THE NEW URBAN WORLD: SUNNY SIDE UP

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THE AGE OF URBANISATION

• 50% of world population is urban
• 70-80% of OECD population is urban
• Rapid rise in urbanisation in developing and emerging economies
• Urban shrinkage does not reduce urbanisation trend
• Cities are the ‘Home of Man’ (Barbara Ward)
• Cities are the powerhouses for economic growth
• Urban-Rural divide is vanishing.
THE NEW URBAN WORLD

settlements
  cities
    metropolitan areas
      polycentric agglomerations
        global urban networks

“The Urban Century” (50% limit)

Examples: Athens
            Tokyo
CIRCULAR CAUSALITY

- Density + Proximity → Efficiency → Business
  ↓
  Population ← Growth

- Growing cities
- Shrinking cities
- Rural areas
  ↓
  World: one mega-city
Triple Force Field of Urban Sustainability
Statement 1:
Cities are powerful economic vehicles to ensure continued economic growth especially in a period of economic recession

Arguments pro agglomeration advantages

• **Genesis of cities**
  – scale
  – localisation
  – urbanisation

  **Synthesis:** MAR externalities

• **Growth of cities**
  - diversity (people, amenities)
  - market size
  - international access

**Test:** **Santa Fe Hypothesis:**
- Each doubling of city size prompts an efficiency rise of 15 %.
Statement 2:
Demographic growth does not affect the economic growth potential of cities, but offers a great opportunity for the future.

Demographic dynamics comprises:

- **Natural growth rates**
  - rejuvenation
  - ageing: healthy and wealthy product variety diversity

- **Immigration**
  - economic benefits vs. financial benefits
  - need for MIA
Statement 3:
Flexible governance and strict land use control are necessary to keep cities – or more generally, metropolitan areas – alive as engines of economic growth.

- Cities as magnets of creativity
  - creative classes
  - urban ambiance
  - historical-cultural heritage

- Cities as compact land users
  - costs of uncontrolled land use
  - smart infrastructure management
  - value capturing
Statement 4:
Creative classes in cities may be important conditions for innovative development, but there are more important elements (such as educational suprastructure, connectivity infrastructure)

• Cities as creative knowledge engines
  - suprastructure
  - virtual knowledge hubs

• Cities as smart logistic hubs
  - logistic revolutions
  - global connectivity
  - no death of distance
Statement 5:
Socio-economic inequality is a logical consequence of urban development, but should not be seen as a major impediment to future urban prosperity

- **Cities as containers of poverty**
  - Todaro hypothesis
  - long-term wealth creation

- **Cities as sustainability engines**
  - more is better
  - but: quality is more → XXQ
RESEARCH CHALLENGES

• CITIES: COMPETITIVENESS VS. PROTECTIONISM
• CITIES: ISLANDS OR GLOBAL POSITIONING
• CITIES: TERRITORIAL ADMINISTRATION VS. NETWORK GOVERNANCE
• CITIES: NEW ANALYTICAL TOOLS
  - URBAN FACEBOOK FOR SCENARIOS
  - DASHBOARD FOR URBAN MANAGEMENT
Salam!

“See you next year in the City”.
EN ROUTE TO THE CITY: A GLOBAL WORLD IS AN URBAN WORLD