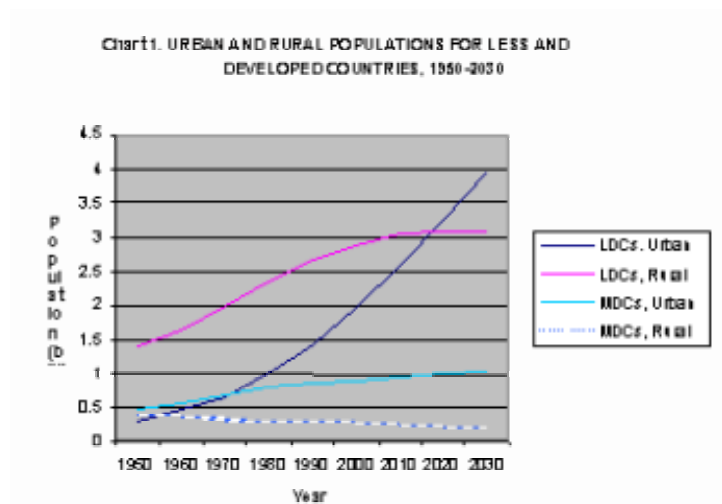


Our Urban Future

The world is approaching a little noticed but highly significant crossover point. Throughout human history, most people have lived in rural areas, close to the resources that supported them. The United Nations now projects that by 2007 a majority of the world's population will be inhabitants of cities and towns and dependent on more elaborate support systems; as time goes on, urban dwellers will increasingly outnumber rural residents. At the same time, the scale of urban agglomerations is also increasing dramatically, and urban growth is becoming more and more concentrated in less developed countries. These changes have profound implications for governments and for social, economic and environmental conditions, in part because they are occurring so quickly and in the context of rapid, although diminishing, overall population growth.

Between 1950 and 2000, the total population of the world increased almost two-and-a-half fold. At the beginning of that period, only 30 percent of the world's population was urban; five decades later, the number of urban residents had nearly quadrupled, and they represented 47 percent of the total. The population in rural areas grew as well, but the increase was insufficient even to double the numbers.

While the overall population of the world is expected to rise by a little more than one third from 2000 to 2030, the urbanization process will continue, albeit at a slower pace than in the recent past. The average rate of increase in the urban population is projected to decline from 2.7 percent per year in 1950-2000 to 1.8 percent in 2000-2030. Meanwhile, rural population growth will dwindle to virtually nothing, from 1.2 percent per year in 1950-2000 to 0.1 percent in 2000-2030. Thus, cities and towns will absorb more than 90 percent (2.0 billion) of overall growth (2.2 billion) in coming decades, and by 2030 the urban population is likely to constitute 60 percent of the total.



Source: United Nations, 2002, Tables A3 and A4

Urban populations grow in three ways: by in-migration of new residents; by natural increase, i.e. the excess of births over deaths; and by administrative redefinition of previously rural localities as urban in keeping with change in their character. The figures presented in this report are based on national definitions of 'urban,' which vary widely. Although differences in definition can affect comparisons among individual countries and smaller entities, they are unlikely to have any appreciable impact on broad levels and trends.

More Developed and Less Developed Regions

Urbanization trends differ sharply between more developed and less developed regions (Chart 1).

More than half the population of developed countries (55 percent) already lived in urban areas in 1950. By 2000, the proportion had risen to three out of four persons (75 percent), and, in 2030, five out of six residents of developed countries (83 percent) are likely to be urbanites.

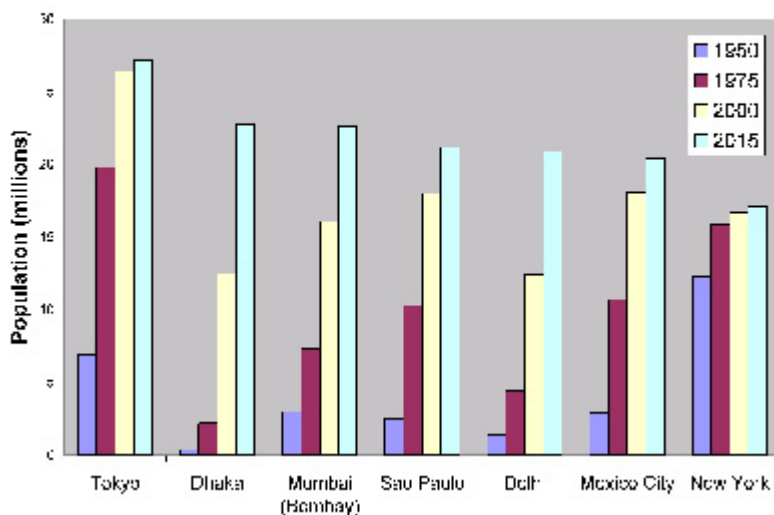
In developing countries, in contrast, less than one person in five (18 percent) resided in urban areas in 1950. The proportion urban rose to 40 percent in 2000, and it is expected to pass 50 percent around 2018. By 2030, the urban population of developing countries is projected to reach about the same level (56 percent) as prevailed in 1950 in more developed countries. Hence, not only will the vast majority of the increase in the world's population over the next 30 years be concentrated in cities and towns but virtually all of that urban growth (99 percent) will take place in developing countries.

Although these trends are a matter of concern in terms of the sheer numbers of urban residents, the uneven distribution of financial resources around the world adds greatly to their significance. To maintain even the most basic living conditions, large concentrations of people require extensive services that depend, in turn, on substantial investment, whether provided by public or private institutions. By and large, urban populations are increasing most rapidly in the developing regions and countries least able to afford such expenses (Sub-Saharan Africa and South-Eastern Asia).

The Scale of Urban Agglomerations

In 1950, there were eight cities world-wide with populations of five million or more; in 2000, there were 39 such cities and, by 2015, the number is expected to increase further to 58. The largest city in 1950 was New York, with 12.3 million inhabitants (Chart 2). By 1975, Tokyo had overtaken New York and is likely to continue to head the list. Neither Tokyo nor New York is expected to grow by as much as eight percent between 2000 and 2015, however. Among the seven cities expected to be largest in 2015, the two in Latin America (Sao Paulo and Mexico City) will have grown by 13-17 percent since 2000, and the three in developing countries of Asia (Dhaka, Mumbai and Delhi) by 40-82 percent. In 2015, the list of cities with more than 5 million inhabitants will include five in Africa.

Chart 2. PROJECTED GROWTH 1950-2015 OF THE SEVEN CITIES EXPECTED TO BE LARGEST IN 2015



Source: United Nations, 2002, Table 57

But urban expansion is by no means limited to very large cities. In 1950, just over half the world's urban population (52 percent) resided in settlements with fewer than 500,000 inhabitants, and, in 2015, this will still be the case (50.5 percent). Whereas cities with 10 million or more inhabitants grew more rapidly than smaller cities between 1950 and 2000, those with populations between five and ten million are expected to grow fastest between 2000 and 2015.

Fertility and Mortality

Historically, birth rates have almost always been lower in cities and towns than in the countryside, and this remains true today. There are many reasons for the differential. City living usually constrains living space. Extended families are typically broken up, removing customary sources of assistance with child-rearing responsibilities. In general, women must leave home to obtain food and other necessities and, if they are to help support the family, to reach their place of employment. At the same time, opportunity for contact with new ideas and people from diverse backgrounds increases, and investment in children's education takes on added value. Thus, many attributes of rural life that may favor large families are lost, while motivation to adopt new life patterns is enhanced.

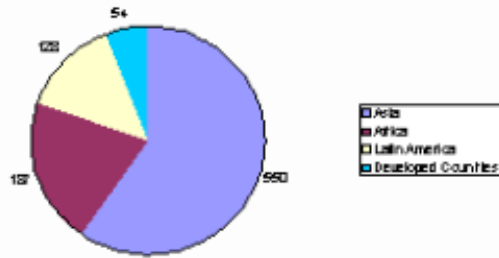
During the 19th century, when the now-developed world was in its most rapid phase of urbanization, urban death rates were usually higher than rural rates due to the unhealthy conditions prevailing in concentrated populations and the poor understanding of medicine at that time. Cities tended to be population "sinks," with the numbers of deaths exceeding those of births. As modern health services began to spread, however, urban concentrations benefited more than rural areas precisely because their populations could be reached more easily, and urban death rates declined to levels well below rural rates. By the middle of the 20th century, most cities were gaining substantially from natural increase, which has in many cases become a greater factor in their growth than in-migration. Only in recent years, when rapid urban growth in developing countries has been accompanied by growing poverty and inadequate expansion of infrastructure, has the advantage of urban areas with respect to mortality again been threatened.

The AIDS epidemic is emerging as an important factor affecting urbanization patterns, particularly in Sub-Saharan Africa. Like infectious diseases in earlier times, HIV/AIDS is more prevalent in cities than in the countryside, and high levels of urbanization tend to facilitate the spread of the infection in a number of ways. In countries where AIDS is deeply entrenched, like those of eastern and southern Africa, it appears to be slowing the urbanization process by both depressing urban birth rates and raising urban death rates and also by its indirect effect of reducing net rural-to-urban migration. As a result, some urban areas could once more become population "sinks."

Poverty

Poverty has long been considered as mainly a rural phenomenon, and the desire to improve living standards has typically been a principal motivation for migration from the countryside into cities. Many city dwellers are nevertheless poor by any definition. The World Bank estimates that, in 2000, almost 500 million urban residents in developing countries lived on less than US \$1 per day.

Chart 3. POPULATION LIVING IN SLUMS (Millions)



Source: UN, 2003 (Reuters)

Slum settlements are a serious problem. The number of slum dwellers world-wide is rapidly approaching one billion and, if present trends continue, could double by 2030 (Chart 3). On the outskirts of many large cities in developing countries, vast shanty towns have sprung up that are typically unplanned and lack basic services such as clean water, sewage, electricity, schools and health facilities. Housing tends to be in temporary, often illegal, structures and extremely crowded. Employment opportunities may be largely confined to the informal sector, providing inadequate income and little job security. At the same time, developed countries are estimated to have as many as 54 million people living in slum conditions.

Within a given country, cities vary greatly in their role and character and, within any individual city, the population is typically very diverse, including extremes of both wealth and poverty. Because the available statistics are often limited to simple urban-rural dichotomies, however, differences either among or within urban areas are not easy to examine. In particular, the extent of need at the low end of the scale is likely to be hidden. Recent research has nevertheless demonstrated that residents of small cities have inferior access to public amenities compared to living in larger settlements, and the poor are likewise at a disadvantage compared to those who are better off.

Environment

Urban areas present special environmental challenges, due partly to the concentration of human numbers and partly to their role as centers of industrial production. Extensive resources must be devoted to provision of the food, water, energy and raw materials required to sustain city life. Where crowding and congestion become entrenched, the quality of life inevitably deteriorates. Such conditions are most obvious in the rapidly growing cities of developing countries but are by no means absent from urban life in economically advanced countries.

As urban agglomerations grow, the search for additional resources extends further and further into the hinterlands. Transportation systems are needed to gain access to the necessary inputs. In order to expand agricultural production, the use of chemical fertilizers and pesticides increases, and marginally productive lands may be forced into use. Cities often face fierce competition for supplies of fresh water, especially in arid regions. In many cases, territory for expansion of the city itself is scarce, and settlement spreads onto unsuitable land such as steep slopes or frequently flooded areas.

Pollution is a widespread and growing threat. In developing regions, countries and localities often have strong measures in place to maintain the quality of air and water, but enforcement is apt to be minimal given the pressure of population growth and the high priority typically given to supporting industrial expansion. As a result, smog and exhaust fumes pervade the air of many cities, and water supplies are frequently contaminated. Even though urban residents in developing countries

generate far less solid waste per capita than their counterparts in the industrialized world, its management is likely to exceed the capacity of the services set up to deal with it. In developed countries as well, environmental controls are often seen as undermining economic growth.

Governance

The large scale and rapid growth of urban agglomerations have raised important issues of governmental organization and management. Infrastructure of all kinds has to be expanded to meet the needs of vast concentrations of people. Administrative and financial arrangements need to be restructured to keep up with social and economic change. The potential for disorder inherent in religious, ethnic and class diversity and in rising expectations for a better life must be addressed.

In recent years, central authorities have frequently responded to escalating budget problems at the national level by handing over responsibility for basic governmental functions to local bodies. This trend toward decentralization has the potential to increase flexibility and local participation, but it can have substantial negative impact on vulnerable communities when not accompanied by appropriate reallocation of resources, as has often been the case. New and innovative institutions, sometimes involving nongovernmental entities, are emerging in some places to meet the demand for accountability and secure funding.

Urban life offers opportunities for economies of scale, employment and improvement in living standards. Whether this promise can be realized in developing countries to the extent that it has in the now developed world is a crucial question for coming decades. Beyond that level, there is ample room for improvement in the quality of urban life in all parts of the world.

This executive summary was prepared by Elise F. Jones in 2003. Sources include: "HIV/AIDS and Urbanization" by Tim Dyson, *Population and Development Review* 29 (1) 427-442, 2003; "Poverty and Public Services in Developing-Country Cities" by P.C. Hewett and M.R. Montgomery., Population Council Working Papers, No. 154, 2001; "Meeting the Urban Challenge" by Don Hinrichsen, Ruwaida M. Salem and Richard Blackburn, *Population Reports*, 30, (4), 2002; *Cities Transformed: Demographic Change and Its Implications in the Developing World* by the National Academy of Sciences, 2003; *The Challenge of Slums - Global Report on Human Settlements 2003* by the United Nations Human Settlements Program, 2003; *Urban and Rural Areas, 2001*, by the United Nations Population Division, wall chart, 2002; *World Urbanization Prospects : The 2002 Revision*, by the United Nations Population Division, 2002.