2007 Climate Protection Resolution to make Austin the leading city in the nation in the effort to reduce the negative impacts of global warming[26]. The strategy itself indicates that the city hall wants to provide leadership by creating partnerships with local citizens, businesses and non-profits. The creation of the Steering Committee and the sectoral TAGs is one manifestation of such partnerships. The 2007 resolution mandated creation of a program "for recognition of households, businesses

[22] City of Austin (2015b), pp. 82-83.
[23] Ibid., p. 78.
[24] City of Austin (2015a), 4.
[25] Ibid., p. 5.
[26] City of Austin (2015b), p. 24.

and other organisations achieving carbon neutrality"[27] and the municipality awards title of "Net-zero hero" to individual citizens[28]. The text of the ACCP locates Austin in the context of the global problem and solutions to climate change, referring to the IPCC recommendations and the impacts of global climate change on Austin[29].

No evidence was found of the role of *empowered and autonomous communities of practice* (*C3*) being explicitly acknowledged by the strategy, although it emphasised that the strategies proposed must consider the individual social needs of the city's diverse population. Similarly, the strategy does not mention community-based experimentation (C6), neither acknowledging any existing community-driven experiments nor specifically mentioning a need to promote them.

The ACCP explicitly recognises that "the City must take a systems-oriented approach [C4] in coordinating climate activities and strategies among different sectors [to] ensure there is no shifting of emissions from one sector to another"[30]. The text of the strategy contains many manifestations of systemic thinking about the city's emissions and the strategies required to reduce GHG emissions. First, the strategy recognises that its GHG inventories do not fully capture the community's carbon footprint by excluding, for example, aviation or upstream emissions. According to the strategy, those emissions were taken into account during the planning processes, and some of the planned actions address upstream emissions[31]. Second, the strategy attempts to take stock of the condition of future systems, such as impacts of climate change or population growth, that will affect its implementation. For each of the sectors included in the strategy, existing plans and initiatives are mapped

[27] City of Austin (2007), p. 6.
[28] City of Austin, Office of Sustainability - Climate Change, not dated, http://www.austintexas.gov/climate
[29] City of Austin (2015b), p. 24.
[30] Ibid., p. 38.
[31] Ibid., p. 12.

out to understand how the strategy fits with the existing efforts. Moreover, synergies between sectoral strategies are explored. Finally, the strategy recognises the path dependencies created by current, deficient regulations, e.g. car emissions standards[32].

The strategy aims to create an explicit future vision that assumes shifting development trajectories of various urban systems (C5). In this, the strategy builds on the 2012 "Imagine Austin" master plan's vision for a sustainable future[33]. Elements of this vision include rethinking Austin's urban form (e.g. a shift from an "auto-centric" to a "people-centric" environment) or changing consumption models[34]. The strategy aims to create buy-in for the vision by considering the needs of different social groups across the city and highlighting the various co-benefits different groups will derive from the strategy implementation[35]. The city used the services of a private, locally based climate science consultancy to conduct locally specific climate modelling informing the plan[36], but makes no other mention of knowledge co-production efforts.

When it comes to innovation embedding and coupling (C7), the plan makes some considerations of changes to institutional and organisational forms and the regulatory framework that could support the implementation of the ACCP, although these considerations are scattered across the strategy rather than forming its inherent part. For example, it mentions that a change in the business models of local utilities might be required to enable advancement in decentralised energy generation, pointing out the need to explore whether the regulatory framework in Texas would allow such change[37]. The strategy also recommends that the city "should accelerate early adoption

[32] Ibid., p. 48.
[33] Ibid., p. 24.
[34] Ibid., p. 50.
[35] See Ibid., pp. 16-23.
[36] Ibid., p. 8.
[37] Ibid., p. 38.

of technology advancements"[38] to advance emission reduction potentials in the transport sector.

The ACCP includes an in-built monitoring and review mechanism, including annual progress reports, four-year progress reports with updated GHG inventory and four-yearly full plan revisions (the first of which is scheduled for 2020), that are to include convening a new Steering Committee, new Technical Advisory Groups, and gathering community input on ACCP revisions. The monitoring and review cycle has been designed to address the fact that changes in technology, demographics or economic trends will impact the feasibility of proposed strategies, so new, more relevant strategies will be proposed with each iteration[39]. The monitoring and review mechanism is led by the local government and focuses on the implementation of the strategy. Therefore, while it might allow for monitoring and questioning the progress towards the vision (C8), it is not necessarily designed to assess the development of urban transformative capacity as required by Wolfram's framework.

The strategy does address multiple levels of human agency (C9) across various sectors. For all the individual actions and strategies, it indicates whether a "business, government, multi-family, non-profit, all residents or single family" is an owner of the action, or whether they are a participating or active stakeholder[40]. Across the document, the strategy makes multiple references to a variety of actions that can be taken by organisations, individuals, families or businesses.

The need to address climate change across various governance and geographical scales (C10) is addressed in the strategy to a very limited extent. The 2007 Climate Protection resolution mentions that "the federal government has failed to enact

[38] Ibid., p. 53.

[39] Ibid., p. 33.

[40] See Ibid., e.g. p. 43. For example, action RT-2, "Prioritize investment in zero carbon-emitting resources at utility and/or customer scale" differentiates between investments in utility-scale, community and distributed (customer scale) renewable energy infrastructure.

meaningful responses to reverse the threat of global warming" and that "ultimately greenhouse gas emissions are generated locally"[41], indicating the need to act at the local level. It also notes, however, the need to cooperate with local and regional entities to coordinate region-wide GHG reduction strategies and support relevant federal and state policies and legislation[42]. The strategy document itself, adopted eight years later, notes that some matters are out of the city's control (e.g. grid-wide energy capacity or regional food supply)[43] and that certain aspects are being regulated at the federal or state level (e.g. vehicle fuel efficiency standards)[44]. However, no specific proposals are put forward on how the city could cooperate with other local governments in the region or with the state or federal governments, or how the strategy fits within wider governance frameworks. On the other hand, as a member of ICLEI, C40 cities and the Global Covenant of Mayors, Austin does participate in international city climate diplomacy and exchange with other cities worldwide.

Berlin[45]

City of Berlin Background

Berlin is the capital city of Germany and one of the sixteen German states (*Bundesländer*). It has a central administration (*Senatsverwaltung*) and twelve districts. Berlin spreads over 891.1km² and counts about 3.6 million inhabitants[46]. Berlin has a stagnant trend in CO_2 emissions reduction. It is a fast growing city with limited space for the expansion of renewable

[41] City of Austin (2007), p. 2.
[42] Ibid., p. 6.
[43] City of Austin (2015b), p. 32.
[44] Ibid., p. 48.
[45] The authors would like to thank Stephan Sina (Ecologic Institute) for helpful comments on earlier versions of the Berlin background and analysis.
[46] See Statistical Office for Berlin-Brandenburg, 2019,https://www.statistik-berlin-brandenburg.de/ https://www.statistik-berlin-brandenburg.de/Statistiken/inhalt-statistiken.asp

energies. To date, its energy mix includes a high percentage of fossil fuels. However, Berlin also has some advantages on its side: it has a variety of flexibility options installed (e.g. heating networks, Power-to-X technologies); it is a hub for innovative ideas; and there is a high readiness for behavioural change among its citizens (e.g. sharing economy). Most importantly, Berlin has a law, the Berlin Energy Transition Act[47], with binding CO_2 emissions reduction targets for 2030, 2040 and 2050[48].

In order to achieve the 2050 target of at least an 85% reduction[49], Berlin would need to cut its emissions to 4.4 million tons of CO_2 per year by 2050 (compared to the base year 1990). Two interim targets are foreseen: a 40% reduction by 2020 and at least a 60% reduction by 2030. The results of the "Climate-Neutral Berlin 2050 Feasibility Study" have clearly shown that the 2050 target can be achieved if the right measures are taken[50].

The public administration in Berlin wants to lead the way in climate mitigation. Thus, public buildings will be renovated in order to be more energy efficient; more renewable energies will be used, and the administration should be organised in a

[47] The Berlin Senate translates the law as Berlin Energy Turnaround Act. Still, for the sake of clarity and understanding, we will use the term Berlin Energy Transition Act.

[48] Senate Department for the Environment, Transport and Climate Protextion, 2019, https://www.berlin.de/senuvk/klimaschutz/politik/en/ziele.shtml

[49] Berlin's climate target is to reach "climate neutrality". The city defines climate neutral city as one which emissions can keep global warming below 2°C. According to the city's calculation it will reach this goal with the 85% emissions reduction compared to 1990, including carbon sinks and emissions embodied in products and infrastructures. See F. Reusswiget al., *Machbarkeitsstudie Klimaneutrales Berlin 2050, Hauptbericht*, Potsdam/Berlin, interdisciplinary project consortium headed by the Potsdam Institute for Climate Impact Research (PIK), March 2014, and Senate Department for the Environment, Transport and Climate Protection, *Climate protection in Berlin, Special Unit Climate Protection and Energy*, Berlin, Senate Department for the Environment, Transport and Climate Protection, 2018, p.4

[50] See F. Reusswig et al. (2018).

CO_2-neutral way. The diverse measures and strategies are collected in the Berlin Energy and Climate Protection Programme 2030 (BEK 2030)[51]. The BEK 2030 was developed with an accompanying participation process.

In March 2016, the Berlin Energy Transition Act (*Berliner Energiewendegesetz*, EWG Bln) was adopted as a legal framework, and the law entered into force in April 2016. At the same time, the Berlin Energy Saving Law (*Berliner Energiespargesetz*), on which the EWG Bln is purposefully built and which stemmed from 1992, ceased to be in force. In November 2017, the first amendment to the EWG Bln, which includes the phase-out of energy production from hard coal by 2030 and lignite by the end of 2017, entered into force[52].

The following section analyses the 2016 EWG Bln (including the amendment), as well as the BEK 2030 and for certain criteria also the feasibility study.

City of Berlin Analysis

When it comes to *Inclusive and multiform urban governance* (*C1*), the EWG Bln calls for a participatory process in order to come up with a concrete "roadmap", the BEK, to lead the way to achieving the climate mitigation targets laid down in the law. The BEK is based on scientifically derived recommendations resulting from an extensive research project. Moreover, Berlin's citizens were included in the development of the BEK. In November 2014, a one-day kick-off forum took place with 200 participants[53]. In December 2014, five expert workshops

[51] Senate Department for the Environment, Transport and Climate Protection (2018), p. 2, and Senate Department for Urban Development and the Environment, *Climate-Neutral Berlin 2050. Recommendations for a Berlin Energy and Climate Protection Programme (BEK)*, 2016.

[52] See Senate Department for the Environment, Transport and Climate Protection, *Ein Energiewendegesetz für Berlin*, 2019.

[53] B. Hirschl, F. Reusswig, J. Weiß, L. Bölling, M. Bost, U. Flecken, L. Haag, P. Heiduk, P. Klemm, C. Lange, W. Lass, P.-M. Richter, J. Rupp, S. Salecki, U. Schwarz, G. Weyer, R. Voigt, with contributions from C. Altenburg, W. Dürrschmidt, J. Fischer, K.-M. Groth, F. Hollandt, M. Ihm, A. Neumann, P.

with a total of 150 experts were held in order to discuss and assess five thematic areas – Energy Supply (1), Buildings and Urban Development (2), Economy (3), Traffic (4) and Private Households and Consumption (5) – and in particular the adapted version of roughly 100 measures (Version 2.0) that were proposed in the feasibility study (Version 1.0)[54]. In February 2015, more than 200 experts took part in the first energy and climate protection city dialogue, leading to a third revision of the measures (Version 3.0)[55]. Subsequently, citizens had the opportunity to comment on the proposed measures but also to propose new ones. The results (over 300 comments and over 80 newly proposed measures) were fed into further workshops and a series of dialogue events before the participation process was closed at the end of 2015[56].

In September 2017, a Climate Protection Council (*Klimaschutzrat*) was established, comprising ten experts from science, economy, associations and NGOs[57], that advises the Senate of Berlin as well as the parliament. The Council is also supposed to ensure that the climate protection targets are met and that the BEK is updated on a regular basis[58]. It is not clear, however, how this update process will be organised and whether it will again involve a participation process.

With regard to *Transformative leadership* (*C2*), Berlin wants to serve as a role model for other cities, also internationally, and is engaged in European and international city alliances (e.g. the EU Covenant of Mayors, Climate Alliance, C40 Cities Climate Leadership Group and the Carbon Neutral Cities Alliance)[59].

Steffenhagen, *Entwurf für ein Berliner Energie- und Klimaschutzprogramm (BEK), Endbericht*, November 2015, Berlin, p. 13.

[54] B. Hirschl et al., 2015, p. 13.

[55] Ibid., p. 14.

[56] Ibid.

[57] Representatives from the Berlin central senate administration as well as the state government of Brandenburg regularly take part in the meetings as guests.

[58] See Senate Department for the Environment, Transport and Climate Protection, *Klimaschutzrat Berlin*, 2019.

[59] Senate Department for the Environment, Transport and Climate Protection

Likewise, the Berlin administration wants to serve as a role model by making their own operations CO_2-neutral by 2030. Apart from renovating buildings so that they become more energy efficient, the districts of Berlin will undertake their own efforts for climate protection[60]. Moreover, the city seeks to establish agreements with other actors on their concrete activities to contribute to climate protection, by setting down CO_2 reduction targets as well as the envisaged level of investment and concrete measures into bilateral contracts. In total, 14 major actors have already agreed to support climate protection, including universities, hospitals, zoos, utilities and energy suppliers[61]. Though the focus of the law is the leadership of the public sector, the private sector is also engaged in the leadership, while the role of civil society is not addressed by the law.

There is no evidence that *Empowered and autonomous communities of practice (C3)* are established or supported by the EWG Bln. However, it can be argued that it takes precautions aimed at preventing citizen disempowerment. For instance, §3 states, among other things, that the Senate of Berlin will consider the social and cultural needs of Berlin's population. In particular, the law must not lead to rising gross rents. Similarly, there is not much on *Diverse community-based experimentation with disruptive solutions (C6)* to be found in the law, since measures are neither really "community-based" nor do they seem very disruptive. However, one central element of the BEK is the implementation of pilot and demonstration projects in different thematic areas.

System(s) awareness and memory (C4) are not tackled explicitly in the EWG Bln. However, the BEK 2030 addresses conflicts of interest, e.g. regarding energy-efficient renovations that can cause costs for tenants and can affect architectural

(2018), p. 2.

[60] Ibid., p. 12ff.

[61] See Senate Department for the Environment, Transport and Climate Protection, *Klimaschutzvereinbarungen des Landes Berlin*, 2019, https://www.berlin.de/senuvk/klimaschutz/aktiv/vereinbarung/index.shtml, (last retrieved on 5 June 2019).

development[62]. Furthermore, though neither the law nor the BEK 2030 labels path dependencies as such, the "BEK overall strategy" clearly builds on the existing system and the given parameters[63], and different existing regulations or system boundaries are implicitly recognised throughout the different documents. Most importantly to note, however, are the concrete steps Berlin has already taken and is still taking in order to realise the coal phase-out, which is established in the law and marks a concrete step to end path dependencies with regard to the energy supply.

Regarding *Urban sustainability foresight (C5)*, different scenarios are explicitly considered and discussed in the feasibility study. However, a common vision was not developed together with the stakeholders. Still, the need to "develop climate neutrality into an umbrella brand and communicate it in various ways" is stated in the BEK[64]. This is a window of opportunity for elaborating a vision, which is still lacking.

Innovation embedding and coupling (C7), though not explicitly addressed, is implicitly supported because innovations as well as pilot and demonstration projects are explicitly mentioned as central elements of the BEK[65]. For instance, the thematic area "energy supply" states that "urban energy transition innovations and business models" will be promoted; "pilot projects/campaigns for key technologies and areas with multiplier function" will be implemented in the thematic area "economy"; and in the thematic area "private households and consumption", climate-friendly consumption should be strengthened through pilot projects, among other things. However, it does not specify who is supposed to implement the measures[66].

Reflexivity and social learning (C8) are addressed in the law with regard to the Berlin parliament, i.e. the BEK is updated

[62] Senate Department for Urban Development and the Environment (2016), p. 22.
[63] Ibid., p. 9.
[64] Ibid.
[65] Ibid.
[66] Ibid.

on a regular basis, within one year after the constitution of the House of Representatives. The update process is thus linked to each legislative term, giving each government the opportunity – and, strictly speaking, also the duty – to deal with the BEK and to determine their own update process[67]. While the BEK 2030 requires to "permanently establish participation"[68], it does not state how this could or should look in detail. Apart from that, the law explicitly states that permanent monitoring must take place (§5), including a comprehensive monitoring report that must be written and published every two years. This allows the civil society or other interested parties to exert pressure on the Berlin Senate if they find the progress not sufficient. However, reflexive or social learning in a more narrow sense are not explicitly mentioned in the BEK.

The law does not explicitly focus on *Working across human agency levels (C9)*.

Finally, *Working across political-administrative levels and geographical scales (C10)* is an important element of the EWG Bln. First of all, the districts are actively involved in implementing the EWG Bln as well as the BEK 2030. In fact, according to EWG Bln §7, not only the senate administration but also Berlin's district administrations must be carbon neutral by 2030. Moreover, Berlin is active in a variety of European and international city alliances (see C2) and wants to become an international role model. With regard to the federal level in Germany, the BEK 2030 refers several times to the national level, e.g. concerning the definition of framework conditions or when it is generally stated that Berlin can contribute to achieving national targets. However, to date there are no elements actively linking Berlin's activities to those at the federal level.

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[67] S. Sina and H. Stockhaus, *Landesklimaschutzgesetze in Deutschland. Überblick und Bedeutung für ein Klimaschutzgesetz des Bundes. Study by Ecologic Institute on behalf of WWF Germany*, 2019, p. 13.

[68] Senate Department for Urban Development and the Environment (2016), p. 9.

Melbourne

City of Melbourne Background

The greater metropolitan Melbourne area in south-eastern Australia comprises 31 municipalities, spanning about 10,000 km^2, with a rapidly growing population of almost 5 million inhabitants in June 2018[69]. The strategy documents analysed for this case study are those of the City of Melbourne municipality, which has a resident population of nearly 160,000 inhabitants and an average daily population of more than 900,000 workers, students and visitors[70]. The population of the municipality is expected to double over the next 20 years.

The City of Melbourne has adopted a two-fold approach to climate action: citywide and regional. In 2003, the City of Melbourne published "Zero Net Emissions by 2020 - A roadmap to a climate neutral city", which focused on measures such as energy efficiency in the built environment, renewable energy supplies and carbon offsetting[71]. An update of the strategy issued in 2008 detailed net emissions for the city council by 2020 and a reduction of 50-60% across the community. This update also included a broader set of measures and a combination of measures focusing on the commercial and residential sectors, passenger transport and decarbonising the energy supply[72]. To align the local emissions targets with the 2015 Paris Climate Agreement and the C40 Climate Action Plan Framework, the City of Melbourne reset its emissions reduction targets for 2030 and pledged to achieve net zero emissions before 2050 with its recent "Climate Change

[69] Australian Bureau of Statistics, 2019, http://www.abs.gov.au/ausstats/abs@.nsf/mf/3218.0

[70] City of Melbourne, Population forecasts ; City of Melbourne, Daily Population Estimates and Forecasts.

[71] City of Melbourne, *Zero Net Emissions by 2020. A roadmap to a climate neutral city*, February 2003.

[72] H. Bulkeley and H. Schroeder, *Governing Climate Change Post-2012: The Role of Global Cities – Melbourne*, Working Paper 138, Tyndall Centre for Climate Change Research, 2009.

Mitigation Strategy to 2050" published in December 2018[73].

On the regional scale, the City of Melbourne and nine surrounding municipalities form the Northern Alliance for Greenhouse Action (NAGA), which was first established in 2002 as an informal network of six municipalities[74]. The alliance was formally established in 2006 and published a Zero Net Emissions Strategy in 2009. While the capacity building role continues to be central to NAGAs work, a key function is the ability to leverage funds from higher tiers of government for the long-term regional plans[75].

The following section analyses primarily the 2018 climate mitigation strategy of the City of Melbourne, but also refers to the Council Plan 2017–2019[76] and the Future Melbourne 2026 Plan[77] with regard to certain criteria.

City of Melbourne Analysis

In terms of *Inclusive and multiform urban governance (C1)*, the City of Melbourne hosted "Future Melbourne Refresh" in 2016, a deliberative democracy process to develop a community vision and set priorities for Melbourne[78], which identified reducing GHG emissions as a top priority for the city[79]. For the mitigation strategy, there has been an in-person and an online consultation[80]. For the implementation phase of the

[73] City of Melbourne, Climate, *Change Mitigation Strategy to 2050: Melbourne Together for 1.5°C*, December 2018.

[74] H. Bulkeley and H. Schroeder (2009), p. 14; S. Moloney and H. Fünfgeld, "Emergent processes of adaptive capacity building: Local government climate change alliances and networks in Melbourne", *Urban Climate*, vol. 14, 2015, pp. 30-40.

[75] S. Jones, "Climate Change Policies of City Governments in Federal Systems: An Analysis of Vancouver, Melbourne and New York City", *Regional Studies*, vol. 47, no. 6, 2013, p. 983; S. Moloney and H. Fünfgeld (2015), pp. 36-37.

[76] Melbourne City Council, *Council Plan 2017-2021*, 2017.

[77] City of Melbourne, *Future Melbourne 2026*, July 2016.

[78] City of Melbourne (2018), p. 3; Melbourne City Council (2017), p. 11.

[79] Melbourne City Council (2017), p. 17.

[80] City of Melbourne, *Community consultation. Beginning the conversation on climate*

strategy, the city promises to collaborate with community organisations, businesses, other cities and government agencies to reduce climate risk and fulfil its legislative responsibilities[81]. Furthermore, according to the strategy, the city will specifically engage with community stakeholders to identify barriers, social impacts and opportunities to enhance social inclusion. This is to enhance the fair distribution of benefits from the implementation of the mitigation strategy[82].

While the City does state its wish for a high degree of participation and the active inclusion of stakeholders from all sectors, it remains unclear from the strategy how the city will ensure this self-defined ambition. There is no evidence of a sustained structure to facilitate collaboration and participation, such as a "facilitation office" or regular meetings that citizens can attend.

When it comes to *transformative leadership (C2)* by the public sector, Bulkeley and Schroeder already stated in 2009 that municipal leadership has been an important driver for climate action in Melbourne by setting ambitious targets for GHG emissions reduction. Moreover, the authors stated that local politicians and officials have sought to demonstrate their intention to "get their own house in order"[83] – something that is still on the City Council's agenda under the heading of "leading by example"[84]. In addition, the City Council translates the international Paris Agreement targets and the Victorian *Climate Change Act 2017* into local goals by means of the new mitigation strategy with measures that specifically aim to leverage *systemic change*[85]. At the same time, the city administration and local politicians feed local approaches and experiences into international networks, and advocate at the regional and national levels for stronger targets (see C10).

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change mitigation, 2019.

[81] City of Melbourne (2018), p. 3.

[82] Ibid., pp. 47-48.

[83] H. Bulkeley and H. Schroeder (2009), pp. 2, 19.

[84] City of Melbourne (2018), p. 8.

[85] Ibid., pp. 3, 10, 14.

In contrast, Melbourne's climate mitigation strategy does not include any information on *empowered and autonomous communities of practice (C3)*. That is not to say that there are no non-state initiatives in the city that would fit this description, but that the existence of these initiatives is not acknowledged, let alone supported by the city's climate mitigation strategy. Accordingly, the strategy does not mention any *diverse community-based experimentation with disruptive solutions (C6)*.

System(s) awareness and memory (C4) exists in the mitigation strategy mostly in relation to physical systems and physical infrastructure. The strategy explicitly states that "decisions made today about energy, infrastructure, buildings and transport planning will lock in the pathway to achieving rapid decarbonisation of the municipality"[86]. When it comes to different forms of knowledge, social systems, culture and values, the strategy is significantly less explicit. The only things mentioned are that the city will consider social factors such as income, age, gender, disability and ethnic background to enhance the fair distribution of benefits arising from the implementation of the strategy and a reference to the Council Plan 2017-2021 which states that "Aboriginal culture, knowledge and heritage will enrich the city's growth and development"[87]. These two issues, however, are not further specified.

Compared to the mitigation strategy, the Council Plan is more explicit about the different degrees of changeability with regard to routines and values. Here, it is stated that collective efforts and radical rethinking of the habitual choices that underpin our daily lives and the way a city functions are indispensable. This includes "how we get to work, the way we power our homes and offices, what we consume, how we deal with our waste, and how we use city spaces"[88].

The strategy is probably most explicit on the different

[86] Ibid., p. 6, cf. also p. 14.
[87] Ibid., p. 47.
[88] Melbourne City Council (2017), p. 16.

aspects considered under *Urban sustainability foresight (C5)*. The city promotes co-production of knowledge working with other governments, international and local city networks and university researchers on demonstration projects, pilot programs and the testing of new solutions. Moreover, it sponsors competitions and hackathon events for university students to develop the skills needed for the low carbon economy of the future[89]. It also plans to make real-time data about the city's energy performance and emissions profile publicly available in the future, to allow for the development of new digital, transport and energy solutions.

With the Future Melbourne 2026 Plan, the city has an explicit future vision of Melbourne as a "sustainable, inventive and inclusive city that is vibrant and flourishing"[90]. Nine goals support the vision and are integrated in several plans and strategies, such as the Council Plan that is structured along the nine goals and the mitigation strategy that focuses on one of the goals, namely "A city that cares for the environment". The mitigation strategy draws on several alternative scenarios for future urban development and identifies actions that can leverage systemic change. For this purpose, opportunities for transformational actions relating to the major sources of emissions in the city, namely energy supply, buildings, transport and waste, were analysed[91]. According to the Council Plan, this will require a radical rethink of habitual choices, as already stated above.

In terms of *Innovation embedding and coupling (C7)*, the strategy states: "We will support innovation by using the city as a lab to test and refine solutions". As an example, the city will address research gaps and information barriers that impede it from making available its real-time, citywide energy performance and emissions profile. Moreover, the city has committed to take an innovative, evidence-based approach

[89] City of Melbourne (2018), p. 49.
[90] City of Melbourne (2016), p. 8.
[91] City of Melbourne (2018), pp. 3-5, 24.

to prioritising actions. The City of Melbourne also started a capacity building program for local governments in metropolitan Melbourne and it shares the lessons learnt with cities around the world (see C10)[92].

Reflexivity and social learning (C8) are included in the mitigation strategy only to a certain extent. While the City of Melbourne developed a comprehensive measurement and evaluation plan to accompany the strategy, this plan does not seem to foresee any stakeholder engagement on a regular basis that would provide room for critical questions. Instead, progress will be reviewed each year by the city itself to adjust its five-year rolling Implementation Plan, and the city plans to conduct a comprehensive evaluation after five years of implementation in 2023. The city also pledged under the Climate Change Act 2017 to evaluate and report on the implementation of emission reductions by 2025[93].

The mitigation strategy does not explicitly focus on *Working across human agency levels (C9)*, though it does highlight different stakeholder groups, networks and so on, and how they are addressed by the strategy and/or included in the implementation of measures.

Finally, *Working across political-administrative levels and geographical scales (C10)* is an important element of Melbourne's mitigation strategy. In fact, the development of the strategy itself was part of an international pilot program run by the C40 network for cities to share solutions. The City of Melbourne participates in several international and local city networks that support knowledge sharing. It contributes to the international efforts of cities to address climate change not only through the C40 network, but also through its membership in ICLEI- Local Governments for Sustainability, the Carbon Neutral Cities Alliance and 100 Resilient Cities. It also collaborates with other Australian capital cities and

[92] Ibid., pp. 14, 49, 60.
[93] Ibid., p. 51.

through the regional climate change alliance NAGA with metropolitan Melbourne local governments in the delivery of programs. Together with these partners, it advocates for the Victorian and Australian Government to increase the ambition of Australia's climate policy[94].

[94] Ibid., pp. 3, 49; S. Moloney and H. Fünfgeld (2015), pp. 36-39.

Tab. 3.2 - Comparison of analysis results of the long-term climate strategies of Austin, Berlin and Melbourne

	Austin		Berlin		Melbourne	
	Criteria satisfied?	Explanation	Criteria satisfied?	Explanation	Criteria satisfied?	Explanation
C1	Yes	Wide representation of stakeholders in preparation and implementation stage. Attempts to involve underrepresented population	Yes	Representation of stakeholders in preparation stage. Unclear whether there were attempts to involve underrepresented population, how many or whom exactly took part in the process. Climate Protection Council now supervising the process	To some extent	High degree of participation in preparation stage, but no specifics how and the active inclusion of stakeholders from all sectors is ensured for implementation
C2	To some extent	Emphasises leadership of public sector, but not that of private or civil society actors	Yes	Emphasises leadership of public sector (incl. districts), and major businesses, but not that of civil society actors	To some extent	Transformational leadership in the public sector, but no emphasis of private or civil society actors
C3	No	No evidence	No	No evidence	No	No evidence
C4	Yes	Explicit recognition of need to take systems-oriented approach and evidence of systemic analysis and thinking	To some extent	No explicit mention of systems-oriented approach, but evidence of implicit use of it. Coal phase-out represents concrete step to break with path-dependencies	To some extent	Systems awareness mostly in relation to physical systems and physical infrastructure
C5	To some extent	The strategy creates an explicit future vision that represents a departure from current trajectories. It aims to create buy-in into this vision. No evidence of knowledge co-production.	To some extent	Different scenarios are explicitly considered and discussed in the feasibility study. A common vision was not developed jointly	Yes	City promotes co-production of knowledge and has an explicit future vision that necessitates radical re-think of habitual choices
C6	No	No evidence	No	No evidence	No	No evidence

C7	To some extent	Some considerations of required changes to institutional and organisational forms and regulatory framework scattered across the strategy	Yes	Innovations and pilot projects are explicitly part of three out of five thematic areas, as well as part of the overall approach	Yes	City committed itself to take an innovative, evidence-based approach to prioritising actions and started a capacity-building programme
C8	To some extent	Includes mechanism for monitoring and questioning progress towards the vision, but not the development of transformative capacities.	To some extent	Though update and participation processes are generally mentioned in the EWG Bln and the BEK 2030, reflexive or social learning are not part of it	To some extent	Includes mechanism for monitoring and questioning progress towards the vision, but no wider stakeholder inclusion.
C9	Yes	Different roles played by actors such as "business, government, multi-family, non-profit, all residents or single family" recognised across strategy	No	No evidence	No	Different roles of stakeholders mentioned, but human agency levels not explicitly addressed
C10	No	Recognised but not addressed	To some extent	includes the districts of Berlin; federal level is mentioned, but it is not outlined how Berlin's activities relate to those at the national level. Berlin is furthermore active at the international level	Yes	Working across political-administrative levels and geographical scales is an important element of the strategy

Emerging Evidence of Transformative Thinking in Global Cities' Long-Term Climate Strategies

The analysis of the suggested strategies confirms once again the findings of Bulkeley (2009) that local climate mitigation plans have evolved from the self-regulation activities that concerned primarily assets and activities directly operated by municipalities to citywide climate protection strategies. All three strategies analysed aim to tackle community-wide emissions (e.g. also the emissions not directly produced or controlled by the municipality). However, the governance frameworks established by the strategies, the participation processes that led to their development, or even the messages of leadership or the vision that they chart, all primarily relate to processes directly controlled or coordinated by the municipalities. For instance, all of the analysed cities recognise the importance of involving a wide variety of stakeholders in the process of preparing and implementing the strategy, and with the exception of Melbourne the strategies provide information on how stakeholders are involved in the implementation process. To develop the strategies, all three have conducted elaborated, multi-channel participation processes (C1). However, none of the three strategies mentions the role that is already being played by, or the need to foster and support, "communities of practice" (C3), i.e. autonomous, place-based or issue-driven community groups that could contribute to local climate action in a more decentralised manner, while being better able to articulate diverse social needs thanks to their proximity to local communities or issues. Similarly, the strategies do not mention either existing community-driven experiments dealing with disruptive urban sustainability solutions (C6) (even though experiments like this can be identified in each of the three cities[95]), or the need to foster such

[95] E.g. **Austin:** Climate Buddies is a non-profit that wants to empower people to include climate change considerations into every decision they make. One approach is the so-called Carbon Diet. Groups of 8-12 people come together four times in six weeks and get advice by a Climate Buddy Catalyst on how

community-driven experimentation as cities attempt to decarbonise their economies and activities.

Similarly, while there is evidence showing the emerging leadership of the city administrations to tackle the problem of carbon emissions at the local level and the strategies' emphasis on the leadership role of the public sector (C2), the mention of leadership being taken up by civil society and private actors is limited. Moreover, all the strategies include a reflexivity component (C8) in the form of a framework to monitor, review and update the strategy. However, in both Berlin and Melbourne the strategy documents do not mention how (if at all) stakeholders are involved in this process.

It is perhaps not surprising that representative democratic bodies of the local government are careful not to include commitments whose fulfilment they cannot directly control (e.g. the framework conditions provided by the national or international levels, like the energy mix). Furthermore, political stability in their communities and getting re-elected are usually among the top priorities of local decision makers. Thus, decision makers may not be interested in too radical a change. Hence, there is

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to achieve carbon reduction at the household level. (http://climatebuddies.org/get-involved/diet/); **Berlin:** Within the project "Climate-Neutral Living in Berlin", more than 100 households in Berlin have tried for one year to shift to a more climate-friendly everyday life. This living lab experiment was headed by the Potsdam Institute for Climate Impact Research (PIK) and showcased that households could reduce their climate footprint by an average of around 10 percent, even though they had, on average, already started the project 25 percent below the German average. https://www.pik-potsdam.de/news/press-releases/the-living-lab-experiment-climate-neutral-living-in-berlin-takes-stock-everyone-can-contribute-to-climate-stabilization-but-without-politics-it-won2019t-succeed?set_language=en; **Melbourne:** The Centre for Education and Research in Environmental Strategies (CERES), is an award winning, not-for-profit, sustainability centre in Melbourne that runs environmental education programs, urban agriculture projects, green technology demonstrations and a number of social enterprises. CERES calls itself "a place for community-based learning and action to create environmentally beneficial, socially just, economically satisfying, culturally enriching and spiritually nurturing ways of living together." https://ceres.org.au/about/

tension between the interests of political stability and the disruptive change needed for transformative capacities to unfold.

All three cities recognise that they are not standalone, self-contained islands, and that they need to look beyond their own boundaries if they are to address climate mitigation in a systemic and comprehensive manner. However, this is manifested differently in each of the three strategies. For instance, Melbourne collaborates with other local governments in Australia to advocate for increased ambition at the state and national level, recognising that transformative climate action requires the involvement of all government levels and that there are inevitable limits to what local governments alone can achieve. All three cities are members of international cities networks that foster cooperation and exchange on best practices for local climate action between cities around the world. Austin explicitly recognises that the community-wide emissions included in the city's emissions inventory do not include the emissions generated in the production of the majority of goods that are consumed in the city, and that the strategy and its future iterations will need to formulate policies to reduce also those upstream emissions. Ideally, each of the local climate strategies would aim to include all three of those elements (secondary emissions, multilevel governance, transnational exchange with other local governments).

When it comes to the content of the strategies, the thinking that informed them, the visions that they paint and the proposed measures and pathways, we can see evidence of various transformative elements emerging across the cities. In all three cities we find some evidence of explicit or implicit use of a systems-oriented approach and recognition of path dependencies (C4). Both Austin and Melbourne paint explicit future visions, the reaching of which will require a collective effort and shifts in behaviours, infrastructures, organisational modes and business models. While Melbourne committed to prioritise specific action through an innovative, evidence-based approach, Berlin included innovations and pilot projects as key elements of the strategy's general approach. Those elements are not yet

omnipresent, and each of the cities tackles them differently. As a topic for further research, it could be interesting to analyse to what extent membership in climate- and sustainability-oriented transnational city networks helps to spread innovative, holistic, system-oriented approaches to long-term climate planning at the local level.

Finally, all of the strategies analysed include mechanisms for review and updating of the strategy that take into account the uncertainty inherent to long-term planning, when it comes to future technologies, demographic patterns, or environmental change. The strategies are to be updated on a rolling basis, with new sets of measures proposed every four to five years. This means that the measures that are proposed in the future could become increasingly transformative, radical and inclusive. However, it is also possible, for example, that a future government that does not perceive climate action to be a priority for the city could downplay the ambition and transformative reach of the measures to be proposed in the future, especially without wider stakeholder involvement.

Transformative Potential of Urban Long-Term Climate Strategies

The governing of climate change is a critical urban issue. As major CO_2 emitters, but also due to their vulnerability, a number of global cities have set out to establish local climate governance objectives through the adoption of ambitious, long-term climate strategies aimed at carbon or climate neutrality.

Using the conceptual framework of Wolfram (2016), this chapter has attempted to assess the transformative potential of such long-term, citywide climate strategies in Austin, Berlin and Melbourne. The analysis revealed that in all three cities seven out of ten key components for urban transformative capacity are addressed in the climate strategies, i.e. they either satisfy the criteria fully or at least partially. Melbourne and Austin have also established explicit future visions that represent a departure

from current trajectories and call for a radical rethink of habitual choices.

Civil society initiatives and communities of practice (cf. components C3 and C6) are not considered in the climate strategies analysed. Instead, the strategies focus primarily on municipal leadership. Nevertheless, the cities recognise the importance of involving a wide variety of stakeholders to reach their ambitious goals, and all three have conducted elaborate, multi-channel participation processes to develop their strategies. Further research could shed more light on the actual role of civil society and businesses in delivering transformative change in the respective cities.

Transformative elements such as explicit future visions, systems thinking and explicit attempts to remove barriers to innovation have emerged across all three cities. While the proposed specific short- and mid-term policies and measures may still fall short on delivering such change that could lead to the deep decarbonisation, all the strategies analysed include a review and update mechanism aimed at proposing new strategies on a rolling basis, in line with new technological developments and future economic, social and environmental changes.

In conclusion, the visions outlined in the strategies analysed exhibit a transformative dimension. Still, it remains to be seen whether the cities will be able to convert their transformative potential into actual change in the years to come.

4. Establishing Quality Infrastructure and Responsible Trade in Global Cities

Jena Santoro

There is a direct relationship between the infrastructural development and the economic growth of a city. Efficient and sustainable infrastructures attract investments and allow businesses to start up and prosper. They pull new dwellers and more tourists. Moreover, they are crucial to fostering trade within the community and with other centers. In this chapter, I will analyse the links among urban infrastructures, trade and tourism, trying to define a sustainable paradigm for the future, and pointing out the risks connected to urbanisation, mass tourism and climate change. Finally, I will elaborate on Paris and Miami, which I consider two interesting case studies as a comparison between an established global city and an emerging one.

Prior to the analysis, we need to address a general question: what is a global city? A global city, for the purposes of this chapter, refers to any metropolitan area which has established itself as a critical link in the global network of trade, consumption, and commerce. However, what are its key features? We know that a global city is embedded into the fabric of the international economy. It is a central or connecting point which international economic activity must traverse. It relies heavily on financial interaction with cities, counties, and countries beyond its borders, and harnesses the benefits of transnational and transcontinental relationships. The following sections scrutinize these and other aspects and link them to the topics of infrastructures, trade and tourism.

What Makes a Global City Truly "Global"?

Globalisation has had a defining role to play in the emergence and establishment of global cities. It has also blurred the lines between what constitutes a truly global city, and what characteristics may appear in a *growing* city but not quite constitute it as global. Technological advancements have been pivotal contributors to the increased interaction between cities across the world. Ease of transcontinental travel and communications makes the world feel increasingly small and more accessible, which in turn facilitates the sense that most large metropolises have a global connection. While this may be true to some extent, having some global connection does not embody a global city in the sense of this article. For a city to manifest itself as global, it must employ a unique combination of factors.

In addition to being financially linked beyond its shores, a global city must have something else to offer. Transportation is arguably the ticket item which can transition a city towards global standards. Air, land, and marine infrastructure are fundamental components of any global city. Without these transportation ports, people, commerce, and goods are unable to pass through or arrive within its boundaries. Investment in quality transportation infrastructure, thus, is a necessary forbearer to the establishment of a global city. Infrastructure investments in global cities must ensure a high level of environmental consideration. The onset of globalisation has triggered an increased awareness of the negative impacts of environmental degradation, namely, climate change. LEED-certified, or green building developments, are environmentally conscious and often as a result, more economically reliable and sustainable. Transportation developments which have been constructed with natural disasters in mind, for example, will need fewer restorative efforts should a significant weather event occur. That means less downtime for business operations, and as such, less money lost for those with operational stakes in the city. Less reconstruction is linked to a lower carbon footprint, so they

are also doing their part in ensuring such impactful weather events do not occur so frequently. Environmental and financial feasibility are one and the same when regarding infrastructure in global cities.

As mentioned, technology has increasingly contributed to the ease and ability of cities to interact with one another across the globe. However, technology also has a role to play within cities, not only between them. The emergence of the technology and innovation sector has proven to be directly linked with a city's potential for growth on a global stage. "Smart cities", using advanced techniques to collect and retain data which later influence policy and decision making about city-wide investments, have been increasingly established as global cities. The top four smart cities on the Globalization and World Cities Research Network (GaWC)'s 2018 ranking – London, Singapore, Barcelona, and Amsterdam – have all been ranked as "Alpha" status by their own standards of global cities[1]. This ranking categorises global cities into Alpha, Beta, or Gamma based on indicators such as economy, research and development (R&D), cultural interaction, liveability, environment, and accessibility.

A less-discussed, but equally important contributor to the establishment of a global city is its education system. Both public and private higher education institutions can attract the brightest and most talented minds from across the world. When these minds contribute to the research interests of that institution, it strengthens the capacity and resources of the area it is located in. It is important to note, however, that without a developed labour market and strong work force to accompany this, these brilliant minds and their contributions will be fleeting. Industry must be built to retain the talent coming to these higher education institutions, allowing them to then enter into a strong labour market to which they can contribute and flourish.

[1] Globalization and World Cities Research Network (GaWC), *The World According to GaWC, Classification of Cities*, 2018.

Arts, entertainment, gastronomy, and culture, all seemingly exist in established global cities. It is uncertain, however, if these aspects flourish after the growth and development of more critical items such as infrastructure, financial trade, and technology. It is unlikely that any city could become global based on these items alone. Notorious fashion-centric cities such as New York and Milan have built up adjacent sectors such as finance, and manufacturing and production, respectively. These sectors are the true engines of growth for these cities, despite being extremely well-known as fashion and art hubs. Tokyo, for example, is home to more Michelin-starred restaurants than any other city in the world. However, its global status did not emerge from its culinary prowess, but from its economic boom in the 1980s which established its management and finance sectors. Nonetheless, entities around the world continue to be drawn to places like New York, Milan, and Tokyo, because of their strengths in the entertainment, arts, fashion, and gastronomy sectors. Therefore, suffice it to say that to become global, one must encompass both sides of the spectrum.

This is reflected in Germany's "Balancity" approach, which was debuted at the "Better City, Better Life" expo in Shanghai in 2010, and has remained a key pillar of its urbanisation management strategy[2]. The infrastructure aspect of this approach focuses on the need to balance preservation and renewal; maintaining traditional aspects while integrating modern necessities. It also stresses the importance of making cities both liveable and workable by integrating nature with urban conveniences, business, and entertainment. This trifecta of green spaces, culture and arts, and the urban workforce, is what makes an urban area appealing enough to become a global city, according to this theory. While this approach is seemingly easier to employ in the planning of new cities, it is believed to work just the same with existing cities, so long as investments target these three areas equally.

[2] B. Muller, *A City in Balance*, Working Paper no.1, Schott Solutions, 2010.

Linkages to International Trade: Infrastructure and Foreign Direct Investment

Cities dominate the modern world. As such, many cities have shifted focus to becoming an established global city rather than increasing their competitiveness within their own country. Already, many metropolises generate enough revenue to sustain themselves without the interference of the federal government. Because of this, they have more political flexibility and are not easily leveraged by the central government. In many cases, large metro areas and global cities are the central core of the national economy. London, as of 2017, accounts for nearly a quarter of the United Kingdom's gross value added (GVA)[3]. The earliest figures from 1998 suggest the share then was less than one-fifth[4]. Similarly, according to the latest numbers by the US Bureau of Economic Analysis (BEA), the Northeast Corridor – comprised of New York, Boston, and Washington – accounts for 20% of US GDP[5]. It is in the best interest of national governments to support and encourage the emergence of as many global cities as their country can host.

Some have even argued that a few decades from now, cities may be more powerful global actors than the countries they inhabit. The XXI century world order shows cities as economic powerhouses, with some metropolitan areas harbouring more money than the GDP of entire countries. The GDP-purchasing power parity (PPP) of London, for example, was 831 billion[6] compared to the Netherlands' at 852 billion[7] in 2015[8].

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[3] G. Tily, "In 2016, London growth was nearly double the UK average", *Trades Union Congress (TUC) Online Journal*, 20 December 2017.

[4] Ibid.

[5] United States Bureau of Economic Analysis, *The Northeast Corridor and the American Economy*, April 2014.

[6] The Brookings Institution, *Redefining Global Cities: The Seven Types of Global Metro Economies*, Global Cities Initiative, September 2016.

[7] World Bank, Data, *Gross Domestic Product (GDP) per capita, Purchasing Power Parity (PPP) (current international dollar), Netherlands*, 2018.

[8] Recorded in current international dollars. An international dollar would buy

Similarly, the same year, Beijing's GDP-PPP was 664 billion[9], compared to Sweden's at 475 billion[10]. Once more, Tokyo came in at 1.6 trillion in 2015[11], exactly on par with Canada's 1.6 trillion[12] that same year. These numbers tell an interesting tale of a future – and perhaps already present – dominated by urban centres. Cities already account for 80% of global GDP[13]. Increased trade benefits, foreign direct investment, easier access to export markets, and responsible tourism flows are all benefits of global cities that are felt on a national scale and improve the country as a whole. As such, to be competitive on a global scale, from trade to tourism, is to be urbanised.

TAB. 4.1 - THE CITY 600: COMPARING THE IMPACT OF CITIES TODAY, VERSUS IN 2025[14]

2019	2025
1.5 billion people or 22% of global population	2 billion people or 25% of global population
$30tn concentrated in these cities, more than half of global GDP	$64tn concentrated in these cities, or 60% of global GDP
485 million urban households with a per capital GDP of $20,000	735 million urban households with a per capita GDP of $32,000

Source: R. Dobbs, et al., *Urban world: Mapping the economic power of cities*, McKinsey Global Institute, March 2011, pp. 6-8.

in the cited country a comparable amount of goods and services a US dollar would buy in the United States.

[9] R. Florida, "The Economic Power of Cities Compared to Nations", *City Lab*, 16 March 2017.

[10] World Bank, Data, *Gross Domestic Product (GDP) per capita, Purchasing Power Parity (PPP) (current international dollar), Sweden*, 2018.

[11] R. Florida (2017).

[12] R. Florida (2017); World Bank Development Indicators, *Gross Domestic Product (GDP) per capita, Purchasing Power Parity (PPP) (current international dollar), Canada*, 2018.

[13] R. Dobbs, et al., *Urban world: Mapping the economic power of cities,* McKinsey Global Institute, March 2011, p. 1.

[14] The City 600 are the top 600 cities by contribution to global GDP growth from 2007 to 2025.

Global trade, otherwise known as international trade, is generally considered on a government-to-government scale, through the export and import of raw materials and consumer goods. However, global cities have a role to play as a critical link in the chain. It is often debated whether cities contribute to global trade or are the result of trade themselves. Scottish economist Adam Smith theorises that trade is dependent on a clear division of labour, which derives naturally when large markets operate. Cities, in this sense, are the result of the division of labour in national markets. In this aspect, cities are seemingly the *result* of trade. However, cities were the original trade actors before the rise of the modern nation-state. In their 2011 publication, *The Wealth of Cities,* authors argue that cities have a unique contribution to global trade because they are economies of agglomeration, cost savings arising from an urban concentration of business firms and people in dense clusters[15]. This theory suggests that productivity rises with density, as does the capacity for trade.

Global metropolises are not usually home to the industrial process which produces the goods to be traded. In the US, cities such as Wichita, Greenville, and Portland rank among the nation's most trade-oriented economies, as their local industries are renowned. However, the industry produced in these cities is managed to a certain extent by the central economy, which handles their trade on an international scale. These cities lack the global linkages and other factors needed to be considered global cities. While global cities are not production hubs, they are critical transit points without which the global trading process would not be possible. Further to the earlier argument in favour of quality transportation infrastructure, without global cities that invest in and are home to world-class transport, countries would be unable to export the raw materials and consumer goods that they produce, as well as import those that

[15] E. Glaeser and J. Gottlieb, *The Wealth of Cities: Agglomeration Economies and Spatial Equilibrium in the United States,* Working Paper no. 14806, The National Bureau of Economic Research, March 2009 (revised in December 2011).

they do not. As global cities continue to attract a rising urban population, concentrated productivity and, as such, export potential will be enhanced.

Quality of infrastructure is also a defining characteristic of existing global cities. Keeping pace with new infrastructure demands and trends is what sets global cities apart from others. In an era of urban living, easy access to transportation, potable drinking water, and reliable electricity are all important components in measuring quality of life in a metro area. Infrastructure is key in ensuring all these critical needs are met. Without power grids, electricity would not be reliable. Without functioning sewage filtration systems, water would not be drinkable. And without railways, roadways, and port systems, transportation would be inefficient or impossible. Building infrastructure is a more obvious contribution to the landscape of global cities; it involves residential, corporate, and recreational spaces. Without these physical structures and public services, people would have no reason, or desire, to live there. China's southeast coast, comprising global cities such as Shanghai and Beijing, has been much more productive than other, more rural, parts of the country since its opening to investment in the early 1980s. The region has had the highest average growth rates in output, capital, and total factor productivity (TFP), at 9.89, 7.91, and 5.09%, respectively[16].

Unsurprisingly, Shanghai is China's most notable megacity and has spent nearly $21bn on infrastructure development in 2018 alone[17]. Most relevant to our current argument are the completions of several transportation projects, including Yangshan Deep-water Port, the underground tunnel of South Zhongshan No.1 Road, and the renovation of Hongqiao International Airport's terminal one. Shenzhen, comparatively, is part of China's *Greater Bay Area Plan,* a rapid infrastructure development initiative to connect the city to nearby Hong

[16] K. Wai Li, "China's total factor productivity estimates by region, investment sources and ownership", *Economic Systems Journal*, vol. 33, 2019, pp. 213-230.

[17] X. Lingchao, "Shanghai spent US$21 billion on infrastructure for 2018", *Shine Newspaper,* 11 January 2019.

Kong, Macau, and Guangdong[18]. Further, it has established multibillion-dollar land reclamation plans, including the development of a maritime hub.

Alongside human capital, highly developed infrastructure can be a key competitive advantage for cities trying to attract multinational companies and foreign investments. As of 2014, China's coastal region alone accounted for 87.5% of all foreign direct investment (FDI) inflows[19]. Many executives, after failing to establish success in interior parts of the country, argue that the business clime in southern coastal Chinese cities is more accommodating. The success of new operations abroad is linked to the operational capacity of the host city. Reliability and quality of remote communications (i.e. internet access), and availability of international flights are two defining measures by which multinational companies must operate when establishing themselves in new areas. Quality of life, as measured by quality of infrastructure, is considered by companies before establishing a presence in a city. Mercer, a human resource consulting firm, highlighted quality infrastructure in their 19th annual *Quality of Living Survey* as the most pivotal factor in a company's investment decision making process[20]. Singapore, one of the leading established global cities, ranked first for infrastructure quality in the world[21]. As such, it hit a record high $95bn in FDI inflows in 2017, placing it in the top 5 FDI-receiving countries alongside the US, China (incl. Hong Kong), Brazil, and Germany[22]. Beside its immensely efficient rapid transit system and its architecturally appealing skyline, Singapore has a world-class international airport and one of the

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[18] "Greater Bay Area: China's ambitious but vague economic plan", *BBC Business News*, 26 February 2019.

[19] S. Cheng, "From East to West: The Evolution of China's FDI Preferential Policies", *Journal of the Washington Institute of China Studies*, vol. 1, no. 1, 2014, p. 60.

[20] *Quality of Living City Ranking*, Mercer, 2019.

[21] Ibid.

[22] World Bank, Data, *Foreign direct investment, net inflows (BoP, current US$), Singapore*, 2017.

most innovative technology ecosystems in the world, making it an undeniably dependable location for foreign investors.

Global cities are attractive landing points for FDI. Growth in the value of global trade and FDI often happen concurrently, as more open economies are typically less restrictive and more appealing for business relations. In 1990, for example, the net inflow of global FDI as a percentage of GDP totalled 0.91%.[23] By 2017, it had risen to 2.3%[24]. Similarly, the global export of goods and services in 1990 totalled $4.3tn[25]. By 2017, it had risen to $23tn[26]. This shows correlation, not exhaustive causation, but it is legitimate to argue that the success of global corporations is increasingly becoming reliant on their ability to manage mobile capital, whether in the form of overseas offices and affiliates, direct investments abroad, or international trade. Foreign investors are drawn to economies with a skilled labour force and better-than-average growth forecasts. The combination of these characteristics usually convenes in global cities more so than other areas. In 2017, for example, US-based company Apple announced a $507m investment in its R&D work in China[27]. This brings Apple's research investments in China to four urban centres which all happen to be, or be within proximity to, global cities: Beijing, Shenzhen, Shanghai and Suzhou. By the fourth quarter of 2018, Apple had created millions of jobs in China, and China was the company's third largest consumer market behind the Americas and Europe[28]. At 4.8 million jobs and access to a consumer market worth $11.4bn, this scenario is evidence that FDI in global cities is largely mutually beneficial for both the investor and the beneficiary[29].

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[23] World Bank, Data, *Foreign direct investment, net inflows (% of GDP), World*, 1990.
[24] World Bank, Data, *Foreign direct investment, net inflows (% of GDP), World*, 2017.
[25] World Bank, Data, *Exports of goods and services (current US$), World*, 1990.
[26] World Bank, Data, *Exports of goods and services (current US$), World*, 2017.
[27] Apple Newsroom, "Apple Announces New R&D Centers in Shanghai and Suzhou" 17 March 2017.
[28] J. Yeon-Je, "Beyond China, Apple's Asian business leans heavily on wealthier countries", *CNBC Tech*, 3 January 2019.
[29] Ibid.

FDI often involves more than capital investment and expands into the technology space through information transfer. This type of technology transfer can impact the resources and productivity of local firms in beneficiary cities. A 2003 publication found technology transfer to be the single most impactful indicator of productivity growth in transitioning economies[30]. However, this is not without consequence. Just as investors are drawn to cities with skilled economies, so too is their inclination to share their technological prowess with affiliate firms housing existing high-skilled employees. On the face of it, this does not seem like a bad thing. However, this often results in an unbalanced volume of investment in affiliate firms which already have a capable talent pool needed to support growth. Global cities are uniquely advantaged in using technology transfers as an engine of economic growth, since the concentration of qualified human capital and established business already exists. While it may seem partial for these seemingly successful cities to be the beneficiaries of further investment, their comparative advantages (i.e. people and firms) are necessary components to processing and regenerating the new information given to them through FDI. This is a cycle which, unfortunately, contributes to a widening wealth and skills gap, in which global cities continue to develop at a rapid pace unmatched by average metro areas. Those trying to break the mold will find immense difficulties in doing so.

The Indirect Consequences: Resident and Tourist Population Growth

Global cities, as perceived harbours of opportunity, sometimes trigger unintended consequences. As cities become increasingly relevant and the rhetoric around them continues to portray

[30] J. Damijan, M. Knell, B. Majcen, and M. Rojec, *The role of FDI, R&D accumulation and trade in transferring technology to transition countries: evidence from firm panel data for eight transition countries*, Economic Systems, vol. 27, no. 2, 2003, pp. 189-204.

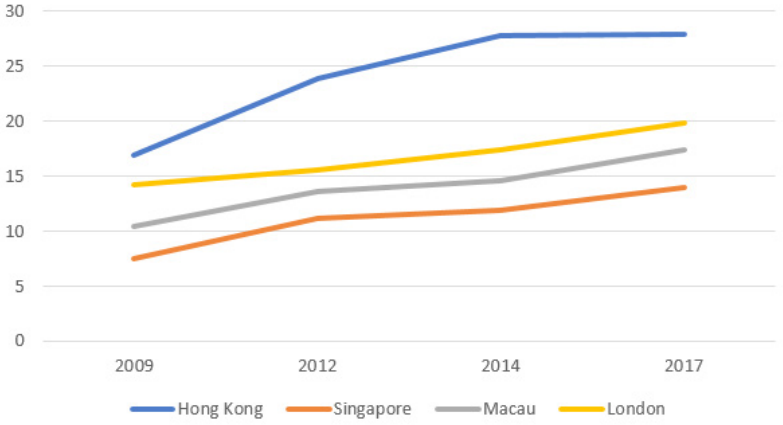
strong financial sectors and economic growth potential, people will continue to relocate into metropolitan areas in hopes of capitalising on this concentrated strength. While global cities are attributed for their strategic investments in transportation infrastructure and other resources to support the global financial sector, often investments in meeting projected population growth fall short. Municipal governments can easily become overstretched in providing basic services such as health care, affordable housing, and waste and sanitation management. Overpopulation often demands an increase in necessary resources such as water, food, and electricity; often at a higher volume than what is considered sustainable. A growing population also contributes to the overuse of existing infrastructure such as residential housing, roadways, office buildings, and public green spaces; leading to an overwhelming and often competing demand for limited municipal funding.

Global cities inherently attract more visitors than standard metropolitan areas, as they are deemed "global cities" in part because of their business or recreational offerings. Travel and tourism (T&T) are significant components of the global services trade which are directly linked to the emergence of global cities. Hong Kong, an undeniably global city, has frequently been ranked as the number one travel destination in the world, receiving an estimated 30 million annual tourists[31]. There is a global geographic pattern as it relates to major cities: Asia is home to the largest, wealthiest, and most global cities in the world. Of Euromonitor's top 10 ranking of urban tourist destinations, Bangkok is a close second to Hong Kong, along with Singapore, Macau, Kuala Lumpur, and Shenzhen all making the cut. London and Paris, both European global cities, also made the top 10[32]. Figure 4.1 shows this trend, with an increasing number of tourists arriving in a sample of the world's most notable global cities.

[31] Euromonitor International, Top 100 City Destinations, 2018.

[32] Ibid.

Fig. 4.1 - International Tourism Arrivals (millions), Global Cities



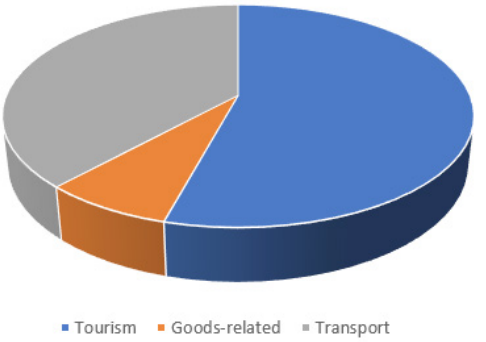
Source: World Bank Indicators[33] and *Statista*[34]

T&T in global cities directly impacts the economic prosperity of the communities which inhabit them. International tourism generated $216bn in exports through passenger transport in 2016[35]. This brought the total value of tourism exports to a peak of $1.4tn, representing 7% of the world's exports in goods and services[36]. Contributing 10.4% of global GDP in 2017, roughly $8.8tn, the T&T sector is a major source of global revenue[37]. Interest in urban tourism is seemingly increasing alongside urbanisation trends. There are several reasons for this; by and large it is the result of travellers wanting familiar amenities in an unfamiliar context. Tourists want the ease of access and

[33] World Bank, Data, *International Tourism Arrivals (in millions), Hong Kong, Singapore, Macau, 2009, 2012, 2014, 2017*.
[34] "Statistical Review of Overseas Tourist Visits to London from 2008 to 2017", *Statista*, June 2019.
[35] UN World Tourism Organization (UNWTO), *Tourism Highlights*, 2017 Edition.
[36] Ibid.
[37] World Travel and Tourism Council (WTTC), *Economic Impact Analysis*, Report, 2018.

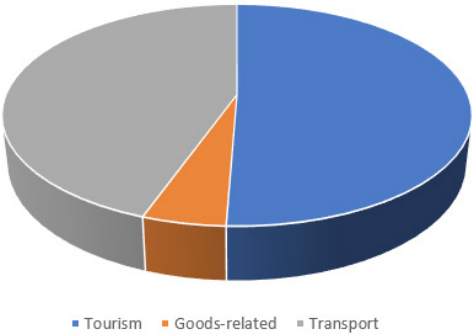
transportation and the availability of conveniences (i.e. hotels, restaurants, entertainment), which are all easier to find in global cities.

Fig. 4.2 - World trade exports in commercial services by category, 2017 (percentage of total)



Source: World Trade Organization (WTO), *World Trade Statistical Review*, 2018

Fig. 4.3 - World trade imports in commercial services by category, 2017 (percentage of total)



Source: World Trade Organization (WTO), *World Trade Statistical Review*, 2018

While the global tourism industry is one of the world's leading drivers of economic growth, "overtourism" is becoming a major issue in global cities, leading to a plethora of development challenges. The growing number of visitors to these cities also has a significant impact on their depleted resources and social services. Existing city residents not only have to compete for resources with a growing influx of new residents, but also with short-term tourists and businesspeople who are often believed to mismanage and over-utilise resources to a greater extent, as they have less of a vested interest in guarding and protecting them.

The summer of 2017 saw a surge of protests against overtourism in popular European cities. The residents of Barcelona have continually voiced their concerns over the increasing number of tourist arrivals – 32 million visitors descended on the city in 2017, compared to 1.6 million full-time residents[38]. The growing unrest has triggered a wave of protests, and in one case, anti-tourism activists overtook a tourist bus in retaliation[39]. The common theme of these protests is not against tourism itself, but against the commercialisation of mass tourism, which is often seen to destroy the natural landscapes and historical elements of cities that draw residents to live there in the first place. Activists from 14 southern European cities formulated the Network of Southern European Cities Against Tourism (SET), focusing on the negative economic impacts for locals[40]. The rise of Airbnb, for instance, has been accused of reducing affordable housing and displacing families who have generational roots in these popular cities. Palma, the island capital of Mallorca, was the first Spanish city to ban private vacation rentals altogether for this reason[41].

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[38] H. Plush, "Barcelona Unveils New Law to Keep Tourists Away", *The Telegraph*, 27 January 2017.

[39] C. Leadbeater, "Anti-tourism protesters in Barcelona slash tyres on sightseeing buses and rental bikes", *The Telegraph*, 2 August 2017.

[40] "South European cities and stakeholders join forces against mass tourism", *The Local Spain*, 27 April 2018.

[41] Ibid.

Global cities are not immune from the consequences of population growth and are exposed to the same risks and obstacles as standard metropolitan areas. Population growth is often correlated with a widening wealth gap and an increasing poverty rate. As demand for housing and quality infrastructure increases, the less affordable it becomes to the general population. This spurs extensive urban sprawl, where the informal city limits become continually expanded as those who can no longer afford to reside within the central part of the city move toward its outskirts. This becomes an issue when these outskirts turn into compact areas of highly impoverished communities with low accessibility to the rest of the city and its resources. This reality is seen from the *favelas* of Rio de Janeiro to the shanty towns of Johannesburg. Large cities are no stranger to the issues posed by these areas, and global cities must address them adequately despite their competing priorities as global financial centres. In the next two decades, an estimated $100tn will need to be invested in urban infrastructure to support this impending population growth[42]. This is believed to be the baseline level of investment that will be needed to adequately meet the challenges ahead.

Population Growth: Countering Consequences with Sustainable Policies

An increase in urban tourism shares similar consequences with general urbanisation trends. As the world's population continues to migrate into cities, unprecedented demands will be placed on the local economy. This, in turn, will create an unprecedented strain on the environment, as cities struggle to draw on natural resources to support increasing demand of infrastructure and services. It is already estimated that by 2030,

[42] The World Economic Forum (WEF), "The Green Investment Report The ways and means to unlock private finance for green growth", *Report of the Green Growth Action Alliance*, 2013.

climate change and natural disasters will cost cities worldwide $314bn annually and push an additional 77 million urban residents into impoverished conditions[43]. These issues are accelerated by tourism, the revenue from which often clouts decision makers' judgments on resource use and urban management. Global cities must balance the benefits of tourism revenue with the costs to the local population and environment. This means strategically utilising their advanced infrastructure to ensure adequate public services are reaching residents, even in high season, without depleting critical resources. This has not always been the case.

Cruise ships and golf courses, for example, require the use of so much water that supply is limited and, in some cases, depleted, for city residents. In Palermo, the capital of Sicily, hundreds of homes were left without potable drinking water when water supply was diverted to meet the needs of cruise ships docking in the port in 2017. On days when temperatures reached 31 degrees Celsius, 174,000 tonnes of water were loaded onto cruise ships carrying tourists[44]. Because of the resulting water shortages, all other Italian ports banned water restocking for holiday ships. Campaigners under the group "*No grandi navi* (no big ships)" have attempted to limit the volume of cruise ships coming into the port of Venice, as the immense pollution has threatened to move the UNESCO World Heritage-designated city to a list of critically endangered cities[45]. While responsive action to the anti-tourism protests has been slow, the Mayor of Venice announced a proposal to curb the consequences of mass tourism by implementing an access fee for day visitors. As cruise ships are the main source of non-overnight visitors, this proposal would mandate a baseline €3 charge per visitor, rising

[43] World Bank Group, *Investing in Urban Resilience: Protecting and Promoting Development in a Changing World*, World Bank, 2016.

[44] "Cruise ships cause water shortage for Palermo residents", *The Local Italy*, 24 August 2017.

[45] T. Steighorst, "The long-term influence of 'No Grandi Navi' in Venice", *Travel Weekly,* 12 February 2019.

to €10 during busy season. This day tax proposal is slated to begin in 2020[46].

Even without tourism, global cities are some of the most populous, and densely compact, cities in the world. While the associated problems are particularly acute in the developing world, they impact all global cities to some extent. As mentioned previously, a high-density population often results in an over-demand for housing and, as such, skyrocketing housing prices, which drive large groups of residents toward the perimeters of cities in search of affordability. Unfortunately, this often creates clusters of poverty which are too isolated from city centres and reliable infrastructure, so much so that public services do not reach them. Densely populated global cities are far more exposed to the impending climate risks, as they tend to be in coastal areas at the mercy of rising sea levels and extreme flooding. Today, approximately 3 billion people, roughly half of the global population, live within 200 kilometres of a coastline. By 2025, that figure is estimated to double[47]. By 2050, the urban population exposed to cyclones will increase from 310 million to 680 million[48]. Increasing volumes of tourism to coastal areas will only amplify the number of global populations exposed to severe weather-related risks. International tourist arrivals to Australia's Great Barrier Reef, for example, have reached roughly 2 million per year[49]. Overtourism of areas such as this can have severe ecological impacts. Coral depletion and agricultural run-off are two grave threats to the reef, often accelerated by mass tourism. Both are results of, and reinforcements to, climate change. Shifts in ocean chemistry can trigger rising sea levels, global warming, and further cycles of coral bleaching

[46] T. Steighorst, "Venice unveils details of tourist fee proposal", *Travel Weekly*, 6 February 2019.

[47] L. Creel, *Ripple Effects: Population and Coastal Regions*, Population Reference Bureau, 25 September 2003.

[48] World Bank, *Open Data for Resilience Initiative*, May 2013.

[49] J. Robertson, "Great Barrier Reef tourism: caught between commerce and conservation alarm", *The Guardian*, 16 April 2017.

and depletion. These phenomena directly impact human populations, as changes in marine life affects food supply, marine livelihoods, and the likelihood of marine-related natural disasters. Global cities tend to have more impoverished community clusters, due to the extreme wealth disparities resulting from the advanced trade and finance sectors. Areas lacking access to durable infrastructure and public services (i.e. favelas, shantytowns, townships, etc.) are less resilient after a major weather event. When something like this occurs, those areas require a higher degree of municipal resource intervention, redirecting attention from the other ongoing needs of global cities.

Addressing population issues is key to prospering from coastal resources in a sustainable, long-term manner. The increasing concentration of residents in coastal areas can have economic benefits – tourism, port access, and food supply – but such progress cannot be sustained if the ecosystem that provides these benefits is threatened and depleted. Global cities that have a clear and comprehensive approach to managing population growth with sustainable policies and durable, eco-friendly infrastructure, are more reliable investment beneficiaries. Sustainability has become, in many ways, a key driver of innovation for companies and cities alike. Entities believe that employing sustainable practices will give them an edge over their competition, as the 'quest for sustainability' has already begun to change the competition landscape in many industries. For starters, establishing eco-friendly methods can save companies money in the long term by decreasing the amount of inputs they use. Cities, similarly, are seeing returns on investments (ROIs) in sustainability, as energy efficiency helps save on transportation costs and other operational infrastructure costs. More renewable energy use also means lower CO_2 emissions, resulting in a cleaner air quality which contributes to quality of life rankings and provides a competitive edge over counterpart cities. Sustainability will be a pillar of modernised global cities, if it is not already so. Those who fail to keep pace with it will inevitably fall behind and perhaps even lose global city status eventually.

Case Studies

This chapter ends with two case studies, the cities of Miami and Paris. They usefully portray different phases in global cities' evolution: we might consider the first as an emerging global city, showing many of the above-discussed characteristics of a growing center as well as different risks connected to a booming metropolitan area. Paris is, on the contrary, a global city – the "capital of the XIX century", as the German philosopher Walter Benjamin once described it. SOURCE In this respect, it remains to be seen whether Paris will be able to shape a sustainable future beyond the level of excellence it has already achieved in many fields, and overcome the challenges of pollution, expensive real estate market and mass tourism.

Emerging Global City Case Study, Miami, Florida, US

To properly understand the role of global cities on the world stage, it is important to first dissect the differences between an emerging and an established global city. To identify these differences is to understand what sets one apart from the other and what it takes to transition from a large influential city to a global participant. It also helps to understand what components are needed to sustain that status once the transition is believed to have been completed.

Before the Cuban Revolution, Miami was not much more than a tropical swampland where American tourists vacationed to escape the brutally cold northern winters. In the several decades following the Revolution, Miami transitioned into a refuge for migrants fleeing persecution. Beyond the Cuban migrants, Miami has received Venezuelans, Colombians, Brazilians, and a host of other refugees and asylum seekers from Central and South America, and the Caribbean. Political instability and economic depression in those regions have historically correlated with a new surge of arrivals to Miami's shores.

Miami, born of the entrepreneurial spirit of expats, was

always destined to be a global city. It has been linked to Latin America from the onset of its establishment as a populated urban centre. Initially, this connection was largely informal, through remittances and political advocacy groups. This period of informality signalled that Miami as a booming metropolis, and not just a beach destination, would be short-lived, as many of its residents had hoped to return to their native countries. Ongoing instability and often, worsening situations at home, encouraged Miami's residents to settle in for the long run. Years went by, and roots grew deeper, establishing Miami as a permanent home and major metropolitan area for refuge seekers and later, a new wave of American transplants.

In the last decade, Miami has slowly begun a transition into a technology and innovation hub for the Americas. Financial Times has dubbed Miami "the U.S. gateway for Latin America[50]", referring to its increasing appeal for start-ups to tap into an eager community of capable Spanish speakers. Many Silicon Valley technology companies, with Uber leading the charge[51], have established regional offices in Miami with the intent of serving and expanding into Latin America. The world's largest technology fund focused on Latin America, SoftBank Group, has recently chosen Miami as its home base for its $5bn *Softbank Innovation Fund*[52]. That means that Miami will now join the ranks of global cities such as Tokyo and Sao Paulo which host Softbank's two other offices. Similarly, Forbes Magazine has called Miami "the operational financial centre for a growing Latin American market"[53]. Home to financial institutions that only exist in Spain and Latin America, Miami is demonstrating

[50] S. Davies, "Miami U.S. Gateway for Latin America", *Financial Times*, 24 February 2015.

[51] N. Nehamas, "Uber Sets Up Miami Headquarters in Brickell", *Miami Herald*, 20 July 2015.

[52] N. Dahlberg, "Miami Office Will Help Steer $5 Billion Softbank Innovation Fund Focused on Latin America", *Refresh Miami*, 9 April 2019.

[53] T. Groenfeldt, "Miami - The Operational Financial Center For A Growing Latin American Market", *Forbes*, 13 March 2015.

its unique geographic link between Europe and the Americas. Aside from these two aspects, Miami has also established itself in the arts, entertainment, and culinary scene. The city attracts renowned chefs, artists, and music entertainers from around the world to live and work on its world-class South Beach, and emerging arts and downtown design districts.

Similarly, Miami is home to some of the busiest ports in the world. PortMiami, the city's marine cargo port, links international markets with the United States. Recognised also as the "cruise capital of the world", PortMiami accommodates large swaths of the world's tourists on an annual basis. To kick off the 2018-2019 cruise season, the city welcomed an estimated 52,000 cruise passengers on one day alone[54]. The previous year saw an estimated 5.6 million cruise passengers come through PortMiami. Passenger and cargo volumes are estimated to have increased by approximately 37% and 20%, respectively, from 2013-2018. With allocated capital improvements of around $1.5bn, PortMiami is situated to continue an upward trajectory of success as the US' leading cruise port[55]. The Port's continued infrastructure investments are expected to increase the cargo capacity, starting with a new maintenance and repair facility for equipment fleet. It is continually investing in new container handling equipment and technologies, as well. Miami International Airport (MIA) is the largest gateway between the US and Latin America, and is one of the largest airline hubs in the entire US It is often acclaimed as the connecting facility between Europe and the Americas, for both cargo and passengers. It holds the top ranking for busiest US airport for international freight, a new record of 2.3 million tons in 2018[56]. MIA recently won a $5bn capital approval for modernisation projects over the

[54] A. Muñiz-Amador, "The Cruise Capital of the World gets ready for a record 52,000 travelers", Miami-Dade County News Release, 7 December 2018.

[55] A. Muñiz-Amador, "PortMiami wins Cruise Industry Award for Best U.S. Port", Miami-Dade County News Release, 23 January 2018.

[56] "Miami International Airport Wins Approval For $5 Billion In Modernization Projects", CBS Miami, 5 June 2019.

next 15 years[57]. As it is projected to reach 77 million travellers and more than four million tons of freight by 2040, improvements are critical[58]. To that end, many of the travellers transiting through Miami's port systems also use its roadway systems. This, along with the continued population growth in South Florida, has put a strain on Miami's commuter infrastructure. An $800m transport infrastructure project broke ground this year to counteract overuse issues on three expressways converge at an interchange which sees 450,000 vehicle trips daily[59]. This project, known as *Connecting Miami*, is aimed at increased productivity through ease of social connectivity and mobility.

With its existing attributes and future investment plans, it is curious as to why Miami is not yet considered a truly global city. Chronic mismanagement of public funds resulting in unbalanced investments is one factor that has prevented Miami from making that final push toward becoming a global city. Miami's affinity toward investing in new and innovative infrastructure is both its blessing and its curse, as it has done so at all costs. An increasing wealth divide and an underdeveloped labour market for the populous middle class is another, perhaps a result of the saturation of infrastructure projects. As a result of the ongoing infrastructure boom, both residential and commercial real estate make up Miami's most lucrative industries. Political and financial instability across Latin America has fuelled a steady demand for real estate investment in Miami. It was this that nearly saved Miami from the 2008 financial crisis, as the rest of the US had suffered great financial losses. The consistent demand for building developments has triggered a thriving downtown and city skyline which did not exist a decade ago. However, it comes with a great deal of consequences. The luxurious, high-end character of Miami real estate has rendered the area unaffordable for many locals. A recent Miami Herald

[57] Ibid.

[58] Ibid.

[59] Florida Department of Transportation (FDOT) and the Miami-Dade Expressway Authority (MDX), Connecting Miami, http://www.i395-miami.com/

article discussed the growing pains of being one of the fastest growing cities in the world. It compares Miami's wealth inequality to that of Colombia's, with more than 60% of Miami-Dade County resident's paying more than 30% of their income on housing[60].

Miami is struggling to transition from a low-skilled economy to one which attracts technology specialists and entrepreneurs, but poor liveability rankings will slow it down. To sustain itself as a global city, it must be able to compete successfully in the global economy without losing sight of its own municipal priorities: matching increasing costs of living with supporting living standards. In Miami's case, this means more affordable housing, higher wages for a more developed job market, or some combination of the two. The future is Miami's for the taking, but it won't get there with half-empty residential complexes owned by wealthy foreign investors. It will only succeed by investing in the capacity and operational ability of its resident population.

Established Global City Case Study, Paris, France

Paris has, over many centuries, worked toward becoming what is now the fourth-largest metro economy in the world[61]. Parisians have the fifth-highest average wealth of the world's top global cities[62]. Paris boasts a highly educated population with access to a strong, developed workforce. Its labour market offers a plethora of jobs requiring a wide-range of skill sets – from trades such as construction to financial and business services. Paris houses 19% of France's population and accounts for $818bn, or 31% of the country's GDP[63]. Unlike Miami, which

[60] A. Viglucci, "Priced Out of Paradise", *Miami Herald*, 5 June 2019.
[61] J. Parilla, N. Marchio, and J. Trujillo, *Global Paris: Profiling the Region's International Competitiveness and Connections*, Global Cities Initiative, Brookings Institution, 2016, p. 4.
[62] Ibid.
[63] World Population Review, France Population 2019.

does not currently make up a sizable portion of the US economy, Paris is a critical component of France's economic prosperity. If Paris succeeds, France succeeds, and vice versa. The same cannot be said for the US-Miami relationship, as the US relies much more heavily on the cities mentioned above: New York, Boston, Washington, and Los Angeles. Thus, it is appropriate to link the development of a global city not only to its interactions abroad, but also to its impact on its own central economy.

Paris is a quintessential global city not only for its economic prosperity, however. Paris has been one of the most visited destinations by tourists for centuries, due in part to its unique architecture and dynamic history. It is also world-renowned for its distinctive culinary scene which arises from a combination of traditional French fare and that of its diverse resident body. The fabric of Paris has been shaped over time by its residents, coming from every corner of the world, and contributing to the city's exceptional ability to integrate art and entertainment from a wealth of sources. It is a city which has historically embraced immense differences in culture, gastronomy, and lifestyle, and translated those differences into an unparalleled experience that is uniquely Parisian.

Paris, for all its positive indicators as a global city, is not immune from the effects of globalisation. Global cities, once established as such, are still at risk of decline if sustainable policies are not implemented and strategic investments not made. While Paris is not at immediate risk of losing its global city status, it has experienced a slower growth rate than many of its global city counterparts for several reasons. Population growth has impacted Paris immensely: this is the first and most apparent reason for the slower growth rate. It is estimated that nearly 550 migrants arrive in Paris each day. With 25,000 child migrants estimated to have arrived in France in 2017 alone, Paris and its surrounding suburbs are getting the worst of it. As it currently stands, nearly 3,000 migrants are unhoused, sleeping in the streets of Paris in makeshift tents. It is believed that an

additional 80 people per day are adding to these numbers[64]. Under French law, migrant children are entitled to housing, education, and other social services, funded by the French taxpayer[65]. In Paris, authorities are stretched to provide these necessary services for the immense volume of arrivals; some have even taken to narrowing the scope of definition for "minor" and "adult" to lessen the burden. The heightened demand for resources and the domestic revenue needed to support them, have put a serious strain on Paris' ability to continue a trajectory of economic growth.

This demand for increased public revenue has created a recent outbreak of protests among French citizens across the country. "Yellow Vest" demonstrators, mostly made up of citizens from rural areas of France, took to the streets of Paris to voice their demand to stop a planned fuel tax increase. They used Paris as their staging ground, as it garners world attention. Parisians' economic concerns go beyond the proposed fuel tax and are reflective of a broader set of urban economic issues. Living costs in the city continue to increase, while take-home pay remains stagnant. France has one of the most generous social safety nets in the world, and more welfare spending than any other European country. To support this, the labour force must shoulder the costs. Since Parisians contribute 31% of France's GDP, or $818bn in output, the bulk of the costs are offloaded onto them[66]. Taxes disproportionately impact different financial classes. Paris, hosting the bulk of the working-age population and thus, the most diverse population of financial classes, is exposed to the wealth divide in a more pronounced way. President Macron has publicly announced an income tax cut which would be met by a cut in public spending[67]. In 2018,

[64] D. Chazan, "Illegal migrants in Paris suburb soar to 400,000 as hundreds of migrant children sleep on streets", *The Telegraph*, 5 July 2018.

[65] Human Rights Watch, "Arbitrary Treatment of Unaccompanied Migrant Children in Paris", 4 July 2018.

[66] J. Parilla, N. Marchio and J. Trujillo (2016), p. 4.

[67] L. Thomas, "France's Macron looks to match tax cuts with spending cuts",

he had addressed the prospect of reinstating the solidarity tax on wealth (ISF), and ultimately turned down the proposal as a viable solution to quell the protests and unrest[68]. Paris relies on public services to support its otherwise overwhelming population. As population growth continues, Paris will be hurting if faced with cuts in social spending programs. Amplifying these financial woes, unemployment in France has been stuck between 9 and 11% since 2009[69]. With so many people out of work, a new promise of lower taxes, and a continued demand (and in some cases, necessity) for public funding, it is no wonder why the economy is dormant. For Paris to dig itself out of its stagnation and maintain its global city status, France must employ some transformative financial policy changes.

Conclusion

As shown in the analysis of the case studies, the city of Miami clarifies which are the opportunities and the problems for a city aiming to reach the status of a global city, while Paris showcases the issues of a global city that wants to keep its status and attractiveness, while enhancing its sustainability. Many other examples could have been selected, each with its own specificities. However, the cases analysed are particularly telling when trying to distinguish between traditional global cities and new ones in the context of the current global urbanisation. Many urban areas are already huge, while many others will grow quickly in the next decades. But only some of them will succeed in becoming a true sustainable global city.

Reuters, 26 April 2019.

[68] P. Allen, "Wealth tax ruled out as Macron addresses France to quell riots", *U.K. Evening Standard*, 10 December 2018.

[69] L. Alderman, "These Five Numbers Explain Why the French Are in the Streets", *New York Times*, 4 December 2018.

5. Migrants Need Cities, Cities Need Migrants

Juliana Kerr

Among the many trends that will transform the future cities – such as new technologies and rapid urbanisation – cities must be particularly intentional about preparing to respond to global migration. A wide range of push and pull factors are driving migration trends, from globalisation, jobs, and family reunification to conflicts, crises, and climate change. And cities are where migrants settle. Cities will continue to be receiving communities of migrants and refugees whether or not they or their national governments want them to be. Cities cannot shut their doors to this reality. In turn, they need to be open, proactive, and prepared in order to thrive in this dynamic and interconnected era. Some cities are already at the forefront of best practice in creating welcoming societies and integrating newcomers, but too many cities have yet to establish the institutional infrastructure, political processes and social mindset to successfully adapt to this trend. Furthermore, cities are increasingly facing restrictions and opposition from their national governments rather than the support and resources needed to effectively manage this reality. The future of cities is undoubtedly a globally diverse one. But their success will be determined by how they build inclusive, multicultural, and cohesive communities.

This chapter has the following structure: first, it analyzes the major trends of migrations worldwide. Then it explains how these fluxes impact on cities, and how foreign communities

settle in global cities. Furthermore, it lists the tools that local leaders need to tackle the possible challenges arising from the management of resources and administrative autonomy, mentioning some interesting cases of clashes between local and national governments. Finally, it points to policies and existing and potential practices that could be implemented in order to foster integration and build sustainable global cities.

Migration Is Our Reality

As the world becomes increasingly interconnected through technological developments, ease of transportation, and trade in goods and services, it will also become so through the movements of people across borders. The International Organization for Migration (IOM) estimates that approximately 258 million people are international migrants, people who live outside their country of birth[1]. This is a record figure, and the trend is expected to continue in the decades to come.

People move for a variety of reasons, for short-term motives as well as long-term commitments. In fact, international migrants are defined as anyone who lives outside their country of origin for more than a year, regardless of legal status, length of stay or root cause. It includes individuals who move through legal channels to reunify their family, those who are relocated through work opportunities, international students, recipients of diversity lottery visas, and people in search of new life experiences. It also includes the millions of people who are forcibly displaced, who are fleeing persecution, conflict, violence, war, and the environmental disasters that have destroyed their homes, their safety, and their livelihoods.

Many immigrants move to re-join family members in different countries. According to the Organisation for Economic Co-operation and Development (OECD), more than one third

[1] International Organization for Migration (IOM), IOM Releases Global Migration Indicators Report 2018, 12 October 2018.

of all permanent migration to OECD countries is family migration[2]. In the United States, family reunification is a cornerstone of its immigration policy. Since 1965, the laws have been designed to protect the nuclear or immediate family. While other categories of immigration have numerical caps, US citizens can sponsor spouses, children below the age of 18 and parents without limitations or national quotas[3].

In addition, the labour market has gone global. Not only do companies seek new opportunities for growth and expansion in untapped markets, but the competition for skills and talent has companies recruiting and relocating employees from all over the world. As a World Economic Forum publication says,

> There's no doubt that top companies will go out of their way to bring in highly-skilled workers, even if they must look internationally to find the best of the best"[4]. There is also an increased demand for low-skilled workers. In the United States, for example, there are simply not enough people to fill low-skilled jobs in the hospitality, retail, agriculture, and healthcare service sectors. In fact, "nearly every industry now has a labour shortage" because baby boomers are retiring and more people are going to university in pursuit of higher-skilled job opportunities[5].

To prepare for working life in this global era, international student enrolment has been steadily increasing over the last decade. UNESCO found that in 2016 there were over 4.8 million students studying in a foreign country, compared to 2 million students in 2000[6]. While students originally travel on non-immigrant visas, studying abroad can serve as a pathway to legal permanent resident status when other opportunities arise. And research has

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[2] Migration Data Portal, Family migration, 22 May 2019.

[3] U.S. Citizenship and Immigration Services, Family of US Citizens, last update 23 March 2018

[4] J. Desjardins, "Which countries are best at attracting high-skilled workers?", *World Economic Forum*, 20 March 2019.

[5] A. Fernández Campbell, "The US is experiencing a widespread worker shortage. Here's why", *Vox*, 18 March 2019.

[6] Global Migration Data Portal, International Students, 22 October 2018.

shown that "local economies have much at stake in better retaining talented foreign-born students in their local workforces"[7].

Then there are the other stories of migration: the millions of migrants, refugees, and asylum-seekers who are forcibly displaced by war or climate-related disasters, or who are fleeing political or religious persecution, violence, gangs, and crime. The UNHCR estimates there are 70.8 million people – a record number – who have been forcibly displaced worldwide, and "nearly 1 person is forcibly displaced every two seconds as a result of conflict or persecution"[8]. Conflicts in Afghanistan, South Sudan, and Syria account for over 50% of the world's refugees, but struggles are occurring globally. Congo, El Salvador, Myanmar, Venezuela, and Yemen are all facing major crises of various origins – political, social, economic and environmental, and more push factors are looming on the horizon. According to a 2018 World Bank report, "climate change will transform more than 143 million people into climate migrants escaping crop failure, water scarcity, and sea-level rise"[9].

Some families are fortunate. They meet the appropriate case workers with UN agencies, they obtain the formal documents for refugee resettlement, they pass all required screenings and tests, and they are eventually relocated to safe countries and given some basic resources to try and build a new life.

For far too many others, however, this is not the case. The bureaucratic systems for migration and refugee resettlement are extremely difficult to access or navigate. In response many take risks, some in search of temporary refuge while others hope to never turn back. As *The New York Times* wrote in June 2019 about the El Salvadoran migrant who drowned in the Rio Grande with his two-year-old daughter trying to reach the United States, "for

[7] G. Peri, G. Basso, and S. McElmurry, Opportunity Lost: The Economic Benefit of Retaining Foreign-Born Students in Local Economies, The Chicago Council on Global Affairs, 14 April 2016.

[8] UNHCR, Figures at a Glance, 19 June 2018.

[9] L. Parker, "143 Million People May Soon Become Climate Migrants", *National Geographic,* 19 March 2018.

every migrant who chooses to take the journey, whether on foot, packed into cargo trucks or on the top of trains, the fear of what lies behind outweighs that which lies ahead"[10].

Global migration is neither driven by a set of predictable and consistent root causes, nor is it confined to a few localities. It is happening at any given time all over the world. The World Economic Forum, in its 2017 report "Migration and Its Impact on Cities", documented a number of the more prominent migration corridors[11]. What was notable is the variety of movements worldwide: they are not just the South-to-North routes of Northern-Africa to Europe or Central America to the United States. There are movements within areas that have more porous borders, such as in Europe and South America, and major corridors throughout Southeast Asia and Africa. Some places, such as Brazil and the United States, are both sending and receiving migrants. Other places, such as the United Arab Emirates, are managing large percentages of migrants compared to the total population. And migration does not always originate from the poorest places. In fact, the Pew Research Center found that "countries with some of the lowest UN Human Development Index ratings and GDP per capita all have less than 3% of their population living outside their borders"[12].

Put simply, migration is our reality, and there is no easy or uniform answer for whether one person deserves a chance of a new opportunity more than another. National laws try to filter the demand, yet too often those laws and policies are outdated or absent altogether. While national leaders debate legislation on how to respond, cities are dealing with the impact of migrants in their communities every day.

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[10] A. Azam and K. Semple, "Photo of Drowned Migrants Captures Pathos of Those Who Risk It All", *New York Times*, 25 June 2019.

[11] World Economic Forum, *Migration and Its Impact on Cities*, October 2017.

[12] C. Inkpen, *7 facts about world migration*, Pew Research Center, 2 September 2014.

Migrants Need Cities, Cities Need Migrants

Cities are, and have long been, the gateways for migration. In the United States, for example, cities such as Boston, Chicago, New York, and San Francisco have been "quintessential immigrant destinations, having large and sustained immigrant populations over the course of the XX century", while dozens of other cities served as former gateways, minor-continuous gateways, Post-World War II gateways, and emerging gateways[13].

The 2017 World Economic Forum report found this trend continues worldwide:

> Migrants tend to be particularly concentrated in global cities, if they exist in their country of destination, as compared to other parts of the country. For instance, of the 6.8 million foreign-born people living in Canada, 46% reside in Toronto. Over 50% of the population of Dubai and Brussels is foreign-born due to their highly mobile workforces. In 2014, 36% of the total US population was concentrated in 20 US cities, which were home to 65% of the country's authorized and 61% of its unauthorized immigrants. In Singapore, migrant workers account for 20% of the city-state's population[14].

Migrants first settle in cities because cities have the resources, social infrastructure, economic base, transportation systems, services, and networks that not only help attract immigrants but also serve in helping them navigate the new environment. Migrants can find their peers and others who can pass along lessons from their own experiences. Some find places to live, employment opportunities, and their religious communities. Others temporarily transit through urban centres as they move on to other destinations.

Not only do migrants need cities, but cities need migrants. For many cities, regular migrants are the demographic lifeline

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[13] A. Singer, *A Typology of Immigrant Gateways*, 2014, The Brookings Institution, December 2015.

[14] World Economic Forum (2017), p. 27.

that is keeping them populated and on the map with tax-paying residents. In the Midwest region of the United States the native-born populations had risen only 7% from 2000 to 2015 compared to 14% for the nation as a whole[15]. Immigrants helped offset the declines of the native-born population, and in some metro areas, including Chicago, immigration was responsible for most of the population growth.

Migrants are also a crucial part of the urban labour force. In the United States, immigrants were almost twice as likely to start businesses as native-born Americans, and in 2010, 40% of the major Fortune 500 companies were founded by an immigrant or the child of an immigrant[16]. Immigrants bring highly skilled talent as scientists, engineers, and doctors, as well as the willingness to take on labour-intensive jobs in construction, hospitality, healthcare and other services. Around the world, migrants often help fill labour shortages at both ends of the spectrum, complementing the skills of the native-born middle-class workforce.

In Japan, traditionally more homogenous, nationality is determined by bloodline rather than birthplace. In 2018 its foreign-born population reached a record high – of just 2%[17]. Tokyo, one of the world's leading global cities, has a foreign-born population of under 4%[18]. Yet with its aging population and low birth rates Japan is looking to immigrants to help sustain the economy. According to *The New York Times*, "under the new measure, between 260,000 and 345,000 five-year visas will be made available for workers in 14 sectors suffering severe labour shortages, including caregiving, construction,

[15] R. Paral, *Immigration a Demographic Lifeline in Midwestern Metros*, Chicago Council on Global Affairs, March 2017.

[16] D. Stangler and J. Wiens, *The Economic Case for Welcoming Immigrant Entrepreneurs*, The Kauffman Foundation, 8 September 2015.

[17] Y. Okada, *Japan's foreign population hitting a record high*, Mizuho Economic Outlook & Analysis, 25 July 2019.

[18] M. Rich, "Bucking a Global Trend, Japan Seeks More Immigrants. Ambivalently", *The New York Times*, 7 December 2018.

agriculture and shipbuilding"[19]. These migrant workers will not only fill jobs across a variety of sectors, but also live in the cities and contribute to the vitality of urban areas.

Most indices that rank global cities include the percentage of a city's foreign-born population as an indicator of a city's performance. The 2019 Global Cities Report released by AT Kearney identified human capital as a leading determinant of the world's top-performing cities, and immigrants are a piece of that equation. "New York continues to outrank other cities in terms of foreign-born population" and Melbourne scores high "as a result of its international student population", says the report[20]. Large, diverse foreign-born populations are seen as a benefit to global cities rather than a liability. Migrants, when integrated and welcomed, not only fill labour needs, but they bring with them new cultures, restaurants, museums, shops, music, journalism, diasporic connections and other influences that shape the future of cities.

In the meantime, despite all the research and data showing the long-term benefits of migration, particularly in cities, national legislation in the United States and many other countries fails to meet today's needs. For example, migrants might be disproportionately more entrepreneurial than the native-born, but the US does not offer an entrepreneurship visa to visionaries with modest funding. Companies may argue that migrants keep the economy thriving, but quotas for high-skilled visas have not increased in decades, and visas for low-skilled, labour-intensive, long-term work do not even exist. Millions of undocumented migrants who predominantly live in cities were brought to the country as young children or have overstayed legal visas, yet there are no systematic pathways for adjusting their status. Hundreds of mayors, families, communities, and faith-based institutions are willing to help resettle refugee families, but instead the government dramatically reduces the number

[19] Ibid.

[20] A.T. Kearney, *A Question of Talent: How Human Capital Will Determine the Next Global Leaders*, 2019 Global Cities Report, 30 May 2019, p. 4.

of refugees allowed to resettle[21]. Rather than updating laws to address twenty-first century realities, the national government focuses on decreasing legal immigration, conducting deportation raids and vilifying immigrants. Cities are at the centre of this turmoil and debate.

Cities Also Need Support and Resources

The rapid pace of irregular migration to Europe in 2015 and 2016 exposed a crisis of institutions' ability to manage the requests, petitions, and arrivals of over one million asylum-seekers. Indeed, revisiting national laws and developing consistent policies to which everyone can agree takes time and compromise. Nation-state leaders negotiate the terms of sharing the burden across the continent, consider whether to contribute resources to the border countries, and discuss how to tighten border security.

In the meantime, however, cities are expected to manage the presence of migrants – human beings, families with children – without the necessary resources. They need to make shelter available, address the concerns of their local populations and mobilise legal, healthcare, food, language and educational systems. Border cities face additional struggles as places where transient migrants become confined, turning into hostile environments of frustration and paralysis: they can't move forward, they won't turn back[22]. Already-constrained budgets become depleted, with no promise of additional funds.

There are deep concerns that migrants bring criminality or increased acts of terror. Individual cases of assault are disproportionately emphasized. In the United States, President Donald Trump has disparaged migrants from Mexico and

[21] D. Amos, "As The U.S. Takes In Fewer Refugees, Its Global Role Is Changing", *NPR*, 26 December 2018.

[22] M. Tazzioli, *This map of Europe could make you totally rethink the refugee crisis*, World Economic Forum, 11 October 2018.

Central America: "They're sending people that have lots of problems, and they're bringing those problems with us. They're bringing drugs. They're bringing crime. They're rapists"[23]. In fact, research has shown that cities in the United States with large migrant populations actually have lower levels of crime. A major study that looked at immigration and crime rates of 200 metropolitan areas in the US from 1980 to 2016 found that "crime fell more often than it rose, even as immigrant populations grew almost across the board"[24]. The same study also found that the "ten places with the largest increases in immigrants all had lower levels of crime in 2016 than in 1980".[25] Cities need to ensure migrants are not marginalised in isolated ghettos, for this can fuel resentment and discontent.

Changing the hearts and minds of local native-born populations is a long-term commitment. Cities can pass policies and make declarations, but local populations with deep-rooted traditions and opinions will not necessarily change behaviours and mindsets overnight. Interculturalism in Europe, for example, might be discussed by some policymakers, but that does not necessarily result in immediate actions by the citizenry. "Since the beginning of the new century, interculturalism has been strongly promoted at the European level, starting in 2008 with the proclamation of the 'European Year of Intercultural Dialogue'", stated a 2018 report by ISPI[26]. And yet racially motivated attacks continue to occur, neo-fascist groups promote intolerance of migrants, and politicians across Europe gain support with xenophobic rhetoric.

Cultural shifts and acceptance can take a generation to evolve. But fears and concerns are dissipating. The Chicago Council

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[23] D. Jackson, "Video: Trump planned to describe some Mexican migrants 'rapists'", *USA Today,* 30 September 2016.

[24] A. Flagg, "The Myth of the Criminal Immigrant", *The New York Times*, 30 March 2018.

[25] Ibid.

[26] M. Villa, (ed.), Global Cities and Integration: A Challenge for the Future, ISPI Report, Milan, Ledizioni-ISPI, October 2018, p. 83.

on Global Affairs has been conducting a survey of Americans' views on foreign policy issues for decades. In 1998, 55% of Americans regarded large numbers of immigrants and refugees coming into the United States as a critical threat; by 2017 the proportion had dropped to 37%[27]. Two-thirds of Americans would support some version of a path to citizenship for undocumented immigrants, and only 22% thought they should be required to leave their jobs and the country[28]. In fact, concerns over immigration were at their lowest point since the survey began asking these questions.

To be sure, the short-term challenges are real. But migration in itself need not be the crisis. It is the lack of infrastructure, preparedness, resources, and adaptability that leads to disorder. Cities need support to overcome these issues before they become crises. The Rockefeller Foundation's former president, Judith Rodin, defined resilience as "the ability of people, communities, and institutions to prepare for, withstand, and bounce back more rapidly from acute shocks and chronic stresses", to be strong when things go wrong[29]. Cities must develop proactive, inclusive, and resilient strategies for welcoming migrants and refugees in order to maximise the benefits and minimise the risks of global migration.

Cities Must Be Open, Proactive, and Prepared for Migration

Cities have become bastions of global, plural, multicultural societies as many nation-state leaders have turned inward with isolationist, nativist and anti-immigrant policies. In Brazil, Hungary, Poland and the United States, heads of government

[27] D. Smeltz, et al., *What Americans Think about America First*, 2017 Chicago Council Survey, Chicago Council on Global Affairs, 2 October 2017, p. 26.
[28] Ibid., p. 26.
[29] J. Rodin, *Realizing the Resilience Dividend*, The Rockefeller Foundation, 22 January 2014.

have been spreading hate and fear, reinforcing stereotypes about the foreign-born. In addition, a far-right disinformation and propaganda campaign has flooded social media.

> In Italy, the perpetrators spread a movie clip of a car being destroyed and pretended it was news footage of migrants wrecking a police vehicle. In Poland, they disseminated a fake news story about migrant taxi drivers raping European women"[30]. It is said that migration "is arguably politically less acceptable than at any point since the end of the Second World War[31].

But migration is a XXI century reality that cannot be stopped, avoided, or ignored. Pragmatic cities need to advance solutions, not deny reality and create more problems. They recognise that by being open, proactive and prepared for migration they can set the standards that define a new era of globalism. "Diversity is a fact, inclusion is a choice", is a frequently quoted maxim. And cities have many tools at their disposal to promote inclusive policies and mindsets.

Notably, mayors have the power of their voice. Their words and messages matter. Mayors from Bristol to Los Angeles, from Montreal to Kampala, have voiced their support for migrants in their communities. After the Brexit vote in 2016 the Mayor of London, Sadiq Khan, reassured immigrants that they have a place in Britain: "You are welcome here. We value the enormous contribution you make to our city, and that will not change as a result of this referendum"[32]. The Cities for Action coalition includes over 175 cities and counties in the United States that have signed on to advocate pro-immigrant federal policies.[33] Chicago's former Mayor Rahm Emanuel would frequently say

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[30] I. Lapowsky, "Far-Right Propaganda Floods Facebook Ahead of EU Elections", *Wired*, 22 May 2019.

[31] A. Hill, "Migration: how many people are on the move around the world?", *The Guardian*, 10 September 2018.

[32] T. Golshan, "Brexit: London Mayor Sadiq Khan reassures immigrants that they have a place in Britain", *Vox*, 24 June 2016.

[33] Cities for Action, http://www.citiesforaction.us/mission.

he wanted Chicago to be the most immigrant-friendly city in the world. In a public statement before he completed his second term as mayor, he said:

> Not only does hate have no home in Chicago, but, as a welcoming city, we would welcome these migrants with open arms, just as we welcomed Syrian refugees, just as we welcomed Puerto Ricans displaced by Hurricane Maria and just as we welcome Rohingya refugees fleeing genocide in Myanmar. Chicago will always be a welcoming city; immigrants of all faiths, nationalities and ethnicities help make Chicago the most American of American cities[34].

These are important gestures, and not just symbolic. Mayors can set the tone for their cities and influence whether their citizens unite around a message of welcome or one of fear.

Cities also have powers. While these vary from country to country, cities can support basic liveability factors such as healthcare, housing, job opportunities and education. They can create the economic conditions in which migrants can develop themselves. New York City's Mayor Bill de Blasio "issued a bold guarantee of affordable healthcare for every resident", including undocumented immigrants[35]. Some cities offer access to scholarships and grants for higher education. Chicago and New York are among twenty US cities offering municipal identification cards that recognise city residents, whether immigrants or native-born, granting them access to some services and benefits[36]. The city of Hamburg in Germany has a Hamburg Welcome Portal that explains the benefits and requirements of naturalisation and includes links for applying for citizenship[37].

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[34] E. Rahm, *Statement from Mayor Emanuel on Reported Trump Proposal on Migrants*, City of Chicago, Mayor's Press Office, 12 April 2019.

[35] A. Goldstein, "New York City mayor vows health care for all – including undocumented immigrants", *The Washington Post*, 8 January 2019.

[36] Government Technology, Municipal ID Card Programs Take Hold in U.S. Cities, March 2019.

[37] City of Hamburg, Hamburg Welcome Portal, (last retrieved on 19 August 2019).

Having a Mayor's Office of Immigrant Affairs can be particularly useful in streamlining communications, action plans, and priorities for immigrant communities. Over twenty-five cities in the US, including Atlanta, Boston, Chicago, New York and Seattle, have such offices[38]. They offer a range of services from helping immigrant communities navigate financial literacy and small business creation, to working with neighbourhood libraries to offer citizenship and language classes. They celebrate ethnic neighbourhood festivals and work across other city departments to ensure that policies are inclusive of immigrants.

The nongovernmental Welcoming America initiative offers cities and communities a roadmap and standard guidelines for becoming more inclusive towards immigrants, and over 90 urban entities have signed on[39]. The programme offers a range of strategies for inclusion – in government leadership, equitable access, education, economic development – and for fostering unity with the native-born population as well. These strategies not only define a "Welcoming Standard", but also now offer a welcoming certification based on results of a formal evaluation and assessment. Launched in the United States in 2009, the programme has led to a Welcoming International initiative that is working in Australia, New Zealand, Germany and the United Kingdom.

Cities are also promoting inclusion for undocumented immigrants. Over 60% of the nearly 11 million undocumented US immigrants live in just twenty major metropolitan areas, according to the Pew Research Center[40]. While the national government may insist on deporting millions of people without authorisation, cities recognise the reality of those living in our communities: many have been living in the country for decades, some have overstayed a visa and paperwork is backlogged,

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[38] E. de Graauw, "Rolling Out the Welcome Mat: State and City Immigrant Affairs Offices in the United States", *Idées d'Amériques*, Autumn/Winter 2015.

[39] Welcoming America, https://www.welcomingamerica.org/about/who-we-are (last retrieved on 19 August 2019).

[40] J. Passel and D'V. Cohn, *20 metro areas are home to six-in-ten unauthorized immigrants in U.S.*, Pew Research Center, 12 June 2019.

thousands were brought over as young children who know no other home, and many others have nowhere to be sent back to. Since 1985 "sanctuary cities" have instructed their local authorities not to spend their resources and funds on enforcing national immigration laws by detaining immigrants on the *sole* basis of their immigration status. Nor do they have to. Not only is immigration enforcement the responsibility of the national government's Department of Homeland Security, but enforcing immigrant laws at the local level can break down much-needed trust between law enforcement and communities. In July 2019 the mayors of Chicago, Denver, Los Angeles and San Francisco, among others, quickly mobilised and ensured their police departments would not detain migrants when President Trump announced he would conduct raids in major cities across the country. "That means that they will not team up with ICE [Immigrant and Customs Enforcement] to detain any resident. We have also cut off ICE access from any CPD databases, and that will remain permanent", said Mayor Lightfoot of Chicago[41].

Some cities have shown additional support by creating programmes to offer *pro bono* legal aid to defend the rights of migrants. Other cities, such as Atlanta, have ended their contract with the US agency responsible for immigration and closed down migrant detention centres. Cities can also work closely with the local consular corps to communicate to the diaspora the opportunities and programmes that might be available in their countries of origin.

There are numerous proposals that outline priorities for cities preparing for migration, including by supplying housing, education, access to healthcare and transit, and actively engaging in communities to promote integration[42]. Cities need to

[41] V. Romo and M. Dani, "U.S. Cities Prepare for Planned ICE Raids", *NPR*, 13 July 2019.

[42] A. Charles, H. Galal, and D. Guna, *Preparing Cities to Manage Migration,* T20 Argentina 2018 Report series, The Argentine Council for International Relations (CARI) and Center for the Implementation of Public Policies for Equity and Growth (CIPPEC), 2018.

consult these resources and be intentional about their actions. As David Miliband, president and CEO of the International Rescue Committee, said at the 2019 Pritzker Forum on Global Cities, "the challenge to cities is to go from a reactive state to a proactive state. As you think about city plans, how are you thinking about the flows of people? As you think about housing and other policies, how are you thinking about flows of people?"[43].

Indeed, being prepared also includes being vigilant. Many cities around the world have suffered from acts of terror and violent crimes, sometimes perpetrated by immigrants or their descendants. Belgium, for example, has "the highest per-capita rate of foreign fighters of any Western European country, and its anti-terrorism police are struggling to keep up with the number of cases of radicalised individuals they see"[44]. Mayors across the country are investing resources in integration and anti-radicalisation interventions, including language acquisition, community engagement, and building trust with an ethnically diverse law enforcement. As global cities security expert Kristin Ljungkvist writes:

> Social trust is key in striking the balance between safety and security measures on the one hand, and keeping the global city open and welcoming on the other. Managing fear – rather than management by fear – is central for the global city to be safe and welcoming at the same time[45].

Cities are already at the forefront of best practice in creating welcoming societies and integrating newcomers, but too many cities have yet to establish the infrastructure, processes and

[43] "Cities Shaping Migration Policy", panel discussion at the 2019 Pritzker Forum on Global Cities, hosted by the Chicago Council on Global Affairs and the *Financial Times,* 6 June 2019.

[44] P. Engel, "How Belgium became a terrorist breeding ground", *Business Insider*, 26 March 2016.

[45] K. Ljungkvist, *Social Trust Essential to Balancing Safety and Security in Global Cities*, Chicago Council on Global Affairs, 23 March 2016.

mindset to successfully adapt to this trend. The future of cities is inevitably a globally diverse one, but cities need to make concrete efforts to be open, proactive, and prepared to effectively manage this growing trend.

A New Era Is on the Horizon

Cities worldwide are sharing their experience of receiving the variety of migrant communities coming through their areas, whether as refugees, asylum seekers, students, job-seekers, family members or otherwise. And cities recognise that a new era is on the horizon, one in which they can help influence the outcomes of these forces rather than simply react to their effects.

Within their own national systems, cities are organising and collaborating to exert a collective impact. By simultaneously adopting consistent policies towards immigrants they are demonstrating their power to make a difference at the local level towards implementing policies of inclusion, even if national legislation is restrictive or absent. In many countries they are also identifying pathways to secure dedicated funding sources to help offset the costs of their increased responsibilities. Some cities are beginning to consider arguing for a "city visa" scheme in which cities can petition for the right to sponsor foreign-born residents who are making an invaluable economic or social contribution to the future of the city. "It is time for city visas", proposed Ratna Omidvar, Senator for Ontario, Canada, speaking at the 2019 Pritzker Forum on Global Cities in Chicago[46].

When it comes to refugee resettlement in particular, the UNHCR is transitioning its model of working with refugee camps and exploring more ways to partner with urban areas. The 2018 High Commissioner's Dialogue on Protection Challenges was "dedicated to the protection and assistance of refugees, internationally displaced persons and stateless

[46] Pritzker Forum on Global Cities, Cities Shaping Migration Policy (video), 6 June 2019.

persons in urban settings, with a particular focus on cities"[47]. The "Cities of Light" special feature showcases examples around the world where cities have chosen to empower refugees and promote the contribution they make to their communities[48].

In some countries, cities have found a way to take the lead on resettling refugees at the community level. Ireland recently adopted a new community sponsorship initiative that has been available in Canada. "Under the programme, a Syrian refugee family will be resettled directly into a community rather than spending time in an emergency reception and orientation centre"[49]. Sponsor communities help find housing, employment, language training and schooling, and serve as an important local resource both for the refugee families and for other (non-immigrant) residents looking to dispel myths and negative rhetoric.

Lastly, as cities navigate new strategies they are leveraging global resources and partnerships between cities working on similar issues and exchanging best practices. They have begun by making their voices heard during the negotiations and signing of the Global Compact for Safe, Orderly, and Regular Migration. While not legally binding, the Compact comprises many objectives and commitments, and cities will be instrumental in delivering its goals, not least by collecting pertinent and accurate data, implementing policies and safeguarding the principle that migration should be "well managed and safe"[50,51].

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[47] United Nations High Commissioner for Refugees, https://www.unhcr.org/en-us/high-commissioners-dialogue-on-protection-challenges-2018.html (last retrieved on 19 August 2019).

[48] United Nations High Commissioner for Refugees, *Cities of Light*, https://www.unhcr.org/en-us/cities-of-light.html (last retrieved on 19 August 2019).

[49] S. Pollak, "Government calls for Irish communities to sponsor refugee families", *The Irish Times*, 6 March 2019.

[50] J. Brandt, *Implementing the Global Compact for Migration: Ideas for city engagement*, The Brookings Institution, October 2018.

[51] United Nations, "World Leaders Adopt First-Ever Global Compact on Migration, Outlining Framework to Protect Millions of Migrants, Support Countries Accommodating Them", 10 December 2018.

Cities including Athens, Bristol, Kampala, Los Angeles, Milan and Montreal have also launched a new Mayors' Migration Council tasked with providing "technical assistance to city leadership to develop strategies and build coalitions at the request of cities", and "insert the perspective of cities into important global and regional policy discussions"[52]. These platforms will not only amplify city voices and concerns, but they will also provide a platform for obtaining consensus, further legitimising this sphere of governance in decision making processes.

The Path for Future Cities

Every city has a different experience with migration. Some have generations of multicultural communities, others are faced with an influx of new arrivals. Some are destinations for people seeking work and livelihoods, others are short-term safe havens. Regardless of where cities sit on that spectrum they should all be intentional about preparing their communities and government agencies to respond to this growing trend. The following four priorities should serve as a path for cities:

- *Be a voice for inclusion.* Words matter. Cities and their mayors need to advance a positive and practical, not necessarily idealistic, narrative rather than perpetuate stereotypes and promote hate. In the wake of a racist-led mass shooting in El Paso, Texas in August 2019 it was argued that "the President's words – and those of his supporters – have contributed to a societal fear of immigrants, especially Hispanic immigrants"[53]. Mayors can set the tone for their cities by using inclusive language, meeting with ethnic diasporas, hearing the

[52] Migration Council, https://www.mayorsmigrationcouncil.org/ (last retrieved on 19 August 2019).

[53] J.R. Varela, "Trump's anti-immigrant 'invasion' rhetoric was echoed by the El Paso shooter for a reason", *NBC News*, 5 August 2019.

concerns of the native-born population and building a sense of community and cohesion for all residents. The "One Chicago" public campaign, for example, was launched to demonstrate that all residents are welcome: "You can be 100% Chinese and 100% Chicagoan"[54].

- *Designate a government office to manage immigrant affairs.* It is crucial that cities have a department or agency that is responsible for overseeing policies and protocols relating to immigrants and refugees. Larger cities may staff entire teams, but smaller cities should also assign immigrant-related oversight to strategic personnel. Responsibilities can include providing resources to navigate credible legal, educational, financial, housing and healthcare systems; accessing language, citizenship and community programmes; and considering how broader urban policies would affect migrant populations. This office could also explore Welcoming Standards as developed by Welcoming America.
- *Coordinate with other cities in the same country.* Cities within the same system are likely to have shared experiences and priorities when it comes to managing migration. It is important that they collaborate, coordinate their actions, and develop a collective voice. They can provide a counterweight if the national government is advancing unhelpful policies, and they can work together to help influence the updating of laws to better address today's realities.
- *Leverage international resources and networks.* Cities around the world are experiencing and responding to the impact of migration in various ways. They should leverage the vast array of international resources and networks leading the way to adopt best practices, exchange ideas and solutions to common challenges,

[54] L. Podesta and W. Jones, "City launches 'One Chicago' campaign in response to federal immigration policies", *ABC7 Chicago*, 21 May 2017.

and access nongovernmental resources that might be available.

Cities of the future will inevitably be diverse, attracting a variety of populations from around the world, each with its own circumstances and driving forces. But the success of cities will be determined by how they respond to and manage global migration. Rather than create fear or expose the weaknesses of their institutions by failing to adapt, cities need to create a global mindset within their communities, support welcoming programmes and standards, invest in institutions that can absorb and advance migrant populations, engage in global conversations to establish best practices and change narratives. As Misha Glenny and Robert Muggah write, "plural cities will play a critical role in determining whether humanity survives this century or not"[55]. By being open, proactive and prepared to welcome all cultures and experiences, cities will be able to maximise the benefits and minimise the risks of migration and set new standards for inclusion that will define our global era. This is the future of cities.

[55] M. Glenny and R. Muggah, *Populism is poison. Plural cities are the antidote*, World Economic Forum blog, 4 January 2017.

6. Cities, Democracy and the 99 Percent

Marialuisa Palumbo

Premise to an Urban Walk

Strolling in space and time, and using as a privileged point of view the claims and strategies mobilised by the last decade of social unrest, this paper looks at the relationship between cities and democracy. Indeed, at the beginning of the new millennium, cities all over the world have become once again places of refusal and collective prefiguration of a politics to come. A politics to make an "other world" not just possible but real. What kind of world? One where homelessness and poverty, as well as extreme wealth, are not a private shortcoming or an individual success, but a collective failure; a world where democracy is not an obscure notion, but something concrete in space, a form of city, shaped to welcome, cure, educate, and produce private and public well-being.

I will thus elaborate on the topic of cities and democracy through the lens of wealth, as social movements have pointed out, a simple watershed between the very few whose living standard kept growing and even increased drastically in the last decades, and everybody else. Walking in ancient Athens, and then turning to the streets of contemporary Athens, Cairo, Madrid, Istanbul, and New York, I will consider the ways in which (in many more cities) since the end of 2010 (and recently again in Hong Kong, Santiago and Haiti) millions of

people took to the streets walking together, dwelling together, and thinking together about the meaning of democracy. I will finally explore more closely the issue of housing, moving to the streets of Berlin, where thousands of citizens marched recently demanding the re-socialisation of thousands of apartments that were sold off to big real estate companies in recent decades.

Despite its radical appearance, I will argue that this proposal, reflecting the visceral mood of the city (from months of assemblies and debates between tens of different associations) after decades of privatisation policies which led to the general erosion of living standards and, even more, the growing "poverty" of national governments, finally reminds us all what democracy is about. Indeed, if democracy was born in the Greek polis as a "practice" in space to achieve a more equitable distribution of wealth[1], social inequalities, which increased so significantly in the last decades in most western democracies, have to be considered not in the light of economic crisis but as the results of a democratic crisis. Cities and their quests urge us to rethink the future of democracy.

On Inequalities and Wealth

What is wealth and how to measure its distribution across the world population? Several approaches are possible, but some are very technical and require a certain amount of mathematical knowledge to interpret them. One possible way to look at wealth and its distribution is to look at it through the lens of income (something we all grapple with). Several institutions around the world address this question, generally framing it as the "inequality" issue. Here, I will draw my data from the 2018 Report of The World Inequality Lab (WIR), a research lab based at the Paris School of Economics. One aspect of their report is indeed extremely relevant in my perspective: their

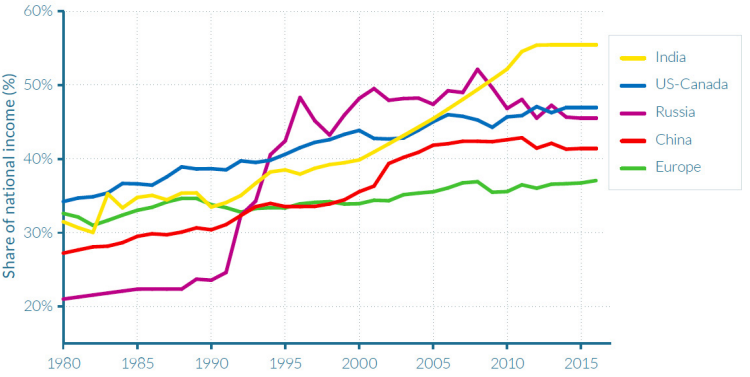
[1] L. Gaeta, "Athenian democracy and the political foundation of space,", *Planning Theory & Practice*, vol. 5, no. :4, 2004, pp. 471-483.

emphasis on the evolution of the relationship between private and public capital ownership as a major driver for inequality.

According to the report, in 2016, the share of total national income accounted for by a given nation's top 10% earners was 37% in Europe, 41% in China, 46% in Russia, 47% in US and Canada, around 55% in sub-Saharan Africa, Brazil, and India, and 61% in the Middle East. These numbers, compared with data from the recent past, show a significant increase in income inequality in nearly all the world's regions, but at different speeds. Considering overall global income dynamics since 1980, the report tells us that the global top 10% income shares has more than doubled[2].

Looking more closely at the different countries' performances, it is evident how the rise in inequality was particularly significant in some countries. As the report states, it was "abrupt in Russia, moderate in China, and relatively steady in India, reflecting different types of deregulation and opening-up policies" pursued in these countries.

Top 10% income shares across the world, 1980-2016: Rising inequality almost everywhere, but at different speeds



Source: WIR (2018), p. 6.

[2] This and subsequent quotes: F. Alvaredo and L. , Chancel et al. (eds.), *World Inequality Report 2018*, Harvard University Press, 2018, p. 10.

The different inequality levels among countries clearly show the important roles that national policies and institutions play in shaping inequality. While Western Europe and the United States shared similar levels of inequality in 1980, they differed drastically from each other in 2017 (see the graphs at the end of the chapter). In the US, reduction of progressive taxation, despite "a surge in top labour compensation since the 1980s, and in top capital incomes in the 2000s" is, according to the report, a major cause of the dramatically more uneven distribution of the national income. In Europe, on the contrary, tax progressivity and "wage-setting policies more favourable to low- and middle-income groups", acted to moderate wage inequality.

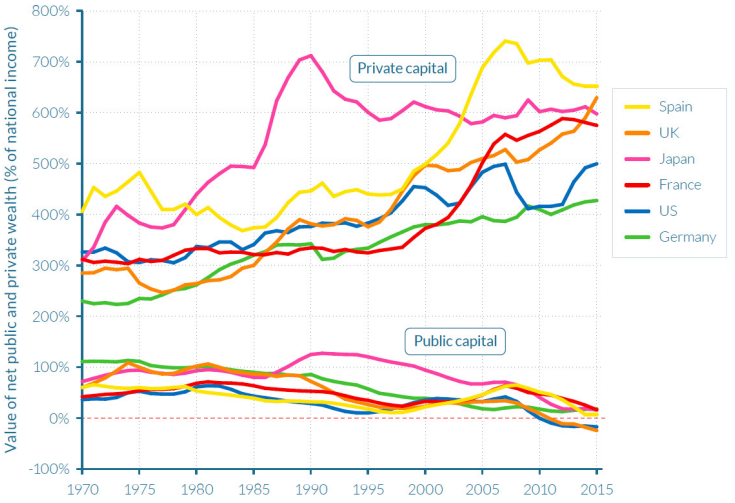
In March 2019, Elise Gould, an economist at the Economic Policy Institute, testified before the US House Ways and Means Committee (the chief tax-writing committee of the United States House of Representatives), for a hearing on *The 2017 Tax Law and Who It Left Behind*. Her testimony focused on one main point. Wage growth in the last four decades has been uneven, with notable growth only at the top. In fact, while workers' wages failed to grow at anywhere near the pace of overall productivity, the income "grew swiftly for a small sliver of the population".[3] As Gould explains, after the three decades following World War II in which productivity and worker compensation rose hand-in-hand, they diverged: from 1979 to 2017 productivity grew 70.3%, while hourly compensation of production workers grew just 11.1%. Where did the "excess" productivity go? It went to the very top of the wage distribution, and to the income of capital and business owners.

Before leaving these sad metrics of inequality, there is a final argument I want to touch upon. While according to GDP indicators most countries, together with a very small number of households, have become richer in the last decades, almost all governments have become poorer: "very large transfers of

[3] E. Gould, *Decades of rising economic inequality in the U.S.*, Testimony before the U.S. House of Representatives Ways and Means Committee, 27 March 2019.

public to private wealth occurred in nearly all countries, whether rich or emerging"[4]. In other words, if the sum of private and public wealth is equal to national wealth, most of it is now private wealth (of a very few people), with public wealth negative or close to zero in rich countries like the US and the UK, and only slightly positive in Japan, Germany, and France.[5] As the report argues, this clearly limits the ability of governments to tackle inequality.

The rise of private capital and the fall of public capital in rich countries, 1970-2016



Source: WIR (2018), p. 10.

Furthermore, after at least four decades, it seems necessary to open a corageuscourageous debate on privatisations as a strategy to increase efficiency and reduce costs. Privatisations rather seem to have contributed to a huge shift from public to private. Also, this private was not the whole or the majority of the

[4] WIR (2018), p.14.
[5] Ibid., p. 10.

people but an extremely small fragment of it (the 1%, or at best the 10%, against the 90%)[6].

On *Poleis* and Power

An inevitable question arises from the previous analysis: if inequalities have grown so much in the very heart of the oldest "modern" democracies (the British and the American ones) and wherever we can find democratic footprints, then what is democracy? And what sort of claim about wealth, and the power over it, does this word make? A possible way to answer these questions is to go back in time and space to consider another long era of unrest, that which took place in Athenian society throughout the sixth century B.C.

As Luca Gaeta writes in his compelling analysis of Cleisthenes' political foundation of a new form of power in the space of the *demoi*, even this jump back in time brings us to a context of growing inequalities and bitter fights between opposed social forces. The history of democracy begins, indeed, with the attempt to avoid a civil war, in the time of a rising urban culture, that of the Greek *poleis*. Building on Solon's reform, Cleisthenes proceeded to a radical reorganisation of the traditional tribes and to a new apportionment of the polis' land among them. The Athenians' land was "parcelled up into thirty constituencies termed *demoi*, distributed in equal number among three distinct types of regions: the coastal territories, the plains around the city, and the mountainous inland region. Furthermore, three *demoi* were assigned to each of the ten 'reshuffled' tribes, making sure that each tribe had its share in each of the three regions"[7]. The *demos*, combining tightly together the territory and the people inhabiting it, becomes the cornerstone of Cleisthenes' institutional reform. Moreover, each *demos* was appointed in rotation as president of the assembly, according to

[6] Ibid., p. 10.

[7] L. Gaeta (2004).

a new calendar re-divided as well into ten months. In this way, time and space, and people and power, were perfectly inscribed one into each other. *Demokratia*, was thus more than the "power of the people", it was a form of power coming from the land, from a way of belonging that stemmed, equally for everybody, from the right of citizenship.

An important consequence of this new social and spatial order was the progressive shift of the political centre from the archaic walled citadel on a hill, the *acropolis*, to the marketplace, the *agora.* The shift was not merely topographical. Before the late sixth to early fifth century B.C. there weren't any consciously planned agora. The agora, as a central and open space for citizens to gather, was a key spatial manifestation of democracy.

By contrast, as David Fleming claims, we could read in the architectural framework of many contemporary towns, the lack of a "place" for a genuinely public or, more specifically, political life[8]. Indeed, if in ancient Greek *politiké* meant "related to the polis", the special link between being citizens (*polítes*) and being part of the polis' assembly, the *ecclesia*, having voice and vote in it, got lost in the modern idea of state and democracy. As a matter of fact, as Benjamin Barber argues, in the analysis of the main founder of modern political philosophy, Thomas Hobbes, the human being becomes a voracious predator so that even an instrumental notion of power, as a "device of prudence" to secure natural liberties, gives way to a notion of state as a device "to rescue the individual from the beast"[9].

In this new perspective, not only does the constitutive dimension of citizenship, as the generator of political rights, lose its meaning, but so does the collective dimension of urban life, giving way to a solitary notion of the individual and of individual rights. Democracy, loosening its ties to the collective

[8] D. Flaming, "The Streets of Thurii: Discourse, Democracy, and Design in the Classical Polis", *Rhetoric Society Quarterly*, vol. 32, no. 3, Summer, 2002, pp. 5-32.

[9] B. Barber, "Thin Democracy in the Twentieth Century: The Potential for Pathology", in *Strong Democracy. Participatory Politics for a New Age*, Berkeley, Los Angeles-London, University of California Press, 1984, 93-114.

dimension of citizenship, and to a physical shared ground (the land of the *demoi*), becomes an abstract and faded concept: broad in its possible meanings, but often very "thin" in respect to its historical and ethnological meaning, and to real equality.

On Streets and Struggle

Yet, if in the Age of the Enlightenment the rise of modern nation states was one with the dawn of the first liberal democracies, it is precisely in the new dimension of the industrial city that a new thread of thought reclaimed the collective dimension of both, city and rights. It was in the crowded streets of the new metropolises that a new struggle began. As Donatella Della Porta claims, a different, "participatory vision of democracy developed with the mobilisation of the labour movement"[10]. Through the elaboration of collective forms of protest, assembly and decision making, and advancing collective claims, the labour movement questioned both the liberal notion of freedom as merely individual (liberties of contracts, property, etc) and the very possibility of distinguishing between political and social rights.

To better comprehend the role of the urban condition in forging this alternative notion of collective freedom, a significant insight comes from Asef Bayat. As he argues, cities, by bringing people together, "offer immense possibilities for forging collective identities," identities which take shape through "networks of solidarity, communication, and mobilisation"[11]. The very fabric of the city is made of a system of collective spaces: "Schools, street corners, cafés, shopping malls, sport centres, and squares bring together fragmented but similar individuals... making them a potential collective agent". In this way, through

[10] D. Della Porta, *Can Democracy Be Saved? Participation, Deliberation and Social Movements*, Cambridge, *Polity* Press, 2013.

[11] A. Bayat, *Revolution without Revolutionaries. Making Sense of the Arab Spring*, Stanford, CA, Stanford University Press 2017.

the practice of the city, that being-close in between many that is proper of urban density and that being-together of places such as streets, schools and factories, "the public sphere asserted itself, and not only for the bourgeoisie"[12].

Bayat's understanding of the importance of the urban condition for the emergence of a demand of collective rights is based on the experience of his family displacement from a small village in the country to Tehran in the 1960s. Before moving to the city his mother, like all the other women, had to journey daily to faraway water wells, to bring water for drinking and cooking; she had to prepare the fire and spend a long time doing the laundry in the nearby creeks. When they moved to Tehran, she felt a real liberation in accessing water merely by turning on a tap, and in having light by just pushing a button. Urbanity, Bayat argues, besides offering opportunity for networking, generates collective entitlements. And it was indeed because of the severe shortages in many of these public amenities (water, electricity, streets maintenance and garbage collection, public transportation, health care, public housing and schooling), due to the austerity policies and the structural adjustments requested by some international institutions to sustain local governments that the social unrest grew, and turned from private to public at the end of 2010.

The insurgent movement became visible first in Tunisia, where on 17 December 2010, the street vendor Mohamed Bouazizi, repeatedly deprived of his livelihood by the banks and the police, set himself on fire. After Mohamed's desperate gesture, people took to the streets in a massive revolt demanding real democracy and social justice. A few days after Ben Ali's resignation, on 25 January 2011, after several years of protests and litigation, people took to the streets in Cairo, and the massive occupation of Tahrir Square began.

As it soon became clear, the discontent was not limited to the Arab world. On 15 May, just a week before the national

[12] Della Porta (2013), p. 44.

government election, under the slogans "¡Democracia Real Ya!" and "We are not commodities in the hands of politicians and bankers", demonstrations began in Madrid. Also in May 2011, Greek people changed their protest against the government and the austerity measures (forced on Greece as well as on Spain), taking over Syntagma Square. On the other side of the Atlantic, on July 2011 Adbuster, a global collective of artists, writers and activists, made the first call to "Occupy Wall Street". During the summer people started to get together to discuss the call. On 17 September, almost 3,000 people participated in the evening general assembly in Zuccotti Park and decided to occupy. In the next months, under the main slogan "We are the 99%" occupy protests and actions took place in more than 1000 cities across nearly 100 countries.

At the end of May 2013 in Istanbul, few months after Gezi Park was closed without a public announcement on its fate, the news that trees were being uprooted gathered protestors to stop the bulldozers. The police's brutal response to a non-violent environmental protest, amplified and transformed the protest into something much wider and, indeed, about democracy.

Despite the apparent linearity of this list, what I am suggesting is not an additive dynamic of diffusion from one place to the other, but of resonance in a network of cities experiencing similar conditions[13].

On Squares and Encampments

In 1968, Henri Lefebvre, in looking at the effects of capitalism over the city and considering the growing spatial inequalities, asserted the common dimension of the basic rights of the urban dwelling through the powerful notion of "right to the city". Lefebvre's notion does not only refer to a right of equal access to the urban amenities, but it calls into question the right to

[13] M. Castells, *Networks of outrage and hope. Social movements in the Internet age,* Cambridge, Massachusetts, Polity Press, 2012.

rule the city, to be part of it not only as inhabitants but as *polítes* (citizens). Indeed, as I discussed referring to Bayat, the urban condition gathering people together, in shared places, time and lives, seems to create in itself a "dialectic space" of encounter, a space of closeness. In the claims and practices of the last decade of social movements, this common-ground of the city emerged as the possible space for a different kind of democracy from that envisioned by the liberal paradigm for nation states.

In "Take the Square", a film on the global social movements of the 2010s by the artist and filmmaker Oliver Ressler, one of the protagonists of the 15-M movement in Spain tells us how "the greatest achievement and the greatest challenge was *to build the square itself*". This construction of a deeper dimension of the public space, taking over squares, streets and parks, and rallying there thousands of people to dwell there together, has been a central and common feature of the social uprisings of the last decade. The relevance of the choice of not only taking to the street but of taking over and building on the public space should be stressed. Indeed, light, creative and temporary tent cities popped up in different ways in almost all the "liberated spaces", transforming the usual landscape of the main public spaces of many capital cities into something new and constantly animated by people talking, thinking, sharing food, problems and ideas. These fragile yet strong spaces of resistance and production, sometime threatened from above, often surrounded and monitored by armed police, these playful and mindful, permanently under construction New Babylons, were the common way of the movements to step beyond the system for a while.

If, as many scholars claimed, we can recognize in these movements a "prefigurative" attempt to create a different democratic model, the practice of the encampment is what transforms the urban scene, from being the stage of the protest, to being a place of re-appropriation. As Azzellini and Sitrin argue in *They Can't Represent Us*, the global social movements of the 2010s have several connections with the Latin American movements

of the 1990s and 2000s, and one of these is their common emphasis on the notion of "territory". As a matter of fact, while from the beginning of the 1980s the neoliberal turn pushed for a growing commoditisation of cities and lands, since the beginning of the 1900s the Zapatista uprising in Mexico raised the question of the demarcation of indigenous territories as the core claim of the indigenous struggle. In this context, autonomy is invoked "not as a concept of territorial separation, but as the right to decide and exercise their own forms of social, political, and economic organisation"[14].

Going back to the challenge to build the square, we can now frame this expression as the challenge to build the public dimension of the square, as a space not only able to host the multitudes but, as in the ancient *ecclesia*, to make them speak. From the point of view of the square, democracy appears again not as an abstract notion but, as Amador from the 15-M movement claims, "something *in concrete space*"[15].

One of the most extraordinary aspects of this re-appropriation of the physical and political space of the city is the sense of possibility, the openness to a new kind of reality which can be found in the words of many of the encampments' protagonists. As Ayelen, of the 15-M movement, claims: "Suddenly we were creating a new reality, something we couldn't have imagined before"[16]. Going back to the *fil rouge* of the nexus between cities and democracy, what I find extremely relevant in this sense of possibility is not just its "opening", towards a different future, but, more specifically, people's feeling that their words could "count", and have the power to influence the decisions about their lives and spaces.

[14] D. Azzellini and M. Sitrin, *They Can't Represent Us!: Reinventing Democracy from Greece to Occupy*, London-New York, Verso, 2014, p. 33.
[15] D. Azzellini and M. Sitrin (2014), p.134, my emphasis.
[16] Ibid., p. 132.

On Parks and Barracks

If the encampments of Tahrir Square in Cairo, *Puerta* del *Sol* in Madrid, Syntagma Square in Athens, and Zuccotti Park in New York became symbols of people's claims on their cities and lives, not only against the privatisation policies but against the way the public is being ruled, the case of Gezi Park and Taksim Square in Istanbul is probably the most emblematic. Exemplary because what triggered the major uprising was not only the defence of the trees (against yet another shopping mall), but Erdogan's refusal to have a dialogue, to share and involve the citizens to build a common vision on the future of a central and symbolic space of the city.

As Ilay Romain Ors explains, to fully understand the meaning of the public space of Taksim Square and Gezi Park, it is necessary to situate their present condition in the historical trajectory from Ottoman cosmopolitanism, to the modern secular republic, up to the diverging views of the Justice and Development Party (AKP) and of the "Gezi resistance"[17].

Located at the outside border of Pera, the area opposite the old Istanbul, on the northern side of the Golden Horn, Taksim was for a long time "the side where the others lived": the side of the non-Muslim, the Greek, Armenian and Jewish communities, but also the Genoese and Venetians, the newcomers and immigrants. Thus, the area grew with "consular buildings, places of worship and businesses, residences and spaces of sociability to the hundreds of communities making up cosmopolitan Istanbul in the late Ottoman era". At the beginning of the XIX century, the area close to the greenery of the Armenian cemetery (the original trees of Gezi), was chosen as the site of the Taksim Artillery Barracks, with its characteristic decorated facades crowned with Ottoman domes.

[17] This and subsequent quotes, I. Romain Ors, "Genie in the bottle: Gezi Park, Taksim Square, and the realignment of democracy and space in Turkey", *Philosophy & Social Criticism*, vol. 40, nn. 4-5, April 2014, pp. 489-498.

When in the 1920s, in the early years of Ataturk's republic, the barracks lost their functionality, its internal courtyard was converted into a football stadium. But since the square was acknowledged "as the central public square of the biggest city of the new state", at the end of the 1930s, the decision to redesign the square, to manifest the modernisation project at the core of the new republican order, was implemented through an international design competition. The barracks were demolished, a statue of Ataturk was erected in the centre of the square and surrounded with an opera house, while "the central park was trimmed to be given away to international hotel chains".

Thus, beyond the institution of new political rights and economic and cultural reforms, the establishment of the democratic era was carried out through the physical eradication of the Ottomans' relics. To make it even more clear, the name of the main street crossing Pera from the Golden Horn to Taksim Square (the Grande Rue du Pera) was changed to Independence Street, while the other main street reaching the square was named Republic Street. In the 1960s, the construction of the Ataturk Cultural Centre further emphasised the modern and democratic character of the square. The building's stereometric volume and its glass facade, with its active season of concerts, operas and theatre productions, soon became a much-beloved symbol of modern Istanbul. This helps explain why the Gezi protesters, upon taking over the building (closed since 2008), used its facade as a perfect screen to hung coloured banners that temporarily changed the character of the square.

Retracing the main protest events in light of the above, a few months after Gezi Park and Taksim Square had been closed to the public without a clear public announcement on their fate (but in the presence of rumours on the government's plan for the construction of a shopping mall designed like the Ottoman-era barracks and a possible mosque), on the evening of 27 May 2013, the word spread over social media that bulldozers were at work to uproot the trees. Protesters gathered and took over the park, erecting tents to guard the trees. At dawn on 31 May

police showed up with water guns. The police brutality transformed the protest of a small number of people in a gathering of thousands, in what became the Gezi Park non-violent resistance. The initial sit-in expanded and grew into a vast tent city where food, medicine, and blankets, books and much more were shared or distributed for free. Erdogan refused to dialogue with the protesters, and sent the police to disperse them.

After the clashes (which left seven dead, two in Istanbul and other five in other Turkish cities, and thousands injured), the park was left to decline together with the cultural centre. But not for too long: last year, a mosque was built, and the president ordered the razing of the Cultural Centre, expressing his will to go ahead with the plan to rebuild the Ottoman barracks. Thus, the physical remaking of the public space, both in its formal language and generating process, clearly expresses a broader remaking of the republic in something increasingly more and more distant from a democracy.

Ataturk Cultural Centre, Istanbul, May 2013

Source: C.M. Kosemen

On Houses and Markets

One of the most neglected and contested aspects of the right to the city is the right to housing: the right to meet the basic need for decent shelter, beyond the interests of the market to speculate on this essential and ineradicable need. The right to housing is therefore at the core of the nexus between city, democracy and wealth. Indeed, while the market's interest in speculation is clear, the duty of a democratic city and society to effectively protect the right to housing should be equally clear. This is why, when on 10 December 1948 the General Assembly of the young United Nations approved and proclaimed the Universal Declaration of Human Rights, enshrining the right to freedom and equality for "all members of the human family", it also recognized, with Article 25, the right to housing as part of the right to an adequate standard of living. As the article states "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care...". Later on, in 1991, the General Comment no 4 on Adequate Housing by the UN Committee on Economic, Social and Cultural Rights, defining it as "the right to live somewhere in security, peace and dignity", provided a farther authoritative legal interpretation for the right to housing[18].

Nevertheless, as the United Nations special rapporteur on adequate housing, Leilani Farha, has recently written in a report focused on access to justice for the right to housing, in today's world "1.8 billion people lack adequate housing. Twenty-five per cent of the world's urban population live in informal settlements. Homelessness and forced evictions are on the rise virtually in every country"[19]. How do we explain this housing

[18] *Committee on Economic, Social and Cultural Rights* General *(CESCR)*, Comment no. 4: The Right to Adequate Housing (Art. 11 (1) of the Covenant), Adopted at the Sixth Session of the Committee on Economic, Social and Cultural Rights, on 13 December 1991, Contained in Document E/1992/23.

[19] L. Farha, *Access to justice for the right to housing. Report of the Special Rapporteur on*

crisis, against the expanding notion of the right to housing? Is there a housing shortage or a lack of investment in the housing sector? Or is the economic crisis the main driver of the housing crisis?

A useful insight about the relationship between the lack of housing and the state of the housing market comes from Farha's 2017 report on the financialisation of housing. Here Farha explores the way in which the housing sector has been radically transformed by massive amounts of capital and unprecedented dominance of financial markets and corporations in the last decades. Indeed, according to a 2016 study by Savills, one of the world's leading property agents, "the value of global real estate is about US$217 trillion, nearly 60 per cent of the value of all global assets, with residential real estate comprising 75 per cent of the total"[20]. As Farha explains, a significant portion of these investor-owned homes are simply left empty: they are "houses of cards"[21] since their main role is not to welcome people but to be a "safety deposit box" for the wealthy, "a repository of capital and excess liquidity"[22]. The notion of "financialisation" expresses this shift of the function of housing from place to live in to investment asset.

As Saskia Sassen noted[23], in the last decade cities like Hong Kong, London, Munich, and Stockholm became indeed "hedge cities": cities where housing prices increased by over 50 per cent since 2011 thanks to foreign investors buying properties as a hedge against instability in their own countries, making housing unaffordable for most of the local households. The average income of local residents is indeed of little concern to financial investors: luxury housing is actually a much better asset to be

adequate housing, United Nations Digital Library, 2019.

[20] L. Farha, *The financialization of housing. Report of the Special Rapporteur on adequate housing*, United Nations Digital Library, 2017.

[21] G. Caudo, "Case di carta: la *nuova* questione abitativa", *L'Unità*, 24 and 27 December 2005.

[22] L. Farha (2017), p. 8.

[23] S. Sassen, *Cities in a World Economy*, SAGE Publications, 2012.

exchanged on markets, even if it sits vacant for years. This is why the majority of new constructions of individual buildings as well as of entire neighbourhoods or cities are most likely to target speculative interests than much-needed affordable housing. In the London neighbourhoods of Chelsea and Kensington, for example, the number of vacant units increased by 40% between 2013 and 2014. On the other side of the ocean, 58% of all property purchases in the United States in the first fiscal quarter of 2015 were made by limited liability companies, and the majority of those purchases were in cash. According to data from RealtyTrac, a real estate information company, in 2015, "58% of property purchases in New York City were done in cash rather than with mortgages"[24]. For purchases over $2 million, 62% in New York were cash.

What these numbers show is how in the age of globalisation and neoliberalism, housing became a commodity, a means of accumulation of wealth: more useful, or profitable, to be traded on global markets than to be inhabited. Furthermore, as we saw earlier with the data from the World Inequality Report, many governments (in countries such as Cyprus, Greece, Portugal and Spain), under the pressure of the European Union and the requests of global financial institutions, agreed on implementing harsh austerity measures that reduced or cancelled housing programs while selling off massive amounts of public properties to private investment funds. Under the effect of the economic crisis, when governments should have relied on positive measures to provide housing to households affected by economic downturns, many chose to offer "golden visa"[25], or even citizenship to foreign investors in exchange for a minimum amount of real estate investment.

[24] A. Swanson, "How secretive shell companies shape the U.S. real estate market", *The Washington Post*, 12 April 2016.

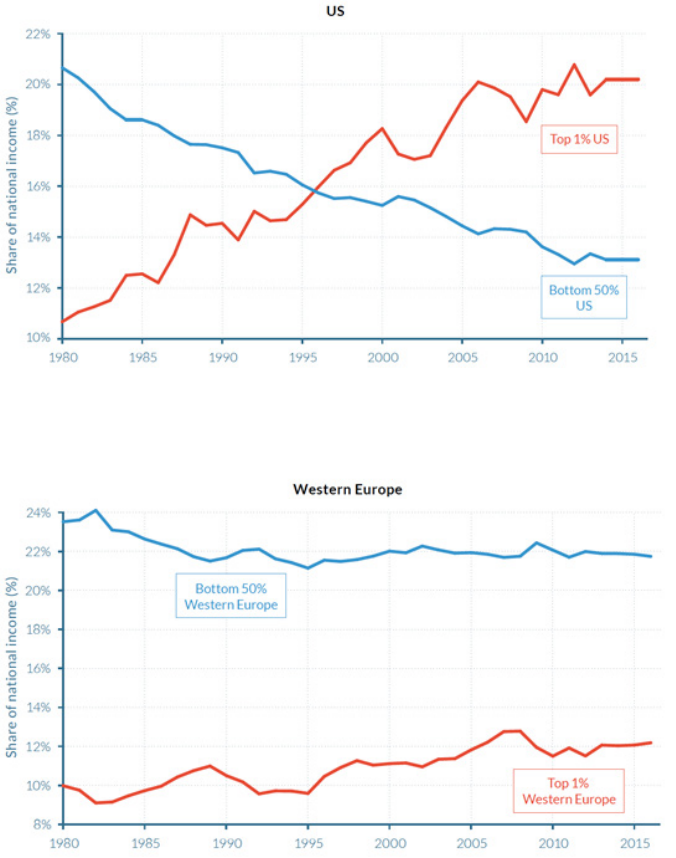
[25] As reported in L. Farha (2017), €500,000 in Spain and Portugal, €300,000 in Cyprus and €250,000 in Greece.

On Homes as Rights

One of the cities where the housing question has become increasingly relevant in the last decade is Berlin. Indeed, after German unification in 1990, Berlin became a magnet for artists, musicians, and students drawn by the energy of a new beginning and by the affordability of housing. Since 2008, however, according to the assessment of the real estate agency Immowelt, rents started to rise and in a decade they more than doubled. In the very same years, in fact, Germany became a "model" of social housing privatisation: a million social housing units were sold to local and international investors and commercial banks. The city's largest landlord, Deutsche Wohnen, owns more than 100,000 flats, largely result of the privatisation of previously public assets.

If, as we have seen, the housing sector worldwide has been radically transformed by massive amounts of capital and unprecedented dominance of financial markets and corporations in recent decades, Berlin and its inhabitants experienced this process in a particularly dramatic way. Also, because the city has a long-standing tradition of co-housing, the house is seen more as a shared common good rather than a private and individual space. Furthermore, the city has a considerable tradition of squatting as a political practice to claim an alternative world to that dominated by the market, but also frequently recurs to the practice of demolition over the more (ecologically and socially) sustainable practice of renovation.

Diverging income inequality trajectories.
Top 1% vs. Bottom 50% national income shares in the US and Western Europe, 1980-2016



Source: WIR (2018), p. 8.

Moreover, the city has also a significant history of "direct democracy". Berlin in fact allows popular legislation by referendum: as Ralf Hoffrogge explains, "a two-step procedure for collecting signatures prompts the referendum, which have to

be held within two years, if the referendum meets a 25% turnout threshold, this vote can itself impose legislation.[26] And this possibility has been recently used in several occasions. In 2011, a citizen referendum forced the local administration to publish the ongoing contracts for the privatisation of water services, obtaining the services re-municipalisation. In 2013, another referendum pushed the re-municipalisation of the energy services: the quorum of 25% was not reached, but only because the local administration hastened to establish a municipal electricity company, and declared the participation in the referendum no longer necessary. In 2015, after a citizen's campaign collected over 180,000 signatures, with another referendum 64.3% of voters chose to keep Tempelhof airport as it is, refusing to turn it over to developers.

On these bases, a large popular movement has grown since 2017, made of several tenants' associations but also social organisations of different kinds, and groups of citizens exasperated by direct experience of eviction or just by the fear of constant rent increases (in a city where around 85% of inhabitants rent their homes rather than own them). Finally, on April 6, thousands of Berlin's citizens took to the streets, marching through the city centre under a giant model shark and banners "against rent sharks and speculators". Going beyond the protest, the march officially opened the collection of signatures for a referendum demanding that all landlords owning over 3000 flats within city limits should be socialised. About 240,000 housing units (most of which were sold off in the last decades by the state to big real estate companies) should be re-destined to their previous social use, and managed (on a non-profit base) by a new public agency. The campaign suggests that compensation should be paid below market prices.

Whatever the final result, the movement has already been successful in shifting the public conversation from the topic of migration to the politics of housing as a basic human right

[26] R. Hoffrogge, "Housing for the People", *Jacobin Magazine*, 4 June 2019.

for everyone. The movement's socialisation quest is indeed a claim for the use-value of housing against its commoditisation. It is a claim against the self-sufficiency of the markets and for the primacy of politics over economics. It is also a claim for a "real" democracy, where people's voices can be heard and count, versus a more feeble "liberal" democracy. But it is also a claim against the extreme accumulation of wealth, as the result of predatory practices implemented through the dispossession of public wealth, as the wealth of the majority. Once again, as it should now be clear, to tackle poverty we must, first and foremost, question wealth. This is, at least, what we can learn from the relationship between cities and democracy, moving from below, between the lines of social unrest.

Conclusions

There is, I believe, another important claim about the nexus between cities and democracy that comes from this stroll in space and time, from the streets of the Athenian *demoi*, to the empty houses of contemporary London, from the cash transactions for millions of dollars in New York, to the encampments in Istanbul and in tens of cities around the world. After several decades of economic globalization, and of a predominant emphasis b on the importance to strength the cities" capacity to compete between each other to attract shifting international capitals, knowledge-intensive activities and creative individuals, the value of this paradigm has finally to be questioned.

The very idea that private investments and economic growth, through the attraction of major economic players in a city, offer a solution to the urban problems, is not necessarily right. Private wealth, even when it lands somewhere, does not become by itself shared well-being. On the contrary, without a political and administrative will to re-distribute that wealth, the number of people directly affected by mechanisms of exclusion grows.

Active policies have to be built to protect the basic human needs "against" the markets" will to speculate on them. In other

words, what cities clearly show us, is the need to limit or regulate the markets to meet not just the profit of the shareholders but, in democratic states, the needs of the people. Said yet in other words, if we really want to address the raising levels of poverty (the erosion of living standards of the majority, and the extreme poverty as it is manifest in the rising homelessness in north American and European cities) we should focus on inequalities, that is, on the raising accumulation of wealth. From this point of view, the nexus between city and democracy appears, more than ever, clear and simple: if, in the last decades, cities have become more and more the main form of the human way to dwell the Earth, in the same period, all over the world, cities experienced a "departure from democracy".

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