



Sustainable Development Goals and Cities: Re-Thinking Development for an Urbanising World

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The [Converge](#) project focuses on the problem of how to make a transition to a sustainable and fair society 'fit' with economic development, and especially the challenge of lifting people out of extreme poverty. As a contribution to this process, the Schumacher Institute has convened a series of conferences on the Sustainable Development Goals (SDGs), one of the proposed successors to the MDGs after 2015, which directly address the issue of reconciling sustainability and development.

The next event in this series will focus on SDGs and Cities. As a keen supporter of urban development and sustainability in Bristol, and noting the success of the Bristol Green Capital campaign, we aim to shape the debate on the SDGs, and bring the lofty ambitions of the SDGs to focus on what has often been missing from the MDGs: the recruitment of local communities in the service of global goals.

Urbanization is one of the most important issues a post-2015 framework has to tackle. 80% of global GDP is estimated to be produced in the world's urban areas; cities account for 70% of global energy demand, and 80% of all carbon emissions.¹

The post-MDG consultation process has identified that the MDGs focused 'vertical' development interventions, such as targeting specific diseases or numbers of children in school. This was at the expense of 'horizontal' interventions that take systemic views of problems and emphasise themes rather than narrow targets.² This makes cities important in two respects. First, urban areas are better understood now as centres of poverty and environmental problems. As the development industry moves from an ideological and practical attachment to rural development, more attention is paid to the actual location and circumstances of the poor. Second, in a more figurative sense the embedded systems and networks in which people live becomes the primary unit of analysis. If poverty is to be further reduced, it makes sense to not only go to where poor people are, but also to work with the grain of the economic, social and practical circumstances in which they live.

A practical shift accompanies the ideological. Cities are taking the initiative in addressing problems of development and environmental management and it may even be that cities are the appropriate arenas in which to confront these problems. In a survey of ninety major cities worldwide, the London School of Economics found that green issues are consistently important to long term urban development and planning, no matter the wealth of the country. The study notes "...[c]ities are complex heterogeneous entities which share some common properties. There is no one size fits all solution, but all cities have scope to improve efficiency, make greater use of renewable resources and improve the environment for innovation, with significant economic as well as environmental returns."³ Environmental services are critical components of economic growth at city level, and are seen by the city authorities in the LSE survey as more important to overall economic growth than they are as merely net contributors to public revenues.⁴

¹ World Bank (2013); pp.1

² Vandemoortele (2009)

³ LSE Cities (2012); pp.27

⁴ Ibid

UN HABITAT's State of the World's Cities report for 2012 describes this civic bullishness as the 'engine of human development'.

*"Prosperity in this broader, organic sense transcends narrow economic success to encompass a socially broad based, balanced and resilient type of development that combines tangible and more intangible aspects. Taken in this multi-dimensional sense, urban prosperity tightens the links between individuals and society with their everyday environment, i.e., the city itself. Amidst multiple challenges facing cities today, a focus on poverty reduction and/or responses to the economic crisis is gradually shifting to a broader and more general understanding of the need to harness the transformative dynamics and potentials which, to varying degrees, characterize any city anywhere in the world."*⁵

It is this multi-dimensional approach to prosperity that makes cities a crucial new focus for development.

Update on the Post-2015 Process

The MDGs, despite their success, are now somewhat dated.⁶ In broad terms, the informal *systems* through which development outcomes are produced are in greater intellectual vogue than the formal *tools* that may be used. For example, critics have noted that focusing on specific diseases such as malaria, TB and HIV/AIDS has led to substantial progress on those diseases (although⁷ the data on these, especially malaria, is somewhat uncertain). However, vertical 'stovepiping', focusing money and attention on specific issues, may have come at the expense of the health system development and surveillance which are the bedrock of long-term public health programmes. In places with weak public health infrastructure, funds that are ring-fenced for certain programmes often end up having to be spent on prosaic and basic improvements in clinics, hospitals and the training of doctors and nurses in order for vertical programmes can operate.

This new trend has been referred to as a shift from 'vertical' intervention (the 'Newtonian' worldview) to 'horizontal' intervention (the 'Quantum' worldview).⁸ So, for example, as the MDGs largely focused on problems that had (or were supposed to have) 'technical' solutions, such as bed-nets to treat malaria or more teachers trained to raise literacy rates, proposed goals for the SDGs or other MDG-successors include more cross-cutting focuses on issues such as equality, social protection, female empowerment and democracy.

The greatest priority for the environmental community is mainstreaming sustainability within development planning, rather than just agreeing a new set of targets.

Political challenges remain. A common demand is for an explicit goal on equality. But 40% of the reduction in absolute poverty under the MDGs was down to China, and much of the rest is accounted for in nations that had commodity booms. The reduction of absolute poverty comes at the expense of increasing inequality, as the faster the reduction of poverty the wider and faster the gap grows between urban and rural inequality. A rising tide doesn't lift all boats, at least not all at the same time. The difference between urban and rural inequality increased by 50% in China between 1980 and 2000⁹. Cities are often sites of the greatest inequality as the very rich live cheek-by-jowl with the very poorest. An international mandate to reduce inequality, therefore poses a direct challenge to urban living.

As political economy approaches show, inefficient public revenue production means that other forms of capital extraction are needed for effective public services. Without a mature tax-base, city leaders may

⁵ UN Habitat (2012); pp.6

⁶ See Vandemoortele 2012; Roderick 2012

⁷ See Roderick 2012

⁸ Vandemoortele 2009

⁹ CIA World Factbook, 2011

find that the financial and political support of a business class may be more difficult to secure if patrons aren't getting quite as rich as they had been expecting.

Inequality, therefore, remains a controversial issue, with an unusually complex mix of groups who are for and against the use of this concept in post-2015 frameworks. Times have changed when you find on one side an alliance between Oxfam and the World Economic Forum in favour of inequality being one of the principal indicators of the new Goals, and on the other Brazil and China lobbying hard against the proposal in case such targets restrain their growth.

Another form of inequality may actually be more relevant to cities. The priorities of rich and poor cities are not always consistent, even if cities do tend to share certain characteristics such as the location of financial and human capital (and, importantly, marketised capital), important sectors such as transport and distribution, and a skilled labour force. Differences between rich and poor cities affect how they approach the environment. The LSE Cities Survey shows that while rich and poor cities tend to share similar problems, such as transport, jobs and housing (even if the nature of the problem is very different in London than in Lagos), the 'triggers' by which political responses occur differ significantly.

In the environmental sector, this makes a real difference. Local need, and an independent and geographically-concentrated base of political support, tends to invest city councils and their politicians with the mandate and the resources to drive local improvements such as sanitation or refuse disposal or public health. Richer cities tend to work with more extensive and rigorous national regulation, and so often have less discretion over driving their local environmental policy. The complex political relationship between city and state therefore invests cities with (albeit inconsistent) autonomous executive power, and if this autonomy is to be put to productive use, the complexity needs to be understood.

Why Are Cities Important?

The MDGs promote a fairly orthodox patron-client model of development, with power and resources flowing from the benevolent rich to the powerless poor. The SDGs challenge the assumption of structured hierarchy, preferring a more nuanced worldview where power is multi-functional. An implication of the change of worldview is of a shift in emphasis away from resources towards the actual *location* of development. While this is meant figuratively, the physical location matters too.

Focusing on cities challenges several development orthodoxies. First, development is organised, intellectually and practically, towards rural development with cities traditionally seen as the location of wealthy elites who had already been lifted out of poverty. But recent understanding of the role of elite bargaining in the development process has reoriented attention on cities as critical systems in national (and increasingly cross-border) development, as well as the physical location of much of the process that gets labelled as 'development'. In purely practical terms, urbanisation correlates consistently with standard of living (in the admittedly weak measure of GDP per head), inequality, and position within the demographic transition.¹⁰

Second, it reaffirms the post-2015 emphasis on systems rather than structures. That is, rather than a target-driven process, the focus is more likely to be on the means of development rather than the ends. Emphasising things such as public health, rather than HIV/AIDS or malaria, or focusing on educational infrastructure rather than school attendance, demonstrates the change of thinking towards systems. Cities provide both a prism through which to see better development, and a crucible in which to produce it.

Third, a cities approach challenges the economic orthodoxy of capital being produced in a few command centres of the global economy, the financial hubs of New York, London, Frankfurt or Tokyo, and spreading outwards in ever-less productive ripples to lesser service sectors, through manufacturing and mechanised farming down to the lower reaches of subsistence farming and informal sectors. A cities

¹⁰ World Bank (2013); pp.3

approach reorients the focus to local or national organisation of capital and bargaining processes, decoupling it from a worldview of development being handed down from rich to poor.

This approach is likely to gain favour as long as the engines of economic growth are the urbanising, and increasingly consumer-driven, economies of the developing world. A Harvard study estimates long-term economic performance of 2-2.5% GDP growth in advanced economies to 2025, and 5% GDP growth in emerging economies driven in part by urbanisation and the expected productivity gains from this¹¹ This isn't just an issue of GDP. Human Development Index values, when measured at city level, tend to track above national HDI averages at all levels of development, with the gap between cities and national averages only really narrowing at the top end of human development.¹²

A cities approach throws into light the impact that urbanisation has on the natural environment, emphasising the way in which cities are settings for conflict between the environment and development, as well as for conflict-resolution. Rapid urbanisation illustrates these tensions. The construction sector contributes between 5 and 15% of *global* GDP, made even starker by mature economies being in recession and so restraining construction generally. Buildings account for one-third of all GHG emissions, 40% of energy use, 20% of all water consumption, and the construction sector will have to make 29% efficiency savings to meet the 2020 targets envisaged by the IPCC.¹³

There are environmental and social opportunities that cities create too.. The UN, in preparation for Rio+20¹⁴, reports that some environmental initiatives have benefitted greatly from the efficiencies and advocacy mobilisation that cities bring. General air quality has improved significantly following Rio 1992, particularly as a result of urban leadership, and this is mirrored by reductions in GHG emissions, waste management, and in general public engagement with environmental issues. The massive expansion of access to electricity and clean water has been driven by urban-dwellers, and the efficiencies and innovations made in these sectors raise standards (and lower prices) for rural areas too.

Urbanisation isn't a magic bullet for every development problem. The Cities Alliance, a grouping of many of the world's largest city governments, notes that cities tend to be under-represented politically because there is often little coordination between them, and sometimes implicit competition, especially nationally, as such the potential collective-bargaining power of cities is squandered. Furthermore, cities that have national or international prominence tend to be primary cities that probably don't need much help to begin with. States with very dominant metropolises, such as the UK and France, tend towards centralised political control, whereas those without one dominant metropole, such the USA or Germany, tend to decentralise power more easily. So the Alliance calls for greater attention to the role of smaller cities in driving economic and demographic growth. Finally, the Alliance calls on cities to pay closer attention to how they fit within global systems. As urbanisation has been one of the most distinctive demographic changes of recent decades it is reasonable to assume that the issues emerging from cities will drive the macro-agenda for some time.

Critical Issues for Cities and the SDGs

Land Reform and Law

In a way that is often difficult to relate to in mature economies, land reform is the most important issue of political economy (and often of political contest) in developing countries. 'Successful' states usually involve lasting political settlements on land tenure, and much urban conflict arises from failures in this process.¹⁵ City-wide policy-making and long-term development depend on lasting and effective political settlements of land law.

¹¹ The Conference Board (2012); ALL

¹² UN Habitat (2012); pp.18

¹³ All figures from LSE Cities (2012); pp.53

¹⁴ Miyazawa (2012)

¹⁵ See UNHABITAT (2012)

The assumption that cities are sites of economic growth (and the further assumption that economic growth correlates with other 'desirable' things such as the demographic transition, market efficiency, high employment, and improved standards of living) does not always hold true. Studies often emphasise the complex relationship between urbanisation, economic performance and political, social and cultural structures.

Sean Fox, for example, highlights the paradox of the urban transition in Sub-Saharan Africa, where level of urbanisation seems to be a poor predictor of economic performance even between neighbouring countries with roughly comparable development and demographics.¹⁶ Fox argues that orthodox theories of demographic change as the principal driver of don't account for variations in economic performance even given similar demographic change. He argues instead that *historical* factors are key, such as technological adoption, and importantly local political factors, and this accounts for the phenomenon (often seen in Africa) of 'urbanisation without growth.' It is the subtleties of urban issues, and resisting the temptation to see the city as always metropolitan, modern and efficient (with the implication that non-urban areas are the exact opposite) that is crucial to urban policy.

In a paper in the same 'Crisis States' series from the LSE (a body of work on the role of cities in the political economy of development) Tom Goodfellow compares two African capital cities that are the unchallenged centres of their nations' politics, economies and culture, Kampala in Uganda and Kigali in Rwanda. These cities are close in distance, culture and level of development (and even the most obvious divide – language – is closing as Rwanda has heavily promoted bilingualism, and has recently joined the English-speaking Commonwealth.) In a trend he terms 'political dualism' (aping the 'economic dualism' that until recently was supposed to keep formal and informal economic sectors distinct in developing countries), a political de-coupling occurs whereby different elite groups compete for power because not enough investment has been put into the formal and effective institutions to mediate between them, such as an impartial planning system or an independent judiciary. Goodfellow contends that successful city development rests on land law and urban planning as these are structures through which most disputes get resolved and how economic distribution is regulated. In short, effectively enforced property rights and the rule of law are critical if cities are able to manage the pressures of environmental and developmental transition.

Land tenure reform, and particularly the protection of property rights, is traditionally seen as the most important contribution legal institutions make to poverty reduction. However, the idea that 'the poor' are synonymous with 'the rural poor' is hard to shake. The consultation document of the High Level Panel in November 2012 rightly points out that "...75% of people with lowest income (earning less than US\$1.25 per day) live in rural areas and depend on agriculture for their livelihoods, and so land is their most important asset."¹⁷ But this obscures the issue somewhat. Land is not just important for agriculture (and the implication here of subsistence agriculture). Land can be bought and sold, even in rural areas, and is a capital asset with value for property development or commercial use. Urbanisation means that land is likely to become ever-more multi-functional, and to assume that the only issue for land tenure is securing the way of life for small-scale farmers is somewhat out-dated. Furthermore, in macro-economic terms, the 25% of poor people who don't live in rural areas become even more important, as urban land tenure (and urban property rights more generally) become critical to the capital mobilisation with which businesses are developed, education and healthcare are paid for, and in all the other ways in which people move out of poverty.

¹⁶ Fox (2011)

¹⁷ UNGLS (2012); pp.16

As the World Bank's report *The State of the World's Cities* shows, cities are where land reform is often most needed, and so changes crucial to future development often start in the city and spread out.

“Urbanisation generates an increase in the demand for land, and a problem arises when land is scarce in places it is needed the most. The success of tools for accommodating urban expansion and redevelopment is typically based on robust systems for assessing land values. And a clear definition of property rights is a first requirement in this direction. Further, developed countries rely on various forms of data and institutions to assess land values, including market data on transactions and attributes of the property, as well as ancillary data on potential income from land and the cost of inputs into land development.”¹⁸

Health

The shift from countryside to city-living has been described as being as momentous a change in human ecology as the even earlier shift from hunter-gather itinerancy to agrarian settlement.¹⁹ The act of fixing settlements, staying put within a limited and relatively unchanging ecosystem changed the ways in which diseases incubate and spread, creating new ecological niches and barriers for pathogenic and non-communicable diseases alike. Until recently cities were limited in size and scope due to energy limits and the negative health burdens associated with city living.²⁰ The energy problem has been (temporarily) solved by the productive potential of fossil fuels and communication technologies. The health problem has changed through improvements in sanitation, disease surveillance and public healthcare, leading some to debate whether technology or demography is the principal driver of urbanisation. Either way, the health of the city matters.

Cities act as both ‘condensers’ and ‘distributors’ of health and wellbeing. Urban areas facilitate the vectors of disease transmission, due to physically aiding close contact as well as the range of interactions between people and their environment. Social and environmental systems from sanitation to public transport to food processing to cultural activities determine how disease spreads (the variability of the basic reproductive rate, or R_0 .) That is, cities act as important vectors in the transmission and prevention of disease, enabling contact and incubation as well as altering social structures in such a way as to influence the pattern of disease.

Cities can also be good promoters of health and wellbeing. Urban populations tend to have better (and cheaper) medical facilities, disease surveillance is more extensive and better placed to mobilise public health resources, and cities are usually the location of the best clinics and referral hospitals that contribute most to morbidity reduction.

Several issues related to health and sustainability should be highlighted as particularly relevant for city policy:

New and Emergent Health Vectors: Changes in human environments occur at both microscopic and macroscopic levels; a trend that William McNeill terms ‘macroparasitism’. The ability of civilisation to influence disease patterns is nothing new; the co-mingling of influenza virus between birds, livestock and humans that leads to major winter ‘flu in Europe has been tracked following the same geographic path across China and Central Asia as the ancient Silk Road.²¹ Emerging and Re-Emerging Infectious Diseases (ERIDs), exotic Protista such as anthrax, Ebola, plague and SARS, offer unique threats to public health, but they are limited by their poor environmental fitness rather more than medical intervention. The more prosaic, but far more deadly, threat comes from background diseases that gain new ecological niches when social and physical change occurs, including urbanisation. The MDGs had a disappointing record in dealing with TB, malaria and other so-called diseases of poverty (which is often a misnomer). The new framework will need to consider many new health threats.

¹⁸ UN Habitat (2012); pp.6

¹⁹ McMichael (2001); pp.251

²⁰ Fox (2011); pp.3

²¹ Chapter 4: ‘The Impact of the Mongol Empire on Shifting Disease Balances, 1200-1500’ in McNeill (1976); pp.141-185

Migration: Growing cities are magnets for people and capital, most often attracting the young and those most willing to bargain for the price of their labour. Urban areas have high net immigration, although as Sean Fox shows, young immigrants also tend to be the ones producing babies and so urban growth rates tend to over-play the former and under-play the latter. A younger, mobile population will change the health of a city from chronic illness such as cancer and heart disease towards more instances of sexually transmitted infections, childhood illnesses, and ‘flu.’²²

Pollution and Industrial Threats: Drainage, waste management and industrial pollutants pose threats to human health, particularly when urbanisation occurs at a faster rate than efficient systems (particularly governance systems) can manage. Pollution from transportation is especially damaging to public health. As McMichael points out²³, the European and American model of zoning, separating industrial and residential areas, has been adopted by many developing cities but without the European public transport or American road networks to accommodate this. Such cities tend to suffer from a double-bind of low air-quality from lower environmental standards for vehicles, and negative feedbacks into health and productivity from traffic jams and network inefficiency.

Population Health: Growing cities with lots of young people find that they have to prioritise population health, often at the expense of secondary healthcare. Population health was largely overlooked in the MDG. The nearest nod in this direction was the Goal on maternal health and an emphasis on young people in the HIV/AIDS Goal, despite population policy being central to health and development. Again, politics intervenes, as population health brings up contraception and women’s health. An emphasis on cities should hopefully push population health up the agenda as the need for sensible policy making in this regard becomes more urgent.

Water and Sanitation

Water and Sanitation for Health (WASH) is perennially important, particularly for those ‘mega-cities’ with populations larger than five million. It is more than just a question of human security, it is an issue of political contest across the developing world. Water was split in the MDGs between access to water and sanitation; the former largely successful and the latter largely unsuccessful.²⁴ This suggests a lack of focus on water and sanitation, and tucking these away in the environmental goal rather than integrating them within the (more successful) health goals was indicative of their lower priority. WHO estimates that 5.9% of all disease burden worldwide is attributable to the major water-borne infections of diarrhoeal diseases, tropical-cluster diseases such as lymphatic filariasis and schistosomiasis, and intestinal infections, almost exclusively limited to developing countries and largely driven by poor sanitation in urban areas.²⁵

The challenge in the water sector is not that there are no solutions, but possibly there are too many. The Rio+20 secretariat lists just a few of these as Agenda 21 (Chapter 7, Chapter 6, Chapter 21, Chapter 28), the MDGs (Goal 7), Johannesburg Programme of Implementation (Chapter 2), and Plan of Action on Subnational Governments, Cities and Other Local Authorities for Biodiversity (Annex 3).²⁶ The fact that water falls between several stalls – health, infrastructure, habitation, environment – means that there is a lack of focus at the macro level.

As detailed, clean water has generally improved as income levels have risen and major infrastructural improvements have been made, but there is a significant difference between the success of this target and that for sanitation. It should also be noted that the global progress reported on clean water goal can largely be attributed to East and Southern Asia, where fractional improvement in India and China

²² Miller-Thayer (2010)

²³ McMichael (2001); pp.254

²⁴ See Roderick (2012) for further details

²⁵ WHO (2011)

²⁶ Miyazawa (2012); pp.1

translates into massive progress towards the target compared to other regions. Sub-Saharan Africa, even with strong economic performance, did not meet the clean water target.

Sanitation has not performed as strongly as clean water, and this can reasonably be attributed to sanitation relying on social systems as much as technical systems. Separating out the different issues of drainage, sanitation, environmental control and water quality, and the political coordination of these, is a difficult task. Even in a well-developed nation such as Britain, with efficient governmental systems, public sanitation involves local authorities, the Environment Agency, DEFRA, Department of Health, Strategic Health Authorities, NHS commissioning groups, primary care trusts, water companies, and not to mention individuals and businesses. Water quality, by comparison, is usually managed by just the Environment Agency and water companies.

Sanitation means that the close contact between people in cities and dependence on systems that act as vectors for the spread of water-borne diseases become liabilities. The growth of cities, economically and demographically, is dependent upon the effective management of sanitation systems for public health. It is no accident that the 'father of public health', John Snow, gained such a title for tracing an outbreak of cholera to a single pump on Broad Street, Soho, in 1854; and that many schools and departments of public health were established for the study of hygiene and sanitation.

There is an often-overlooked third water indicator in the MDGs. Indicator 7.5, the proportion of total water resources being used, has unfortunately not produced sufficient cross-national data to contribute to Goal 7; but it is worth pointing out that including it was an honest, if unsuccessful, attempt to consider the environmental aspects of water along with the health aspects. The World Business Council for Sustainable Development found that in 60% of European cities with more than 100,000 people, groundwater is being used at a faster rate than it can be replenished.²⁷ The availability and sustainability of water stocks for future use, and the reminder that water is not a fully renewable resource, has to be considered too.

Jobs and Livelihoods

Economic issues were largely left out of the MDGs. A lot of debate on the role of economic systems and on inequality, which has again been raised as a focus for the SDGs, was included in the Millennium Declaration but did not make it into the final wording of the MDGs, most probably as a reflection of the disagreement that much of this language created. Perhaps as a reflection of the changed economic times, economic systems and an explicit focus on jobs and livelihoods have been prioritised in the Rio+20 Outcome document. There is a recognition of (or perhaps a desire to see) jobs and livelihoods as a 'cross-cutting' issue that touches on several development objectives at once.

Employment is crucial. As detailed, although poverty has traditionally been conceptualised as rural, it is now recognised that the 'working poor', those living on less than \$2 a day, and even below the absolute poverty measure of \$1.25 a day, should be the new focus of poverty reduction. This group, increasingly urban, is now 900m-strong or well over a third of the entire global workforce.²⁸

This has created the inequality that is the focus of much hand-wringing in the SDGs, and in urban areas this is amplified by the intensity of associated phenomena such as poor access to healthcare, unsafe water, pollution, and demands on wages through higher rents, transport costs and living expenses. Urbanisation, therefore, can be a net productivity gain for an economy if younger, better-educated people leave 'unproductive' sectors such as small-scale agriculture or unskilled manufacturing, but with the caveat that such productivity gains will only occur if there is commensurate growth in infrastructure, education and healthcare to match this.

²⁷ World Business Council for Sustainable Development; 2012

²⁸ UN System Task-Team on the Post-2015 Agenda: 2012; pp3-4

Classical development models usually have labour passing consecutively from unskilled and agricultural jobs, to partially skilled and manufacturing jobs, to highly skilled service jobs. However, productivity gains in the service sector in developing economies have increased at twice the rate since 2011 than in manufacturing, suggesting that larger numbers of urban dwellers than expected are escaping poverty directly through gaining better education and joining the service sector rather than passing through the intermediate step of manufacturing.²⁹ A new, urban, class of educated and highly productive young people might produce urban economic development, but unless their gains are reinvested (in terms of decent wages and taxation) then service sector productivity gains will result in increased inequality as developing countries will struggle to raise overall development based on a limited supply of highly skilled service-sector labour.

Productivity is an unresolved part of the puzzle. The classical model was that for societies would structurally transform from an agricultural and subsistent base to a manufacturing and consumer-driven one. While structural transformation towards high-skills and services has occurred, the anticipated correlation with poverty reduction and standards of living has not followed. The near-poor (a growing, group of who are typically younger, educated and urban) have not seen improvements in their material conditions keep pace with increases in the propertied and managerial classes' standards of living. This paradox, of 'urbanisation without growth'³⁰, is partly explained by high birth rates and the demographic transition, and is somewhat masked in aggregate development figures by high growth in countries with large populations (such as China, India and Brazil) as well as by high commodity prices that do not reflect broader-based economic development.

There is a danger that 'inequality' could become to the SDGs what 'poverty reduction' was to the MDGs (40% of all people taken out of poverty, the headline achievement of the MDGs, were Chinese). The High Level Panel has already reported that the collection of good economic data is almost important enough to be a goal in its own right, and certainly important enough to be mentioned prominently at the target or indicator level. This is a victory for the free data movement, including our friends at Development Initiatives. Critically, the drivers of inequality need econometric and demographic disaggregation so that appropriate action can be taken at national level and targeted towards each country's circumstances, rather than relying on as imprecise a target as just reducing overall inequality.

There is a significant gap between the very poorest and the rest. Even in the Human Development Index, which is a composite of several indicators, the range of values in the top three categories (Very High, High and Medium Development) varies only as much as 65% of the total range between the very highest level of development (0.975, Norway) and the very lowest level of development (0.286, DR Congo). The lower 35% of the development range is taken up by the poorest 25% of nations³¹, suggesting a larger gap between the very poorest and the rest than even between the rich and middle income countries.

Infrastructure

Urban infrastructure is as much of an issue for day-to-day urban politics as it is for long term planning, so it is no wonder that it remains top of the public policy agenda for any city. Of the five greatest concerns to citizens of ninety cities worldwide, including nations from across the rich and the poor world, infrastructure affects each. These include: Transport; Jobs; Population Growth; Housing; and Finance³². Transport in particular stands out as a consistently unifying problem of cities the world over. Studies show that road traffic congestion alone is a £20bn, or 0.75%, drag on the GDP of the EU; a 3.4% drag on GDP on the city economy of Buenos Aires; 2.6% in Mexico City and 3.4% in Dakar.³³

Cities with high growth-rates in poor countries need infrastructure to keep pace with rapid demographic and economic change, but often suffer poor revenue-generating ability and institutional inefficiency.

²⁹ Ibid; pp8

³¹ UNDP 2011

³² LSE Cities 2012; pp.18

³³ Ibid; pp.39

Mirroring this, cities with low growth in richer nations often face high land and construction costs to upgrade infrastructure that often dates from Victorian times or earlier, and can encounter significant political problems too. For example, Crossrail, a new rail link connecting thirty existing stations in London with nine new ones via 21kms of tunnel, will take 17 years from the start of the public consultation to completion, and is projected to cost £15bn, comparable to an entire year's GDP for Rwanda.³⁴ Essential provision of heat, light and power, as well as efficient transport and telecommunications are seen as key to maintaining cities; and as the primary consumers of resources such as fuel, metals and building materials, the sustainability of essential commodities is essential to cities' long-term viability.

Environmental issues are intertwined with many of the infrastructural challenges cities face, including road congestion, affordable housing, urban sprawl, air pollution, flooding and solid waste management. Cities in low and middle-income countries face a wider set of challenges including water shortages, sewage treatment, over-crowding, informal land development, lack of infrastructure and insufficient public services.³⁵ However, civic dynamism and organisation is generating responses to these problems; the LSE Cities survey shows that Rio 1992 acted as a catalyst at city levels to adopt city wide green policies and independent environmental objectives.³⁶

Infrastructure is likely to play an important role in the SDGs and other post-2015 development frameworks. As detailed, a major departure from the MDGs is likely to addressing fundamental economic questions of production and distribution, rather than just responding to the worst consequences of current economic systems. Decision-makers have recognised that the MDGs incentivised aid flows to social sectors such as education and health at the expense of economic and infrastructural development. ODI reports that the split between aid money for social projects and for economic projects (like infrastructure) increased from a ratio of 3:2 in 2000 (the year before the MDGs started), to 2:1 by 2009³⁷. As such, it is not surprising that south-south cooperation has focused more on infrastructure, with China, Brazil, India and other nations responsible for much of the external financing of infrastructural projects such as roads and railways.³⁸

If infrastructure becomes as important as predicted, this will have a significant impact on cities which will be the principal beneficiaries of successful investments in infrastructure and the principal losers if these investments come with high social, economic and political costs. The ILO estimates that 440m new jobs will be needed worldwide over the next decade just to satisfy the employment demands created by population growth and demographic change, the overwhelming majority of which will occur in urban areas.³⁹ Those jobs will have to come from somewhere, and infrastructure will have to keep pace with economic growth. It is a safe bet, therefore, that if high growth rates are to be maintained in the developing world, and if richer nations are to return to growth, that infrastructural improvements will be a major component of growth.

As the LSE Cities project points out:

“Cities are natural units for driving innovative policy solutions in order to achieve sustainable growth. They combine a mix of specialisation and diversity, derived from a concentration of people and economic activity that generates a fertile environment for innovation in ideas, technologies and processes. Cities produce and distribute the resources that provide better livelihoods for urban and rural residents alike.”⁴⁰

³⁴ CIA World Fact Book

³⁵ LSE Cities (2012); pp.4

³⁶ Ibid; pp.5

³⁷ Bergh and Melamed: (2012)

³⁸ Moyo (2009)

³⁹ Bergh and Melamed: (2012)

⁴⁰ LSE Cities (2012); pp.11

They are also major drivers of the green economy – from recycling networks to combined heat and power systems to more efficient transit, many new green technologies or policy innovations are reliant on cities not just to test their resilience, but to raise capital, build political support and to shape public opinion.

Governance

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

‘Sustainable Urbanization’, UN System Task-Team on the Post-2015 Agenda⁴¹

There has been a growing emphasis on the role of cities in development, what the UN Task-Team in the research paper referenced above call ‘an axis for a new global agenda.’⁴² We have seen that this reflects two trends. First, the shift away from ‘vertical’ or technical programming towards ‘horizontal’ or systemic programming, which looks more at fixing the systems in which problems are embedded rather than targeted solutions that fail to address structural issues. Second, the recognition that urban dwellers make up a large number of the poor means that cities will be ever-more important in poverty reduction. This means that the traditional focus of development, on rural poverty, will give way to a focus on urban poverty, and from absolute equality to relative poverty and inequality.

Cities are complex systems, and so a development framework that emphasises systems more than structures is bound to have profound effects on cities, good and bad. Cities are perhaps the ‘appropriate sized’ units for getting things done. The MDGs, which set *international* targets with responsibility delegated to *national* authorities, can be criticised for aggregating out both good news and bad news. That is, where there has been lack of progress in one place, this has often been obscured by good news in another. Progress on HIV/AIDS in several African countries has been obscured by sluggish change across the continent generally. Similarly, modest reductions in poverty across the world have hidden behind stellar poverty reduction in large nations, principally India, China and Brazil.

So, an important lesson to take from the MDGs is that success depends on the appropriate political unit charged with implementation, and ‘appropriate’ covers three aspects – spatial, functional, and political.

A spatially appropriate unit refers to both the literal geography and to the psycho-geography. Nation states are obviously appropriate units in many cases, but often sub-national units can be more appropriate. India and Nigeria both have strong federal systems that mean state governments may have more local power than national governments. The late Tajudeen Abdul-Raheem, formerly UN MDGs Director for Africa, and himself a Nigerian, points out that the Millennium Campaign realised that relationships would have to be established with state Governors, rather than the Federal Government in Abuja, if the Campaign was to successfully operate in Nigeria. Other countries, such as Rwanda or Cuba, have highly centralised systems which means that municipalities and local governments might be bypassed altogether.⁴³

A functionally appropriate political unit refers to those functions from revenue collection, to public services, to the ability to effectively police enforce laws. Again, these functions vary between political units, but functional appropriateness will be a recognition of the efficiency of certain units to manager

⁴¹ UN System Task-Team (2); pp.3

⁴² Ibid, pp.5

⁴³ Abdul-Raheem (2009)

particular functions (the responsibility to plan and build roads versus the regular collection of garbage, say) and an attempt to distribute resources in an equally efficient way. For example, in recognition of the lesser capacity of African states to coordinate action on climate change, and of the concentration of industry within African cities, mayors from 33 of the largest African cities met to sign the Nairobi Declaration in 2009 vowing to coordinate action on climate change mitigation acknowledging the special role that African city councils and elites can play in influencing the African response to climate change, and the specific dangers of this to African urban populations.⁴⁴

A politically appropriate unit is one which can most efficiently make decisions. China, for example, has a very powerful central Politburo that devolves strictly limited powers to provinces, prefectures and cities, which are governed local politburos. This simple, hierarchical system means that a population of 1.3bn can effectively be governed as one unit. The mayor of Kinshasha, however, may have a very different experience in heading an autonomous, and functional, political unit with its own revenue-generating ability, politically connected elites, and local politics distinct from a national and largely ineffective government. Governance, therefore, is fundamental both in terms of how cities govern themselves, and in terms of how they relate to national and international systems in which they are embedded.

Over the next several decades (roughly the timespan of the post-2015 framework, say) a transition towards convergent societies that balance environment and development will have begun to develop, or its absence will have become global issue. An urbanising world means that cities will be increasingly important. The Cities Alliance identifies seven outputs contributing to successful urban transformation: Engagement in meaningful dialogue and cooperation; Increased knowledge and awareness of the situation of the urban poor; Enhanced knowledge of inclusive urban development; Elaboration of inclusive urban strategies, policies and plans; Identification of possible investment partners and development of policies designed to mobilise finance in support of inclusive urban development; Adjustment of organisations to support urban development; and Implementation of inclusive urban policies, strategies and plans. An effective response to an urbanising world from post-2015 frameworks will need to recognise at least some of these outputs.

The 'elephant in the room' is growth, as economic performance is largely contingent on a commodities and property boom in developing nations, while economically mature countries remain largely submerged by stagnation and debt. UN Habitat⁴⁵ claims that if cities are to return to being 'engines of growth' for their respective nations (which is what most cities aspire to be) then urban governance, including, critically the linkages between city governments and the state, has to be effectively managed in areas such as labour, industrial policy, revenue generation and education. The report couches its language, but the message is clear: cities can only create economic growth when given autonomy from national governments.

'Growth', in the sense it is used here, does not just apply to economic growth. There are two key distinctions between growth at a national level and at the level of the city. Growth for cities also means population growth, and for many cities across the world 'growth' also refers to a consistent supply of cheap labour. Interestingly, there is a difference in the quantity and the quality of labour growth. The UN reports a correlation between net rural-urban migration and economic growth.⁴⁶ As might be expected, unskilled agricultural workers migrate to the city, pick up skills to work in factories, and their economic productivity increases. However, the same is not true for net urban growth alone. That is, when agricultural workers stop migrating to the city urban growth still continues because of high birth rates. The report even notes that in places such as China where the first type of growth has been considered unsustainable (not enough jobs to keep pace with rural migrants) policies to dis-incentivise rural-urban migrants have failed because of the connections people make between urban living and a better standard of living

Urban problems, therefore, ultimately become problems of governance. Sean Fox points out that three things cause urban growth: the first two are that wage gaps between city and country cause migration

⁴⁴ UN Habitat (1)

⁴⁵ UN Habitat (2): pp.11

⁴⁶ United Nations (2001)

from capital-poor and labour-rich 'backwards' rural areas to capital-rich and labour-poor 'modern' areas; and that cities, especially capital cities, attract young labour due to their metropolitanism, efficiency and opportunities for healthcare and education, making such cities even more productive, efficient and rich with opportunities. The third factor is less visible. Government over-intervention in the labour market, through subsidies and tax breaks for (mainly) urban employers, and through encouraging urban growth through lax planning codes, has resulted in rapid urban growth. But unlike the first two causes, government intervention in the labour market has not led to economic growth equivalent to population growth. The result has been to depress urban wages, stall investment, and create bubbles in property and transport. Effective city governance needs to be concerned not only with the quality of the growth that is being created, but also with the productive uses it then gets put to.

A Place for Bristol in the New Urban Future

Emmelie Brownlee puts Bristol's reputation for being a 'green city' down to coincidence, critical mass, dedication and geography.⁴⁷ She also reveals, in the same work, that many Bristolians feel that the city can not be environmentally sustainable unless it is socially sustainable too, and this means closing the gap between the affluent and the poor. A sustainable city is one where human systems work better with natural systems.

A shake-up in governance seems to be occurring. It seems fashionable to pronounce central unitary state authority dead, or at least as passé or sclerotic, whether in theoretical, political science, terms of the post-modernisation of the state, or in the more prosaic language of The Big Society. This may be good news for the environmental movement, as research shows greater public support for green policies at each devolved level of government, from international organisations to national, regional and finally city government.⁴⁸ But don't write states off yet. It was national governments that bailed out the banks, and national governments that will have to agree (or not) on climate change treaties that manage finally to crack the formula of balancing development and natural boundaries. Cities will find a place in the new system, but they will not become it.

The two decades between Rio 1992 and Rio+20 showed that cities are the drivers of growth and environmental change, so balancing these issues can happen, and there are many places in the world where these seemingly irreconcilable goals are being met. There is a real opportunity, in short, for a city such as Bristol to redouble its efforts in being internationally recognised as a city that mixes sustainability with prosperity. A city plan to meet the Sustainable Development Goals, when these are adopted, and building on the history of local action on Agenda 21, lobbying for the MDGs, and campaigns for Fair Trade, organic food and social justice, would go some way towards this goal.

⁴⁷ Brownlee (2011); pp.77

⁴⁸ UN Cities (2012); pp.33

ANNEX: UN HIGH-LEVEL PANEL OF EMINENT PERSONS ON THE POST-2015 DEVELOPMENT AGENDA FRAMING QUESTIONS, NOVEMBER 30 2012

The High-Level Panel has agreed that the following key questions should guide its work and consultations.

Lessons Learned and Context

1. What have the MDGs achieved? What lessons can be learned about designing goals to have maximum impact?
2. How has the world changed since the MDGs were drafted? Which global trends and uncertainties will influence the international development agenda over the next 10-30 years?
3. Which issues do poor and vulnerable people themselves prioritize?
4. What does a business-as-usual scenario look like?

The Shape of a Post-2015 Development Framework

5. How should a new framework address the causes of poverty?
6. How should a new framework address resilience to crises?
7. How should a new framework address the dimensions of economic growth, social equality and environmental sustainability? How might such a framework keep poverty reduction and human development at its core whilst covering the broader range of sustainability issues?
8. What should be the architecture of the next framework? What is the role of the SDGs in a broader post-2015 framework? How to account for qualitative progress?
9. Should (social, economic, and environmental) drivers and enablers of poverty reduction and sustainable development, such as components of inclusive growth, also be included as goals?
10. What time horizon should we set for the next phase in the global development agenda (eg. 10, 15, 25 years, or a combination)?
11. What principles and criteria should guide the choice of a new set of goals?

Themes and Content of a New Framework

12. To what extent can we capitalize on MDGs achievement in developing our post-2015 development agenda?
13. What is the legacy agenda of the existing MDGs that will be inherited in the next framework? Which elements should be revised in the light of lessons learned, such as the importance of girls' education and gender equality?
14. Which issues were missing from the MDGs and should now be included? How to address equity, inequality, jobs, infrastructure, financial stability, and planetary boundaries?
15. How should a new framework incorporate the institutional building blocks of sustained prosperity, such as freedom, justice, peace and effective government?

16. How should a new framework reflect the particular challenges of the poor living in conflict and post-conflict situations?

17. How can we universalize goals and targets while being consistent with national priorities and targets?

Partnership and Accountability for Development

18. How will a new framework encourage partnerships and coordination between and within countries at all stages of development, and with non-state actors such as business, civil society and foundations?

19. How specific should the Panel be with recommendations on means of implementation, including development assistance, finance, technology, capacity building, trade and other actions?

20. How can accountability mechanisms be strengthened? What kind of monitoring process should be established? How can transparency and more inclusive global governance be used to facilitate achievement of the development agenda?

21. How can a new framework tackle the challenge of coherence among the organizations, processes, and mechanisms that address issues that are global in scope?

22. How can we judge the affordability and feasibility of proposed goals, given current constraints?

Shaping Global Consensus for the Goals

23. How can we build and sustain global consensus for a new framework, involving member states, the private sector and civil society?

24. How can our work be made coherent with the process to be established by the intergovernmental Open Working Group on the Sustainable Development Goals?

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