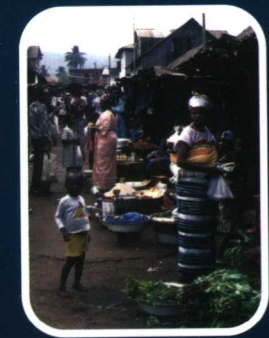
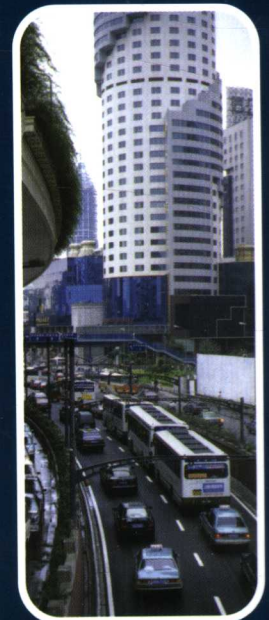
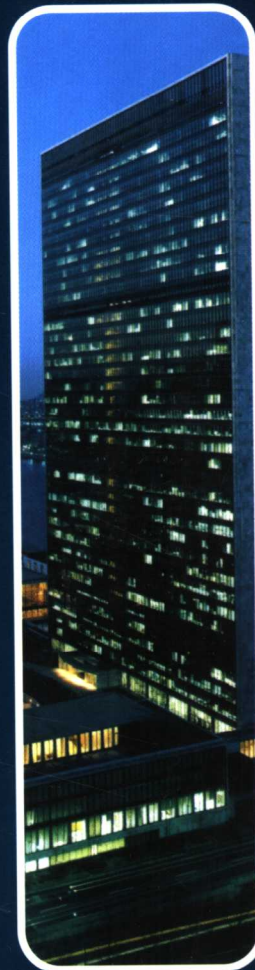
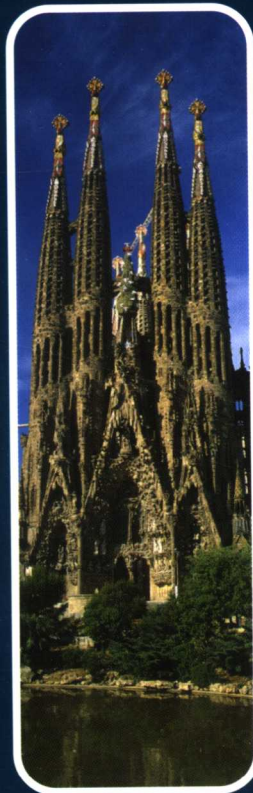
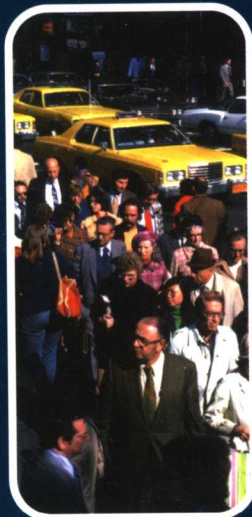
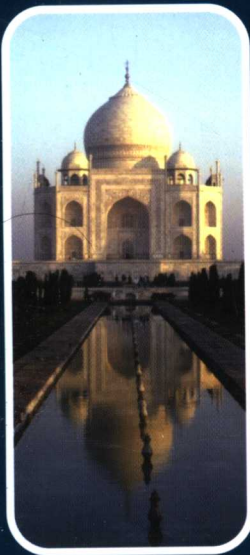




THE STATE OF THE WORLD'S CITIES 2004/2005

GLOBALIZATION AND URBAN CULTURE



***THE STATE OF THE
WORLD'S CITIES
2004/2005
Globalization and Urban Culture***

United Nations Human Settlements Programme



EARTHSCAN

London • Sterling, VA

First published by Earthscan in the UK and USA in 2004
for and on behalf of the United Nations Human Settlements Programme (UN-Habitat)

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HS/726/04E

ISBN: 1-84407-160-X (Earthscan paperback)
1-84407-159-6 (Earthscan hardback)
92-1-131705-3 (UN-Habitat paperback)
92-1-131706-1 (UN-Habitat hardback)

Page design by Danny Gillespie

Page layout, figures and maps by MapSet Ltd, Gateshead, UK

Printed and bound in Malta by Gutenberg Press Ltd

Cover design by Susanne Harris

Cover photographs © Topfoto and Topfoto/The Image Works (bottom left, centre, top right)

For a full list of publications please contact:

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22883 Quicksilver Drive, Sterling, VA 20166-2012, USA

Earthscan publishes in association with WWF-UK and the International Institute for Environment and Development

A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data

The state of the world's cities : globalization and urban culture / UN-HABITAT.
p. cm.

Includes bibliographical references and index.

ISBN 1-84407-160-X (pbk.) — ISBN 1-84407-159-6 (hb)

1. Cities and towns. 2. Sociology, Urban. 3. Globalization. I. United Nations Human Settlements Programme.

HT151.S644 2004

307.76—dc22

2004016349

This book is printed on elemental chlorine free paper

Foreword by the Secretary-General

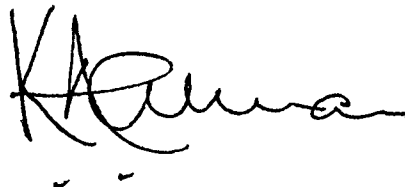
This issue of *The State of the World's Cities* examines the cultural impact of globalization on cities – on how they are governed and planned, on the make-up and density of their population, and on the development of their cultures and economies.

Advances in communications technology and the increasing movement of people across national borders have given many greater freedom and opportunity. But, as this report shows, it has also contributed to a bleak situation in many cities. Many cities face pervasive and persistent problems, including growing poverty, deepening inequality and polarization, widespread corruption at the local level, high rates of urban crime and violence, and deteriorating living conditions.

The lives of international immigrants in many of the world's cities are physically, culturally and economically separated from the lives of other city dwellers. Many live in overcrowded slums and cannot afford adequate housing. They must deal with discrimination, insecure tenure and the exploitation of their labour. Their daily lives are all too often plagued by violence, poverty, and poor health. Yet their economic contribution to the cities in which they live is profound. So too is their contribution, through remittances, to their countries of origin. In short, urban culture today is marked by intensified cultural differentiation. This can enrich and strengthen cities; but it can also be a source of division and a basis for exclusion.

This report not only documents problems in the world's cities; it directs our attention to policies, programmes and projects that can help to create multicultural and inclusive cities. As the report emphasizes, if we are to create cities that are open to all and exclude none, we need to plan for *cities of difference*, and capitalize on the benefits of multicultural existence. This requires the engagement of all non-governmental and community stakeholders, on the basis of legislation that guarantees citizens' rights to the city, and judicial systems that enforce those rights.

By addressing the relationship between globalization, culture and poverty within cities, this report will help the assessment of progress towards the attainment of the Millennium Development Goals and Targets, particularly those relating to slums, water and sanitation. Its conclusions stand as a clear challenge to city planners and managers to nurture an urban culture of peace – one that supports the eradication of poverty and ensures that all urban dwellers, regardless of their race, sex, language or religion, are full citizens of the cities in which they live.



Kofi A Annan
Secretary-General, United Nations
July 2004

Introduction by the Executive Director

The aim of *The State of the World's Cities* report series is to provide information on urban conditions and trends around the world and, in doing so, on progress in the implementation of the Habitat Agenda and towards the realizations of the Millennium Development Goals and Targets on slums, water and sanitation. The first issue of the report, released in 2001, comprehensively reviewed urban conditions, emerging policies and best practices covering five main topics: urban shelter; urban society; urban environment; urban economy; and urban governance.

The present issue, the second in the series, adopts a thematic approach and focuses on globalization and urban culture. It discusses the socio-economic impacts of globalization on cities that are relevant to urban development, including cultural impacts, as well as metropolitanization, international migration, urban poverty, urban governance (focusing on safety and transparency) and urban planning. In particular, the report highlights the challenges of multicultural existence within cities, in the context of globalization, and the need for an urban culture of inclusion. I am therefore delighted to introduce this report as part of UN-Habitat's contribution to the Universal Forum of Cultures (Barcelona, 9 May–26 September 2004).

Throughout history, urbanization, economic growth and civilization have been mutually reinforcing, and cities have always been the loci for national as well as global cultural fusion and innovation. This report shows how cultural differentiation is becoming an important characteristic of globalizing cities and how this is largely attributable to international migration. But the report also looks at culture from another angle, that is the ways in which culture-driven strategies are being used by many cities to market themselves globally as 'cities of culture'.

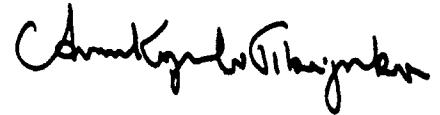
Under globalization, the spatial structure of cities is changing as new economic production patterns require more horizontal integration between functions in different sites, and as cities shift their attention to external locations and activities, resulting in new geographies and a 'splintering' of earlier urban spatial patterns. The associated decentralization has major implications for the spatial configuration of cities, intensifying the process of metropolitanization and the related management problems.

The report shows how poverty is increasing in many cities and how this is partly an outcome of the uneven costs and benefits of economic globalization. In addition, the report shows how urban poverty has been increasingly concentrated in particular neighbourhoods that have, generally, become the habitats of the urban poor and minority groups: racial minorities in some societies, international immigrant groups in others.

The report also shows how urban governance is increasingly influenced by globalization, focusing on two specific issues: safety and transparency. On the one hand, urban safety is frequently compromised by transnational crime, such as smuggling and trafficking of drugs, firearms and human beings, all of which have been facilitated by opportunities arising from the globalization process and have had devastating impacts on many urban poor communities. On the other hand, transparency at the city level has been compromised by corruption, while the current solutions to this challenge are emerging from a context that may be described as the 'globalization of norms of good urban governance'.

Finally, the report examines the ways in which urban planning is responding to the impacts of globalization on cities, including the cultural impacts. It identifies the main characteristics of what may be described as a new urban planning culture, including the ways in which planning is becoming an innovative, learning process that addresses – in addition to its traditional land use concerns – environmental, social and economic concerns, as well as the challenges of urban multicultural existence and social inclusion.

While the primary purpose of *The State of the World's Cities* series is to describe urban conditions and trends, many of the experiences and best practices cited in this issue offer possible directions for planning and managing socially inclusive multicultural cities, within the context of increasing globalization.



Anna Kajumulo Tibaijuka
Executive Director, UN-Habitat
UN-Habitat Headquarters, Nairobi, July 2004

Acknowledgements

The State of the Worlds Cities 2004/2005: Globalization and Urban Culture is the culmination of the efforts and contributions of many individuals, as well as of a number of institutions and governments. The report was prepared under the general guidance of Donatus Okpala, Director of UN-Habitat's Monitoring and Research Division. Naison Mutizwa-Mangiza, Chief of the Policy Analysis, Synthesis and Dialogue Branch, supervised the preparation of the report. Joseph Maseland managed the preparation of the report in the early stages of the process and was succeeded by a team consisting of Iouri Moisseev and Christine Auclair. Naison Mutizwa-Mangiza and Iouri Moisseev were responsible for the editing and finalization of the report.

The overall direction of the report, in terms of structure and content, was guided by a special UN-Habitat Task Force consisting of the following staff members: Rafael Tuts, Wandia Seaforth, Tatiana Roskoshnaya, Christopher Williams, Lucia Kiwala, Christine Auclair, Roman Rollnick, Seyda Turkmemetogullari, Joseph Maseland, Iouri Moisseev and Naison Mutizwa-Mangiza.

UN-Habitat is particularly grateful to the following experts who prepared background papers for and draft chapters of the report: John Friedman (University of British Columbia, Canada); Michael Cohen (formerly with the World Bank and now at New School University, New York, US); Sharon Zukin (Brooklyn College and City University Graduate Centre, New York, US); Michael Lippe (a former senior staff member of USAID and Transparency International); Vittorio Piovesan (Università IUAV di Venezia, Italy); Guido Martinotti (Università Milano-Bicocca, Italy) and Willem van Vliet- (University of Colorado, US). Christine Auclair and Kathie Oginsky also prepared draft chapters. The short essays in the report were prepared by Reginald Yin-Wang Kwok, Theodore Levin, Corrine Archer, Paul Okunlola, Hilary Clarke, Rasna Warah, Askold Krushelnycky and Miloon Kothari. Wandia Seaforth and Christine Auclair prepared the report's best practice boxes. Design assistance was provided by Pouran Ghaffapour and Urs Ringler.

The report benefited from the detailed comments of several staff at UN-Habitat, including the Executive Director, Mrs Anna Tibaijuka, Daniel Biau, Donatus Okpala, Nefise Bazoglu and Jay Moor.

Antoine King, Henk Verbeek, Felista Ondari, Sriadibhatla Chainulu, Karina Rossi, Josie Villamin, Mary Dibo and Josephine Gichuhi provided financial administrative support during the preparation of the report, while Pamela Murage and Mary Kariuki provided secretarial and general office administrative support.

UN-Habitat is grateful for the assistance and guidance of the team at Earthscan involved in preparing the report for publication, particularly Jonathan Sinclair Wilson, Frances MacDermott and Andrea Service, and the entire team at James & James/Earthscan.

Special thanks are due to the governments of The Netherlands and Germany for their earmarked contributions to the United Nations Habitat and Human Settlements Foundation in support of the preparation of UN-Habitat's flagship reports.

List of Acronyms and Abbreviations

ADA	Israeli Anti-Drug Authority		Children for Sexual Purposes in
ADB	Asian Development Bank		Bangkok
AE	advanced economies	EMR	Extended Bangkok Metropolitan
APEC	Asia and Pacific Economic		Region
	Cooperation	EMU	European Monetary Union
APHRC	African Population and Health	ENHR	European Network for Housing
	Research Centre, Nairobi		Research
APNAC	African Parliamentarian Network	EPLF	Eritrean People's Liberation Front
	against Corruption	EPM	environmental planning and
ASEAN	Association of East Asian States		management
AU	Africa Union	ESDP	European Spatial Development
BMA	Bangkok Metropolitan		Perspective
	Administration	EU	European Union
BRU	Bus Riders Union (Los Angeles)	FDI	foreign direct investment
CAFSU	Montreal Women's Urban Safety	FEANTSA	European Federation of National
	Action Committee		Organizations Working with the
CARP	Cultural Assets Rehabilitation		Homeless, Brussels
	Project of Eritrea	FMS	Russian Federal Migration
CBD	central business district		Service
CBO	community-based organization	GBV	gender-based violence
CHAIN	Community Health Advisory	GDP	gross domestic product
	Information Network	GNP	gross national product
CIA	US Central Intelligence Agency	GOLD	Global Observatory on Local
CIC	citizen information centre		Democracy
CIDEU	Ibero-American Centre for	HASA	HIV/AIDS Services
	Strategic Urban Development		Administration (New York)
CIS	Commonwealth of Independent	HDI	Human Development Index
	States	HIC	higher-income country
CMDA	Calcutta Metropolitan	ICO	Johannesburg Inner City Office
	Development Authority	ICT	information and communication
CoE	Council of Europe		technology
CPI	Corruption Perceptions Index	ICVS	International Crime Victim
CPTED	crime prevention through		Survey
	environmental design	IDP	integrated development plan
CSO	civil society organization	IDP	internally displaced person
CUNY	City University New York	ILO	International Labour
DDA	Delhi Development Authority		Organization
DETR	Department of the Environment,	IMF	International Monetary Fund
	Transport and the Regions	IT	information technology
DHS	demographic and health surveys	IULA	International Union of Local
ECPAT	End Child Prostitution, Child		Authorities
	Pornography and Trafficking of		

IUSSP	International Union for the Scientific Study of Population	SSPs	Danish school, social service and police committees
KMC	Kathmandu Municipal Council	SWOT analysis	Strengths-Weaknesses-Opportunities-Threats analysis
LAC	Latin America and the Caribbean	TE	transition economies
LCSC	Labour Community Strategy Centre	TFYR	The former Yugoslav Republic
LRSP	Vancouver Liveable Region Strategic Plan	TNC	transnational corporation
MDG	Millennium Development Goal	TPLF	Tigray People's Liberation Front
MENA	Middle East and Northern Africa	UAE	United Arab Emirates
MERCOSUR	<i>Mercado Común del Sur</i>	UBC	University of British Columbia
MESA	Middle East Studies Association of North America	UCLG	United Cities and Local Governments organization
MICS	multiple indicator cluster surveys	UGI	Urban Governance Index
MIT	Massachusetts Institute of Technology	UK	United Kingdom
MTA	Los Angeles County Metropolitan Transportation Authority	UN	United Nations
MUR	mega-urban region	UNCHS (Habitat)	United Nations Centre for Human Settlements (Habitat) (now UN-Habitat)
NAACP	National Association for the Advancement of Coloured People	UNCTAD	United Nations Conference on Trade and Development
NACAB	National Association of Citizens Advice Bureaux	UNDP	United Nations Development Programme
NAFTA	North American Free Trade Agreement	UNECA	United Nations Economic Commission for Africa
NCC	Nairobi City Council	UNECE	United Nations Economic Commission for Europe
NCPC	Naga City People's Council	UNECLAC	United Nations Economic Commission for Latin America and the Caribbean
NEPAD	New Partnership for Africa's Development	UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
NIC	newly industrializing country	UNESCO	United Nations Educational, Scientific and Cultural Organization
NGO	non-governmental organization	UNFPA	United Nations Population Fund
NS	Dutch rail company	UN-Habitat	United Nations Human Settlements Programme (<i>formerly</i> UNCHS (Habitat))
OAU	Organization of African Unity (now AU)	UNHCR	United Nations High Commission for Refugees
OECD	Organisation for Economic Co-operation and Development	UNICEF	United Nations Children's Fund
PA	Palestinian Authority	UNICRI	United Nations Interregional Crime and Justice Research Institute
PC	personal computer	UNODC	United Nations Office on Drugs and Crime
PPGIS	public-participation global information systems	UNU	United Nations University
PPP	public-private partnership	US	United States
PRD	Pearl River Delta	USSR	Union of Soviet Socialist Republics
RDA	regional development agency	UTO	United Towns Organization
RSFSR	Russian Soviet Federative Socialist Republic	WHO	World Health Organization
SADC	Southern African Development Community	WTO	World Trade Organization
SAPS	South African Police Service		
SCP	Sustainable Cities Programme		
SEWA	Self-Employed Women's Association		
SO	street office		
SSA	sub-Saharan Africa		

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Overview¹

The operative mode of poetic thought is imagining, and imagination consists, essentially, of the ability to place contrary or divergent realities in relationship
(Octavio Paz).

This report does not stand in isolation but builds on the work of several earlier benchmark publications. *An Urbanizing World: Global Report on Human Settlements 1996* characterized cities around the world as places of opportunity and viewed them as engines of growth.² In 2001, *Cities in a Globalizing World: Global Report on Human Settlements 2001* directed attention to the implications of globalization for cities, emphasizing the uneven distribution of costs and benefits and advocating support for cities as agents of change.³ The Millennium Development Goals (MDGs), adopted by United Nations (UN) member states in 2000 set out broad goals related to poverty reduction and environmental sustainability.⁴ Target 11 of Goal 7, calling for 'significant improvement in the lives of at least 100 million slum dwellers by 2020', guided *The Challenge of Slums: Global Report on Human Settlements 2003*.⁵ This report offered a further assessment of the global trends of poverty and inequality, with a focus on slums, providing a new operational definition, first ever global estimates of slums worldwide, and an examination of the antecedent dynamics of and policy responses to slums. The key message of *The State of the World's Cities 2001* reinforced the importance of establishing partnerships between local and national governments in order to address the existing urban challenges effectively.⁶

The current report extends the themes developed in these earlier publications. Its focus on the uneven socio-economic impacts of globalization on cities and on the need for an urban culture of inclusion and peace in the context of globalization confronts us with an important question: how can the daunting challenges found in cities around the world be realistically recognized, on the one hand, and hope for constructive problem-solving be still maintained, on the other?

The chapters that follow sketch an often bleak picture of cities. They report pervasive and persistent urban problems, including growing poverty in many regions, deepening inequality and polarization, widespread corruption, high levels of crime and violence, and deteriorating living conditions with inadequate sanitation, unsafe water and so forth. These are real problems with serious consequences for the daily lives of millions of people. These problems must be acknowledged and documented. Doing so is a necessary step towards their amelioration. The challenges are often overwhelming and resources are frequently insufficient to address them effectively.

Nonetheless, cities also function as engines of economic growth and an examination of promising practices around the world shows examples of low-income communities who mobilize successfully, often in partnerships, to improve difficult situations. It is important to draw lessons from these experiences and learn how approaches that work well in one place may be adapted in other places that share similar problems. Such knowledge exchange may take different forms and holds potential for positive development. It encourages hope for progress.



The Millennium Development Goals, adopted by the United Nations, set out broad goals related to improvement of living conditions

This report, therefore, acknowledges the multitude and magnitude of problems facing cities today, especially those associated with the impacts of globalization. But it also directs attention to policies, programmes and projects that instil hope and envision progress towards the creation of liveable cities, open to all and excluding none.

Towards this end, the following chapters take stock of the current state of the world's cities, focusing on salient issues within the context of globalization. This Overview presents the main observations made in these chapters and highlights the suggested directions of work that could contribute towards inclusive and liveable cities.

Changes and challenges in a globalizing world

Globalization is not a new phenomenon. However, global connections today differ in at least four important ways from those in the past. First, they function at much greater **speed** than ever before. Improved technologies enable much faster transportation of people and goods and the instantaneous transmission of information. Second, globalization operates on a much larger **scale**, leaving few people unaffected and making its influence felt in even the most remote places. Third, the **scope** of global connections is much broader and has multiple dimensions – economic, technological, political, legal, social and cultural, among others, each of which has multiple facets.⁷ Linkages have proliferated to involve multiple, interdependent flows of a greater variety of goods, services, people, capital, information and diseases. Fourth, the dynamic and often unmediated interactions among numerous global actors create a new level of **complexity** for the relationships between policy, research and practice.⁸

In the urban context, globalization finds expression in developments that are described in this report. In this regard, at the city level, there are significant economic, social, political, spatial and demographic impacts. Throughout history, cities have played important roles in the economic well-being of nations. Urbanization, economic growth and civilization have been mutually reinforcing. Cities, especially large cities, typically mean larger per capita incomes. Urban-based economic activities account for more than 50 per cent of gross domestic product (GDP) in all countries and up to 80 per cent in more urbanized countries in Latin America, and more in Europe. Improved understanding of the multiple interactions between globalization and cities can, therefore, contribute to identifying new strategies for protecting and sustaining national economies.

Advances in communication and information technologies, improved transportation and deregulation of capital markets (but not labour markets) have enabled private investors to take advantage of national differences in tax rates, labour costs and environmental restrictions to maximize financial returns by moving development, production and marketing functions to the most profitable locations. Losers in this 'race to the bottom' have been, for example, female workers in many countries in East Asia, whose wage levels and working conditions have declined as a result of the dropping of barriers to footloose industries. In the more advanced economies, a consequence has been the rise in just-in-time and flex work, with the associated loss of benefits and decrease in job security.⁹ A general trend is the 'informalization' of the urban economy, with increasing shares of income earned in unregulated employment. This trend not only affects workers, but also undermines the governance of cities, which obtain less revenue to provide needed public services.

The most obvious socio-economic aspect of the aforementioned developments is the growing diversity of urban populations. The outstanding characteristic of this increase in population differentiation is intra-urban inequality, reflecting the influence of bipolar job markets, migratory flows and practices of social exclusion. Effects manifest themselves not only in unequal income, but in the impact on household assets, as when coping strategies require relocation and sale of a home, causing disruption of support networks. Further consequences occur through spatial segregation and unequal access to urban services and infrastructure and, hence, life chances. At the societal level, inequality not only affects political and social stability, but also productivity and poverty levels.

In the political realm, the most significant impact of globalization on cities has been the weakening of national and local public institutions, relative to external private economic power. The privatization of public services in many cities is one outcome of this process, in which external investors 'cherry-pick' the more profitable services, further eroding urban revenues and leaving cities with the poorly performing services. At the same time, relinquishing responsibility for water supply, sanitation, waste collection, fire fighting, street maintenance and, occasionally, safety and social services has also meant losing important tools needed for the rehabilitation of existing areas and the guiding of new development.

Under globalization, the spatial structure of cities is changing as new economic production patterns require more horizontal integration between functions in different sites, and as cities shift their attention to external locations and activities, resulting