"Cities have played a more important role in shaping the world than empires"
Michael Bloomberg, former Mayor of New York (in office 2002-2013)

For the past two decades, the world has seen its population increasingly concentrated in urban areas. This trend is not new but will speed up at a remarkable rate in years to come. Rising global urbanization is one of the defining trends of the 21st century. Projections show that urbanization combined with the overall growth of the world population could add another 2.5 billion people to the urban population by 2050.

The megacity1 is a new form of urbanization, which has been described as the urban phenomenon of the 21st century. In 1950, only New York and Tokyo had a population of over 10 million. By 2025-2030, it is estimated that around 630 million people will live in close to 40 megacities around the world. Megacities are an invention of the West and have become a reality in the East. Japan's capital Tokyo will still be the largest of them all, followed by Delhi and Shanghai. The list is dominated by cities in Asia, but several in Latin America and Africa will grow rapidly as well. In addition to these megacities, about 400 million people will live in cities of 5-10 million people, and just over 1 billion people are expected be living in cities of 1-5 million. However, most of the world's urban population will still live in cities of less than 1 million people.

In some fields, large and megacities are at the cutting edge of urbanization because of their economic importance and influence. Still they are not the fastest growing cities and do not represent the majority of the urban population. Instead, there is an observable swelling of small and medium-sized cities across the world. In its different forms, urbanization, which for a long time has been uncontrolled, is now subject to more strategic planning but its advances are still insufficient in relation to the magnitude of this phenomenon.

1 What defines a megacity? A megacity is a metropolitan area with a total population in excess of 10 million. It can be a single metropolitan area or two or more metropolitan areas that converge. It is difficult to define the outer limits and accurately estimate the population of megacities.

Disclaimer: This publication was prepared by the European Committee of the Regions in the context of the forthcoming European Strategy and Policy Analysis System (ESPAS) Global Trends to 2030 Report. This publication does not bind nor may be attributed to any of the European Union institutions and bodies participating in ESPAS, namely the European Commission, the European Parliament, the General Secretariat of the Council of the EU and the European External Action Service as well as the European Committee of the Regions, the European Economic and Social Committee and the European Investment Bank.

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The management of urbanization is the key issue for overall balance. The unprecedented acceleration poses indeed huge challenges in terms of sustainable urban development. This issue is more or less taken into consideration in Western countries but completely overlooked in other parts of the world and particularly in Africa or Latin America. The megacities create a new urban dynamic, as supersized cities are seen as the new engine of the global economy, connecting the flow of goods. However, the current pattern of urbanization has all too often resulted in urban sprawl, low productivity, segregation, exclusion and congestion.

The consequences of modern urbanization must not be underestimated. In today globalized world, "local" and "global" are more and more interconnected and many developments at urban level are in fact part of global trends. Understanding the causes and consequences of urbanization is crucial to ensuring a proper response to the global issues of our time and in preparing for the period ahead.

Picture: Ranking of the world's biggest cities in 2030

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tokyo, Japan</td>
<td>37.2 million</td>
</tr>
<tr>
<td>Delhi, India</td>
<td>36.1</td>
</tr>
<tr>
<td>Shanghai, China</td>
<td>30.8</td>
</tr>
<tr>
<td>Mumbai, India</td>
<td>27.8</td>
</tr>
<tr>
<td>Beijing, China</td>
<td>27.7</td>
</tr>
<tr>
<td>Dhaka, Bangladesh</td>
<td>27.4</td>
</tr>
<tr>
<td>Karachi, Pakistan</td>
<td>24.8</td>
</tr>
<tr>
<td>Cairo, Egypt</td>
<td>24.5</td>
</tr>
<tr>
<td>Lagos, Nigeria</td>
<td>24.2</td>
</tr>
<tr>
<td>Mexico City, Mexico</td>
<td>23.9</td>
</tr>
</tbody>
</table>

Source: UN World Urbanization Prospects, 2011 revision

- Since 2003, rapidly increasing urban populations have outnumbered those in rural areas.
- By the end of 2050, it is estimated that two thirds of humanity will live in cities. Global urbanization is nevertheless subject to controversy. The rate of urbanisation is indeed depending of the definition of urban areas. Significant variations exist between countries due to widely different standards. Using the geospatial technology, European Commission's researchers estimate 84% of the world population (6,4 billion peoples) level in urban areas.
- The global urban surface makes up only around 3% of land, but cities consume 60-80% of the energy resources.
- Cities are responsible for more than 70% of global emissions.
- Urban areas account for more than 70% of world gross domestic product (GDP).
- Megacities and metropolitan regions have a higher GDP per capita than their national average.
- 24% of the EU urban population lives on the edge of poverty and social exclusion. In the developing world, 800 million people live in slums.
1. MAJOR TRENDS IN URBANIZATION

"Demography is destiny"

Six major trends shaping the future of urbanization

Urbanization is where all major global trends converge and can be considered the accelerating force behind many of them. **Connectivity** will be the catalyst for all changes in the coming decade. However, environmental degradation, economic instability, social exclusion and security threats will also be the drivers of and the obstacles to change in relation to urbanization and the key factors shaping the future of megacities.

**TREND 1 - THE EMERGENCE OF "THE URBAN AGE"**

- We are becoming "homo urbanus". However global urbanization also means the disappearance of the "wild", bringing the widespread extinction of animal species and major risks to biodiversity. Since the biosphere is our planetary community, citizens and in particular, those who live in urban areas, will have to develop a new sense of individual and collective responsibility vis-a-vis the health of the biosphere by taking into consideration their "ecological footprint" and fostering a more empathic civilization.

- The **demographic dimension** of urbanization is complex but, as a general rule, higher rates of urbanization and growth in GDP lead to lower fertility rates around the world, most notably in Western countries. Nevertheless, in many developing countries, the decline in infant mortality and high fertility creates a demographic momentum characterized by a relatively young population. All over the world, rapid ageing of the population will increase demand and pressure on urban areas. Both the youth population and the rapidly ageing population will have a critical influence on social, economic and environmental urban development and could increase the risk of domestic conflict.

- **Citizens shape their cities, then the cities shape them.** The place where people live and work has a great influence on behaviours. Although planning and technology can do a lot to improve quality of life in cities and megacities, many future challenges will be shaped by people's values, behaviour and preferences as well as the design of the future society. The emergence of the urban age goes hand in hand with new values: "cosmopolitan" and "metropolitan" values, which are a mix of individualism and interconnected cultures. Traditionally, most societies have favoured the family as the core unit. Today, megacities are becoming atomised spaces with larger emphasis on individuals. This could spell the decline of traditional community structures and the emergence of new types of community. Still, there is a possibility that we might see a reassertion of traditional community and family structures, perhaps as a backlash against strong individualism and social fragmentation.
• A new species will appear in urban areas: "the global consumer". They will be accompanied by the emergence of "green collars"; a new generation of jobs with its own needs and behaviours and the emergence of a new reality: the urban agriculture. Most notably, the latter will bring changes to the criteria for the production and consumption of products, which can be summarised by the following key concepts: from properties to users, from quantity to quality and from mobility to accessibility. Furthermore, in large and megacities polarization of the labour market will reshape the distribution of jobs and skills and will be characterised by the pre-eminence and domination of nomad firms' concentration.

• Urbanization upsets the traditional boundaries associated with the exercise of sovereignty and citizenship. The rise of autonomy vis-à-vis nation states will lead to emancipated urban citizenship. Cities offer promising spaces to rethink politics, counterbalancing the rise of national populism. Urban citizenship in cosmopolitan cities will transform national identities and nationalist ideologies from the bottom-up and the meaning of citizenship could be fundamentally redefined in the future. Through the prism of urban citizenship, cities increasingly do foster the inclusion of the migrants in the society of residence, not solely to integrate them but also so that they become fully-fledged members creating a new hub of citizenship. For example, various cities are issuing formal identity cards to residents regardless of national identity. In the future, urban citizenship and cosmopolitan values will depend on the management of migration flows and integration dynamics. Migrants go where migrants are. Large cities and megacities will largely become homes of people from elsewhere.

Picture: Global hubs become demographic melting pots

Source: “Connectography – Mapping the future of global civilization” – Parag Khanna

TREND 2 - THE URBAN SOVEREIGNTY

• The Global Trends 2030 report by the National Intelligence Council proposes a scenario called the "Non state world" in which urbanization, technology and capital accumulation together accelerate the rise of spaced economic zones. The economic power of cities is indeed growing dramatically. In the next decade, we can expect 600 cities to account for about 60% of worldwide GDP. The top 100 cities – ranked by their contribution to global GDP growth – will contribute to around 35% of GDP growth.
The economic role of large cities varies widely between regions. US cities will continue to be important players in the urban world, contributing more than 15% of global GDP growth in the coming years. Today, the metropolitan areas of New York and Los Angeles are the world's second and third largest, respectively, in terms of GDP. China's rapid growth is fuelled by the continuous growth of its megacities and the "concentrated urban growth scenario", which has the advantage of clustering the engine of China's economic growth. In the same vein, the urban expansion in India will happen at a speed quite unlike anything the country has seen before. These developments will require making huge investments in its cities over the next 20 years. Latin America is more urbanized than any other region in the developed world, with a relatively young population and a high concentration of urban economic activities. Nevertheless, Latin America largest cities lag behind according to the urban performance index.

Africa, where only four out of ten people live in urban areas, will be one of the most important places where urbanization can be used as a transformative engine for development and growth. This makes Africa the second fastest continent in terms of urbanization, after Asia. According to UN Habitat, Africa's urbanization process will be one of the most significant economic and social transformations of the coming decades. However, this rapid urbanization requires good management, regulation through legislation, good urban planning and design as well as adequate funding to ensure the sustainability of cities and to address the systemic problem of insufficient land for transportation.

The most important principle in our understanding of the new global hierarchy of world cities is that flows are more important than attributes. That means considering global rather than national perspectives by understanding interdependencies in terms of connections. In this context, globalization and digitalization together result in the increasing importance of the so-called world cities or global cities at the very top of the hierarchies. Global cities ranked by their connectivity, are indeed the most involved cities in the global economy and host a high concentration of the leading sectors in global capital and a growing share of population.
Will mayors rule the world? The answer to this question is complex. On the one hand, city mayors are responding to global challenges, sometimes more effectively than states and have a growing influence on the global economy but, on the other hand, as subnational entities, they are subject to national sovereignty. Despite the fact that cities are also a seat of power, nation states will remain the basic building block for global governance. The "urban oasis scenario" evoked by the Atlantic Council could nevertheless be considered, as cities could be a source for regeneration or renaissance in the current context of a resurgence of protectionism and questioning of multilateralism.

Empowering cities manage transnational challenges and will be increasingly more capable to act as global players by developing new mechanisms for cooperation and common decision making in order to address joint challenges together. Urban leadership is paving the way in fighting and mitigating climate change. City diplomacy is contributing to conflict prevention, peace-building and post-conflict reconstruction. Moreover, cities and subnational spaces are crucial geopolitical sites in relation to security policies and the fight against terrorism. They are also at the forefront of receiving refugees and developing migrant integration strategies and often are the most powerful players to reduce polarization and radicalization in our multi-cultural and fragmented societies.

There are nevertheless real obstacles to cities as global players, since they are considered as "sub" or "infra-national entities". Despite the fact that cities are now also part of negotiations within international organisations and have increasing economic and demographic significance both in developed and developing and countries, the role of cities which are not subject to international public law, is not fully recognized either by global governance or in public debates. Thus, in order to increase their influence on global governance, cities have gathered and formed global networks. There are more intercity networks today than international organisations. This form of city activism or city diplomacy favoured by a new generation of mayors has brought a new dimension to multilateralism.

Picture: Inter-city networks flourish with the rise of "diplomacity"
TREND 3 - FROM CITIES TO NODES

- A new map is emerging, showing on all continents functional gravities and increasing interdependence between city-states, which are becoming the capitals of mega-regions driven by greater connectivity. Large and megacities are indeed both key players in and beneficiaries of global connectivity, which is gradually undermining national roots and replacing them with new bonds and interlinkages. The start of the 21st century has therefore witnessed the rising phenomenon of multicity clusters, along with the emergence of megacities corridors, which are already shaping the ineluctable evolution of the urbanization process.

- A polycentric megacity model emerged in the most urbanized parts of the world: the polycentric megacity region. At least a dozen megacity corridors have already gradually superseded nation states as centre of gravity. This phenomenon has arisen through a long process of extensive decentralization from big central cities to adjacent and smaller old or new towns. The most dynamic business environment is typically located in the capital city regions. The concept of "Borrowed agglomeration" benefits, indeed, of peri-urban regions located close to big cities to improve their productivity. These locations are physically separated but form a functional network. It seems, for example, that China is in the process of reorganizing itself around giant megacity clusters.

Picture : China's functional reorganisation around megacity clusters

We have also noticed the beginning of new urban forms that in some cases even transcend national boundaries. As an anti-nation city, Dubai is the precursor of a new scale of urban organisation and can be considered as a model for interregional gateways. The cities of the future will certainly be city gateways, defined as well-connected global hubs. Cities today are indeed ranked by their influence in global networks, not by the territory they possess: connectivity matters more than size.

The power of connectivity will transform forward-thinking cities. The "smart city" is an accumulation of the Internet of Things, in which connections will be between machines rather than humans. The new generation of hyper-connected networks will be at the heart of smart cities. 5G technology will be the backbone of smart cities as soon as the next wave of wireless technologies is established. Since inevitably, local government will rely on 5G, harnessing data
will be essential for public sector innovation, especially in view of digital government and hybrid services.

- **Cities are incubators for innovation hubs.** Innovation will indeed allow cities to boost productivity and to do more with less. However, digital technologies can be used not only for performance and productivity purposes, but also to deliver a better quality of life. **Smart city** technologies have indeed an unrealized potential to improve the urban quality of life in multiple areas (safety, health, environment, mobility, social housing and employment, cadastral database, etc.). Smart cities also change the economics of infrastructure. The necessary 5G infrastructure will be the challenge: it will allow us to take advantage of the huge range of opportunities provided through the networking of people, processes and data.

- **Megacities lead to re-thinking the role of hierarchy and government for a functional governance.** Rather than taking a master planning approach, some cities position themselves as eco-systems. The dynamics and future direction of megacities and their interconnections will be determined by their ability to better share the fruits of the economic prosperity for the benefit of urban society. In this respect, we can anticipate high pressure on nation states and city level governance to develop appropriate infrastructure that responds to evolving demand and technological transformation.

- The new limit to growth is the limit to investment, which will affect the potential of city regions. Large and megacities are indeed economic giants but will suffer from an **imperative need for investment** over the next five to ten years, primarily in infrastructure for digitalisation, transportation, environmental protection, education and cybersecurity. According to OECD, 64 % of investment requests for adapting megatrends must be done at subnational level. Meeting infrastructure challenges will therefore request to generate "fiscal space" to address investment gaps. The question of fiscal decentralisation especially for metropolitan regions, as well as innovative financial instruments and alternative match funding mechanisms like crowd funding will therefore gain prominence.

### MEGACITIES IN A NUTSHELL

| Most serious economic challenge: unemployment |
| Most serious environmental challenge: air pollution |
| Most serious social challenge: poor living conditions |
| Most infrastructure challenge : transportation |

- **After a rural exodus, are we going towards an urban exodus?** In addition to an uncontroversial trend towards increasing urbanization on all continents, there is also a movement back to less urban areas. This trend should not be ignored but analyzed in order to understand the economic, social and sociological levers of the counter urbanization process. On the one hand, a competition has indeed emerged between small and medium cities as in China or in the USA, attracting talent from megacities such as Beijing, Shanghai or New York. On the other hand, there has been a rise in demand from citizens to better quality of life.

- **Room for utopia.** The city has always been a witness to visionary experimentation. Urban intelligence is becoming a new model for utopian thoughts. Convergence between very rapid urbanization and the hyper-connectivity of the world's urban population is indeed the starting point for the utopians of the coming decades. Housing, environment, education, work, culture, transport, energy and water as well as governance and civic life will all be affected by this dual urban revolution and its global uses. By considering technological progress and the time needed to act, we can get an idea of the city model in 2030, but the potential for changes in technology prevents us from having a clear picture of cities in 2050.
2. CHALLENGES AND UNCERTAINTIES

"Cities are where the battle for sustainable development will be won – or lost"
(UN Secretary General 2015)

The challenge of sustainability

The UN Habitat World Cities Report 2016 unequivocally demonstrates that the current urbanization model is unsustainable in many respects. Although urbanization has the potential to make cities more prosperous and countries more developed, many of them all over the world are unprepared for the multidimensional challenges linked to the acceleration of this process. The loss of density in urban areas over the last two decades demonstrates that demographic and spatial expansions go hand in hand. Less dense cities bring higher infrastructure costs, worsened mobility and destroy agricultural land.

The emergence of new urban areas and urban extensions in anticipation of demographic growth will by itself cause more emissions than the world has generated in the last century. The cities are hotspots for energy consumption as a key source of greenhouse gas. As cities represent more than 70% of global energy demand, the transition to sustainable energy is a priority. The energy mix in 2040 will determine the mobility system in megacities. For many experts, by 2040, the grid will be different: "We will burn electrons rather than hydrocarbons".

Cities could also be part of the climate change solution. Urbanization offers many opportunities to develop mitigation and adaptation strategies through appropriate urban planning and design. Through initiatives like the Global Covenant of Mayors for Climate and Energy and the Cities4climate 2020 initiatives, over 9.35% of the population are seizing the opportunity to achieve the global commitment to create a carbon neutral world. The success of the recent Global Climate Summit in San Francisco in September 2018 demonstrates the commitment of cities and local governments to pursue ongoing efforts which are already making an impact.

Increasing urbanization might also lead to resource competition. As megacities rely on supplies such as water, food and energy and access to basic services, the response to resource scarcity will determine their future. If those responses to resource scarcity and access to goods, services and information are inadequate, life in megacities will be tough, with a rapidly growing population but too few resources to meet people's needs.

The New Urban Agenda adopted at the Habitat III Conference (Quito, Ecuador, 17-20/10/2016) provided the last roadmap for cities in an increasingly urbanized world. It stressed that the way cities and human settlements are planned and financed will determine whether urbanization helps to bring an end to poverty, improve well-being, foster resilience, and protect the environment. Moreover, this new agreement underlined housing as a global challenge and one of the central development issues for emerging and developing countries as a result of population growth and fast-expanding cities (one quarter of the world's population is living in slums). In the megacities, the provision of affordable housing is a key challenge and will impact the mobility of workers.

The New Urban Agenda also has strong links with the Agenda 2030 for Sustainable Development, with particular focus on goal number 11: "Make cities and human settlements inclusive, safe, resilient and sustainable". The New Urban Agenda strives for "cities and human settlements that fulfil their social function, including the social and ecological function of land, with a view to progressively achieve the full realization of the right to adequate housing".
The 20th century urban model had unexpected consequences. Going forward, the future of cities will result in new urban forms, patterns of behaviour and resource use. More compact and better-connected, low carbon cities could save as much as USD 3 trillion in urban infrastructure spending over the next 15 years. The start of this century has proved to be a transition phase, and cities must prepare for the shift towards being resource-constrained sustainable cities where the issue of food production, the consumption system and sustainable energy production within cities will be pivotal.

**Can we manage the accumulation of risks due to excessive overpopulation?**

- **In global terms, megacities and large cities must develop a sustainable and resilient environment.** Uncertainties relating to urbanization revolve around the issue of risk management, which entails managing the consequences of urban overcrowding. Urbanization indeed impacts the risk of amplification and transmission of infectious diseases and pandemics. Most megacities are also vulnerable to at least one type of natural disaster. The combination of floods, earthquakes and fires will lead to massive environmental problems, becoming a security issue for the cities. Particular focus should be given to establishing a new relationship with water, in order to combat the effects of climate change and growth of urban health risks.

- **Urbanization grow will continue to concentrate in coastal areas in the future.** Three quarter of large and megacities are located in low coastal areas and 275 million people worldwide live in zones which will eventually be flooded when global warm reaches 3°C. Megacities are therefore particularly vulnerable to climate events as many of the world's largest cities are located in low-lying coastal areas. The regional impact of these changes is uneven: the most affected people live in Asia and the most vulnerable megacity in the world to serious flooding is Shanghai.

- **Value concentration in megacities** also results in an accumulation of risks, which tend to be interdependent. Increasing urbanization leads to the concentration of goods and services in critical infrastructures. National and local leaders must therefore be equipped to face risks both from natural and human made disasters along with their consequences in terms of economic losses. This can be done by limiting the social and economic impact of those risks and by planning for business interruption scenarios. In the future, cities will be increasingly strategic sites for geopolitical struggles which can no longer be ignored: new urban defences are needed to protect public spaces from terrorism threats, violence and insecurity.

- **There is a negative trend in regard to disasters.** If global governance further deteriorates, megacities will be more vulnerable to external shocks due to big gaps in the global governance system which affect major areas including energy, food, water and climate change. Disaster preparedness and reduced vulnerability are part of the equation. With the magnitude of urban risk increasing, cities must develop their own policy tools to reduce risk exposure.

**Can we mitigate the consequences of the urban divide?**

- **Citizens living in large cities benefit the most from globalization and urbanization which has led to poverty reduction.** Nevertheless, megacities reinforce disparities whose consequences are difficult to predict. Those disparities have increased between East and West, between developing and developed countries. On one hand, we can observe powerful mature megacities such as New York, Tokyo and London, which have a concentration of talent and opportunities for investment, growth, human capital and innovation. However their population is rather in stagnation or in regression. On the other hand, developing post-growth megacities are evidently characterised by growing population and its consequences such as unplanned slums, enormous inequalities, weak administrations, basic services, congestion and air pollution.
• **Megacities reinforce inequalities** between rich and poor, leading to the fragmentation of society. Urban divide and segregation also enhance social inequalities and gender equity. Gate communities are the physical manifestations of rising levels of inequality in urban areas and are seen as a response to insecurity in the US, but also in Latin America. They will be more and more significant in the future, expanding the polarization, privatization and segmentation of urban space, along with segregation between social groups.

• Polarization could lead to growing urban conflicts. The recent concept of **urban geopolitics** can offer a valuable perspective to a better understanding of the contemporary juncture. In the current unstable world, political leaders must be more attentive to the geopolitical consequences of urban territories and their management. Since the combination of mass urbanization and forced international migration will lead also to a rise in global urban inequalities, reunifying divided cities is the objective of the **contested cities** movement, which aims to demonstrate the negative consequences of urban segregation policies and suggests new urban alternatives.

Questions for discussion:

• What are the advantages and risks of megacities in terms of global stability?
• Is urbanization the best tool to achieve the sustainable development goals (SDGs 2030)?
• For policy makers and companies, the shifting gravity of the global urban landscape is a key concern. Which cities are likely to shape the 21st century: megacities, global cities and/or smart cities?
• Can we envisage a saturation point in terms of growth and what would its consequences be? There are indeed indications that smaller cities might continue to grow faster than megacities.
• Will megacities drive global growth in the future? Or not? Some predict that megacities in China and India will underperform economically (preference for smaller cities in terms of investment).
• Is urbanization the future of Africa and what are the implications for the European Union?
• Is the 21st century leading to a more urban inclusive society or a greater polarization between places that matter and place that don't matter?

3. **IMPACT ON THE EUROPEAN UNION**

The European Union is one of the most urbanized areas in the world and towns and cities are a core part of European integration. The European Union became tardily aware of the need to use its full potential in working towards a shared vision of urban development by including local and urban authorities in a common framework of action: "**An urban agenda for the EU**".

Signed on 30 May 2016, the Pact of Amsterdam sets out its objectives, as umbrella for the policy initiatives aimed to establish a more coherent and integrated approach to EU policies and legislation with an impact on urban areas. **The Urban Agenda for the EU** is also the main mechanism to implement the UN New Urban Agenda and the Paris Agreement on Climate Change, as well as to support the EU to meet the 2030 SDGs. The first assessment of its implementation after almost two years demonstrates the need for a binding political commitment in order to formalise the process as well as a strategic framework for a post-2020 Urban Agenda.

The map of European cities gives a different but not divergent perspective on the future of urbanization than in other continents. Europe is also fully confronted with growing urbanization and the need to master its impact as well as the conjunction of major global trends. However, the scale of an urban concentration of around 15-20 million inhabitants is not common in Europe. The European Union is indeed distinguished by the number of its small and medium towns. The **expansion of metropolitan city regions** is also an increasing phenomenon in the European Union which will continue in the future.
This must lead to following questions:

- How are European cities concerned with major trends?
- What are the major risks faced by European cities and the consequences of massive urbanization on the European Union?
- What are the strengths of European cities in global competition?
- What attitude must Europe adopt vis-à-vis its cities?

Key issues for discussion:

1. The attractiveness of European cities

The future of European cities will depend on their attractiveness. Indeed, to be competitive, a city must be attractive to individuals and companies and offer a high level of well-being. The European cities are particularly well placed in the ranking of the "cities of opportunity". Those cities are indeed knowledge-based and have a great economic potential. Progressively the criteria of sustainability and resilience will make the difference. Furthermore, balanced social and economic strengths will prevail in the future for this model of gateway cities which combine strong intellectual capital and a high quality of life. London, Paris, Amsterdam, Stockholm, Berlin are at the front place of a digitally and physically connected, knowledge based world. It is difficult to predict what Brexit may mean for the future of London as a pre-eminent global city, but the European Union must anticipate the consequences of its loss as a city gateway.

Picture: The urban elite

Global Power City Index 2017
Source: MFF: Institute for Urban strategies

Digital transformation will be the most important catalyst for European cities. They are generally well positioned on the global stage, due to a strong technology base and the sufficient rollout of applications. However, they lag behind in public usage. In Europe, smart city transformation nevertheless requires significant funding and must be accelerated in order for users to be able to make the most out of available technology. The attractiveness of European cities will depend on the capacity of the European Union, in the face of global competition, to provide sufficient investment in three key sectors: sustainability, mobility and digital.
Cities as key players in open innovation should be one of the European Union's main objectives, facilitating the emergence of city ecosystems by pushing a systemic approach and bridging the gap between technological, digital, social, cultural and nature-based innovation. The growing competition for talents and the attractiveness of large and global cities contribute also to accelerate the brain drain and brain gain effects in some regions and cities. This trend which strengthens disparities in the European Union may require appropriate policy response in the future.

The biggest challenge for European cities is indeed population decline (one third of the European cities have seen their populations decline) and the rapid ageing process which could pose serious problems for the future of the European societies also in political terms. The general objective of growth for European cities will therefore depend on their demographic profile and will require a proper European strategy in the coming decades. The European Union promotes a balanced territorial organisation based on a European polycentric (r)urban structure. Rising awareness of the urban-rural connections and the development of functional regions could also be part of the solution regarding shrinking regions and cities effects on European territorial cohesion.

Picture : The ageing population : 2025 : Cities in developing countries are ageing rapidly

Do European cities have the tools to deal with a changing world? What are the policy responses from a European perspective?

2. **The resilience of European cities**

Climate change will also seriously affect European cities and could be the most disruptive factor in the future. Every scenario, even the most optimistic, predicts that all European cities will experience an increase in heatwaves and droughts. We can expect serious damage and consequences for the people, as well as for the economic and social balance of major cities in Europe. Because of rising sea levels, some coastal cities in Europe will be on the list of the world's most at risk cities. In the worst-case scenario, 72% of European cities could see temperatures rise during heatwaves by as much as 10 degrees Celsius. The challenge of climate change and man-made disasters must be tackled today in order for European cities to adapt and to increase their resilience.
The European Union has the most proactive urban climate action in the world, with innovative climate change mitigation and adaptation solutions being put forward with the support of digital technologies. Nevertheless, a strengthened role for cities in climate governance and an easier access to climate funding are essential to improve their capacity to properly implement the international and European commitments as well as taking action to reduce their vulnerability to climate change.

Urban areas will continue to increase in number and size. Security challenges therefore will gain prominence. In this global context, beyond the traditional level of crime and violence, cities will be on the joint line of new trends and emerging dynamics regarding ideological trends and disinformation. Radicalisation challenges have evolved with decreasing levels of trust in political institutions and rising level of disinformation. New technologies and social media have indeed affected the dynamics of polarisation and cumulative extremism. In the future, the pre-eminence of social networks as a key factor in the radicalisation pathways could lead to the exploitation of local grievances.

In Western developed nations and particularly in the European Union, securing cities will be a priority. While traditional crime rates are undoubtedly declining, European cities which are faced with an ongoing terrorism threat became key strategic target for extremist violence. In the future, European cities will be increasingly concerned with building urban defences to protect public spaces and to prevent radicalization and in that respect, to invest in data and technology-driven approaches as to enhance urban safety and security.

Globally speaking, how to convey the sense of urgency in relation to taking collective action? Risk management and resiliency are dynamic and progressive processes at all levels. What are the policy responses from a European perspective?

3. The governance of European cities

The development of European cities is a shared responsibility between the European level, the nation states, the regions and the local authorities. Establishing an integrated urban development strategy at all levels of government implies a set of interconnected common objectives and a mode of governance to coordinate different levels of government.

The urban dynamic in the European Union is unbalanced. In the last decade, the European Union has seen a growing demand for local responses to global challenges. However, despite the fact that the urban dimension is increasingly reflected in number of EU policies, it remains the case that cities are under-represented in the European decision making process and the shaping and implementation of the European agenda. The only way to drive a "new urban regeneration in Europe" over the coming decade is to adopt the multilevel governance model. Given that the complex challenges that cities are facing in a globalized world are interlinked and need a multi-dimensional strategy, urban policies need to evolve towards a more integrated approach by linking different levels of government.

Polarization of society has become a worldwide phenomenon and a European major concern. Integration policies which were exclusively national are progressively extended to local level and European cities might be source of social as well as political stability and cohesion. As migration become one of the most high profile political challenge for the European Union, city responses to migration and refugees will be characterised by integration and inclusion solutions. Urban governance will therefore play a pivotal role in the future of the European Union.

The fragmentation of European society might undermine the trust and legitimacy of our democratic system. Geography of discontent refers to mapping the rising disparities between cities and regions and inside the cities. This is not a new phenomenon but the magnitude of these disparities has considerably changed the level of acceptance and tolerance vis-à-vis these inequities. The political geography of urban polarization is becoming vital to the cohesion of the European Union. While
Depopulation and unemployment are strongly connected, they are indeed serious risks for populism. In that respect, population decline seems to be the real factor behind the rise of geography of discontent. On the contrary or in addition, for the United Kingdom European membership referendum 2016, the generation split was preponderant.

**Picture**
Population change and populism 2018

**Picture**
UK European Membership referendum 2016: Vote by age: the generation split

**Populists use territorial strategies.** Economic, social and territorial inequalities are linked to more votes for parties that oppose EU integration. The success of populist non-urban votes is also connected to the level of representation in the national parliamentary system. Populism's rise in Europe as well as in the US is not only a product of economic inequality or even economic anxiety but also a cultural backlash against urbanism and the values of globalism and cosmopolitanism that are characterized the large cities. The decline of the middle class, the broken escalator of social mobility – linked to the rising domination of the “elites” of the "global cities” – and the urban/rural divide feed contemporary populism.

The concept of "territorial resilience" is part of the solution in terms of policy responses. However, there is a need to improve understanding of local concerns and to address policy responses to growing inequities. Meeting the expectations of European citizens and closing the growing gap between people’s expectations and the EU's ability to deliver call for a recognition of the potential of multilevel governance. The increasing concentration of Europeans in cities makes it necessary to rethink their weight and role in the functioning of European democracy and benefit from their added value in the process of European integration.

**Picture**
Trust in different levels of government 2008-2018 (source: Eurobarometre)
What lessons could we learned from the urban multilevel governance model? What are the policy responses regarding European governance?

All barometer polls confirm that elected local politicians benefit from the highest levels of trust from European citizens. How can we capitalize on this constant trend in the European democratic system to better reach out to EU citizens?
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