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COMPETITIVE METROPOLISES AND THE PROSPECTS FOR SPATIAL JUSTICE

The Role of Metropolitan Areas in the Global Agenda of Local and Regional Governments for the 21st Century

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Executive Summary

Full report available at <https://www.uclg-cisdg.org>
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This summary comes from a report realized as a contribution to the fourth UCLG Global report on decentralization and local democracy. It benefited from exchanges with local governments members of UCLG, in particular those of the Commission on Social Inclusion, Participatory Democracy and Human Rights, during seminars or individual meetings. Its content was partially included in the chapter *Metropolitan Areas: The Complexity of the Metropolitan Age*.



INTRODUCTION

METROPOLISES, HOME TO A QUARTER OF HUMANITY

While urbanization is an unavoidable reality at the beginning of the 21st century, with 54% of the population defined as urban and one quarter living in metropolises¹, it is often presented antagonistically: on the one hand, the city as tentacular, source of evil, producer of marginality, and, on the other hand, the city as a place of opportunity. Metropolises concentrate the bulk of states' gross domestic product (GDP) thereby reinforcing a double trend: first, national and international inter-urban competition have become a dominant model; second, metropolises try to use their economic power to assert their presence in the political scene, as illustrated by various initiatives (sometimes competing) for the international gathering of local authorities.

¹ For the sake of clarity metropolises are defined as urban areas of more than one million inhabitants. By 2050, the world is projected to have 66% of its population in urban areas and the bulk of this growth is expected to occur in the less urbanized regions, particularly in Africa and Asia.

This report aims to provide a realistic portrayal of the wide variety of urbanization and urban management processes. For example, while most metropolitan areas are experiencing high rates of population growth, sometimes doubling in 20 years, others are “shrinking,” and thereby witnessing the closure of their industries and depopulation.

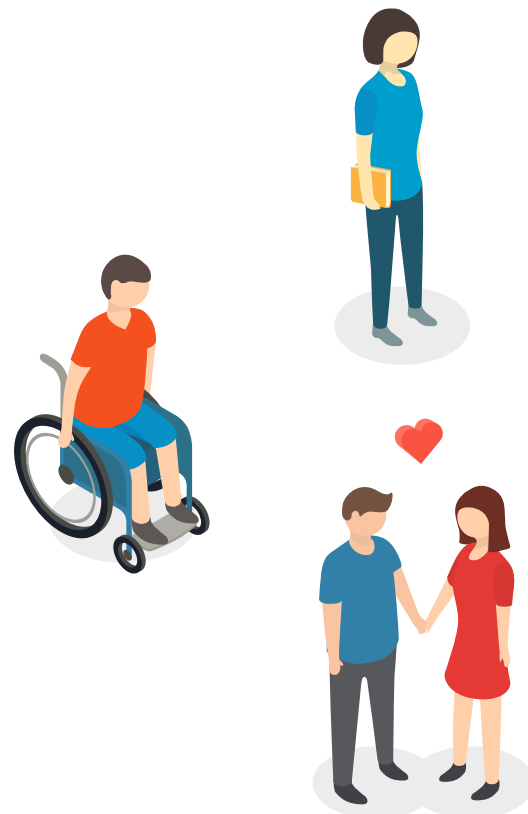
In this context, megacities² are particularly challenging because of the difficulties in defining a new urbanity and ensuring a satisfactory quality of life for all, especially in cities’ poor outskirts, which are the fastest growing and have the least resources.

As a result, metropolises have reached a crucial turning point and various actors such as local governments are now beginning to reflect upon ways of reconciling competitiveness and social equilibrium. In this report, we go further and show that competitiveness objectives pose a serious risk of social and economic fragility and exacerbate social and spatial contradictions in metropolitan areas.

It is important to remark that metropolises also provide important assets, particularly in the production of cultural and educational goods, as well as in the provision of jobs, which partly compensate for everyday difficulties. Moreover, metropolises are at the forefront of proposing viable and alternative solutions to fossil energy consumption thereby going beyond simply correcting the negative externalities of urbanization.

In this report, we postulate that the metropolis is a common good that must be shared. In addition, we highlight that developing solidarity

between the city center and the peripheries is essential for controlling urban sprawl and addressing the environmental and social issues at stake, all of which call for a renewal in urban planning. This should be approached considering the very different experiences of urban areas, cities and territories within the metropolis, the rapid changes that they are experiencing, as well as the numerous tensions that this generates, namely, serious inequalities and environmental challenges.



² Megacities are defined as cities of more than 10 million inhabitants.

A GUIDING PRINCIPLE: SPATIAL JUSTICE

The idea of justice, and in particular spatial justice, lies at the heart of this urban reform, making it possible to envision a future for all in metropolises keen to enhance the well being of their residents.

This principle comes from the development of Henri Lefebvre's work – to whom we owe the notion of “right to the city” – notably by the founding researchers of the on-line magazine “Justice spatiale/spatial justice”.¹ It suggests that any investment linked to space can be a vector of more or less justice or injustice and that, therefore, policies must be attentive to the discrimination and spatial inequalities that they can convey. They must try to counter the effects of the widespread competitive policies that most metropolises have implemented over the last several decades, in particular, growing spatial and social inequalities. Public policy can also begin to find alternative models.

This theme of contradiction between competitiveness and social justice spans all three parts that make up this report. The aim of the report is to present some of the existing debates regarding different metropolitan realities and policies, show their associated risks, and point towards some possible directions.

¹ Among them are members of the Scientific Committee of this report, Frédéric Dufaux, Aurélie Quentin, Philippe Gervais-Lambony, Pascale Philifert, members of LAVUE.

The **first part** exposes the contradictions between urban economies increasingly oriented towards the competitiveness of metropolitan territories and the unequal distribution of resources.

The **second part** examines various models of development. The pressing demand for sustainability requires coordinated reflection and action plans to rethink the current dependence on fossil energies without abandoning concerns of social justice, as suggested by the concept of “buen vivir” (Good Living).

Finally, the **third part** questions models of governance and urban management. How have cities conceptualized and implemented urban policies that put justice at the center and promote urban democracy?



FIRST PART

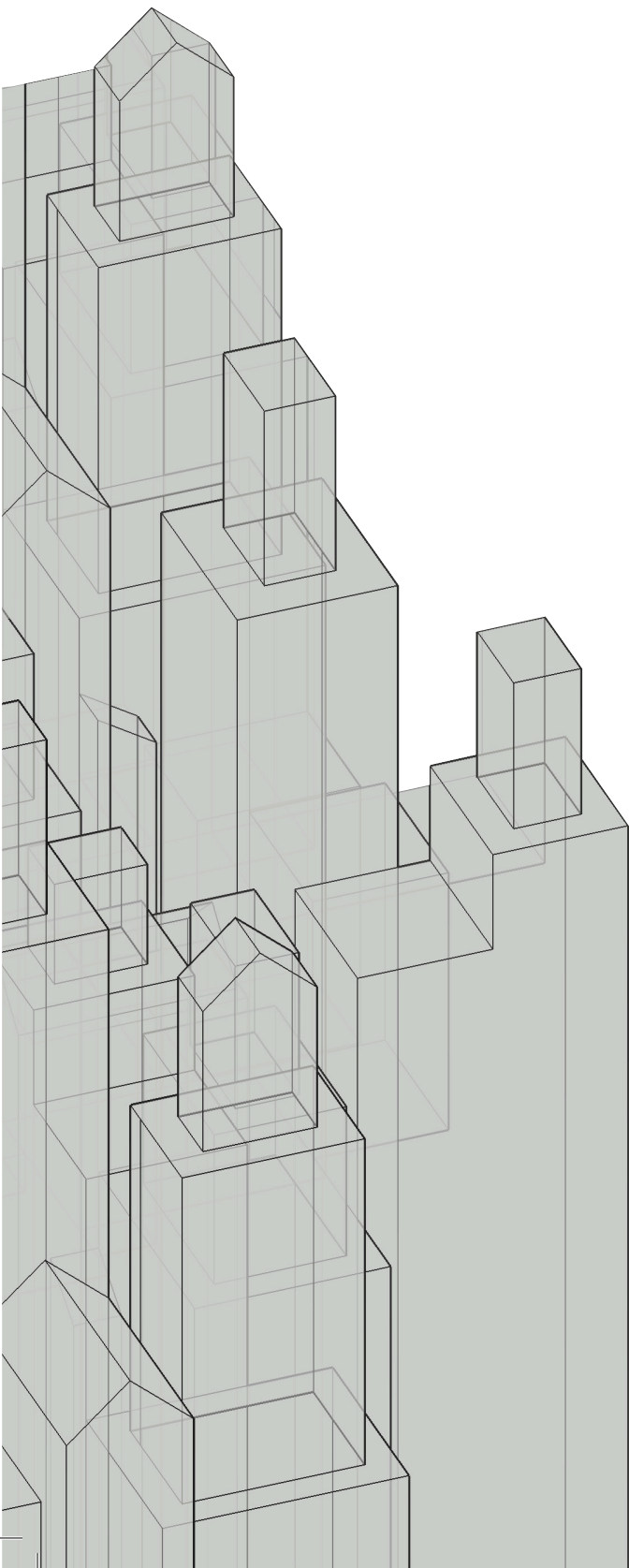
LIMITING THE SOCIAL EFFECTS OF COMPETITION AND FINANCIALISATION IN METROPOLISES

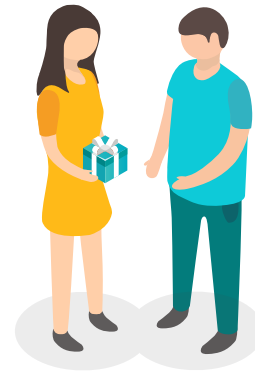
The current phase of globalization is characterized by a double phenomenon:

- (i) the movement of concentration of populations and activities in urban centers called metropolisation. Metropolises are the main beneficiaries of this movement due to their higher connectivity to the outside that help them to anchor new engines of economic development such as information technology, biotechnology, ICT, etc.
- (ii) the increased competition between metropolises to attract local and foreign investments.

This would lead to the emergence of an “archipelago economy” wherein large urban areas tend to function as a network among themselves, rather than relating to their immediate outskirts and rural areas, which as a consequence have become increasingly isolated. This was suggested by Saskia Sassen in her book on “global cities” such as Tokyo, New York and London (Sassen, 2001). This analysis, however, is to be qualified given the role played by certain metropolises, especially those of emerging countries, such as Bangkok, Istanbul or Tehran, as the main gateway to the outside world and as an “engine of growth.”

While attractiveness for investment, tourists, businesses and jobs is now seen as a primary issue, public decision-makers are transforming public policies so that they mainly support their “national champions.” Investments are thus concentrated on cities whose demographic and economic weight is considered sufficient to be competitive, through the preparation of strategic urban planning documents, the organization of international events (sports in particular), and projects such as industrial brownfield renewal initiatives. Originally, this trend mainly concerned metropolises in industrialized countries, but it now affects all metropolises, especially megacities, and thus spans beyond the North-South dichotomy.





SOCIAL EFFECTS OF COMPETITION AND FINANCIALISATION

These policies fuel side effects tied to the rising cost of land that (i) on the economic level, have had devastating impacts on the industrial, service and informal economies. For example, Mumbai during the 1980s was home to a “precursory” dismantling of textile industries that were located in the center; in Istanbul, certain activities (workshops and small factories) were relocated from the Istanbul Bazaar, accused of being nuisances incompatible with the tourist vocation of the metropolis’s heart. (ii) On the socio-spatial level, these policies have caused a diffuse or visible phenomenon of gentrification or, at the very least, exclusion of the most fragile populations. This has taken place, for example, in the City Improvement Districts of Nairobi, as well as in Delhi and Moscow, where displacement policies for the most fragile populations were put into effect. Finally, such measures can even include so-called “selective” town planning projects such as gated communities.

All of this has been reinforced by the growing place taken by the financial industry in urban projects. New methods of valuation based on profitability criteria for real estate investments have led private actors, aided by the public sector, to select cities or parts of cities that

are already well known or have a high return potential. These trade-offs are often done to the detriment of projects most necessary for the greatest number: public transport, public health and education systems, as well as access to culture for all. This is particularly evident in the MENA (Middle East and North Africa) region, where waterfronts, hyper-centers and industrial wastelands located in prime locations have been highly prized by Gulf investors. Some metropolises, pushed by groups of citizens, have begun or continue to resist this situation.

COURSES OF ACTION TO LIMIT THESE EFFECTS

In this context, the authors of this report have sought to provide an international overview of innovative examples of spatial justice and sustainability that could counteract the deleterious effects of this metropolitan competition. Provided they are not imposed, these initiatives offer rich lessons to be shared.

Some metropolitan areas have sought to (i) limit the social effects generally associated with urban regeneration through a “new generation” of urban megaprojects, such as Startford City in London and Amsterdam South Axis, in which the State has made it possible to build more social housing; (ii) enhance the production

of subsidized housing in accessible areas – for example, with the Cleveland property bank, which was set up following the 2008 subprime crisis, or in Sao Paulo, which in 2016 promoted a new municipal plan for housing including the development of ZEIS (Special Areas of Social Interest) and the development of solidarity quotas in uncontrolled market sectors.

In order to limit the impact of finance on the city's vision and a "by brick" urban planning (project by project), two measures should be emphasized: on the one hand, a democratic and decentralized process of strategic planning at the metropolitan level should make it possible to define in advance the investments to be prioritized. On the other hand, a better assessment of when to use credit, the use

of which has already harmed many local governments: in France, local governments such as the Seine-Saint-Denis department and several municipalities were approached in the 2000s by banks that offered them complex structured loans. The particularity of these loans is the variability of their rates, indexed on volatile parameters such as inflation, foreign exchange rates or energy prices. These politicians succumbed all the more readily to these proposals because they allowed them to artificially lower the burden of their borrowing and present a flattering balance to their electorate. However, the deterioration in the global financial situation from 2008 onwards resulted in the loss (and a loss to taxpayers) of considerable sums.



Finally, beyond purely urban planning objectives, public authorities can promote local and economic development policies that are not driven by the imperative of competitiveness by encouraging organizations and individuals that work for the creation of emerging networks – for example, through a collaborative economy – and by encouraging forms of territorial, regional and even international complementarity.





SECOND PART

ENABLING THE EMERGENCE AND PERPETUATION OF SUSTAINABLE METROPOLITAN AREAS

The fight against climate change implies a goal of 50% reduction in greenhouse gas emissions – by 2030 to limit global warming to 2° C by 2100.¹ In this context, and with metropolitan areas suffering more or less heavily from pollution and responsible for 70% of emissions, the need for “sustainable development” which “meets the needs of the present without compromising the ability of future generations to meet their own” (Bruntland report of 1987) has gradually become a leitmotiv of urban policies.

Numerous initiatives, often initiated by the municipalities themselves, have been set up as good practices and have been implemented throughout the world. For example, in terms of (i) efficiency and energy transition – the construction of positive energy buildings in places such as Pune, India, the promotion of soft mobility such as the Youbike self-service bike system in Taipei, Taiwan, etc. – (ii) circular economy through selective sorting – as in San Francisco, which has set up a tax system for the production of waste – (iii) urban agriculture – such as in Rosario, Argentina, where small garden lots are used to help improve the diet of people affected by the crisis. However, the limitations, in particular social ones, of some of these initiatives have not always been highlighted.

¹ Intergovernmental Panel on Climate Change (IPCC)





LIMITATIONS OF SUSTAINABLE DEVELOPMENT POLICIES TO BE CONSIDERED

Overall, despite positive incentives, these initiatives are often inadequate because (i) they are part of a “green economy” that does not call into question the productivist idea of development; (ii) limited attention is given to the social dimension of sustainable development. This is particularly evident in three injunctions of sustainable development on urban policies: densification, ecological neighborhoods and resilience.

Urban sprawl contradicts the principle of sustainability: accessibility of services and housing, especially for the working classes, excessive consumption of soil and pollution due to increased traffic. However, densification policies – for example, through the implementation of BRTs² such as in Johannesburg, whose objective is to increase from 7,000 to 33,000 inhabitants per km² – sometimes result in a strong speculation of land and housing, which marginalizes the most vulnerable populations. This can be seen in places such as Los Angeles or to a certain extent Lima, where MIVIVIENDA S.A., a state-owned company acting as an intermediary

² Bus Rapid Transit are characterized by, a roadway that is dedicated to buses and gives priority to them at intersections where buses may interact with other traffic (crossings, roundabouts, etc.)

between real estate companies, is promoting the replacement of former city-center housing built on two floors with, instead, modern towers of 10 to 20 floors, which benefits above all the middle and upper classes, but not the lowest among the working classes³.

Designed as showcases for sustainable development, eco-neighborhoods are a formula whose success deserves to be tempered when they all too often become tools to promote the metropolis. Their effectiveness in facilitating the ecological transition may be partly questioned by investigating (i) the reliability of some technical innovations; (ii) the gap between the uses promoted by the designers and the actual practices, for example, the reduction in automobile use and electricity consumption; (iii) the difficulty of replicating such projects considering that such housing is often too costly, such as in the city of Masdar, near Abu Dhabi.

Most urban policies now agree on the importance of strengthening the resilience of metropolises, or “the ability of a city to respond to disruptions associated with natural disasters in order to regain a state close to the situation”⁴. However, in order to fight against climate change, metropolises must also aim

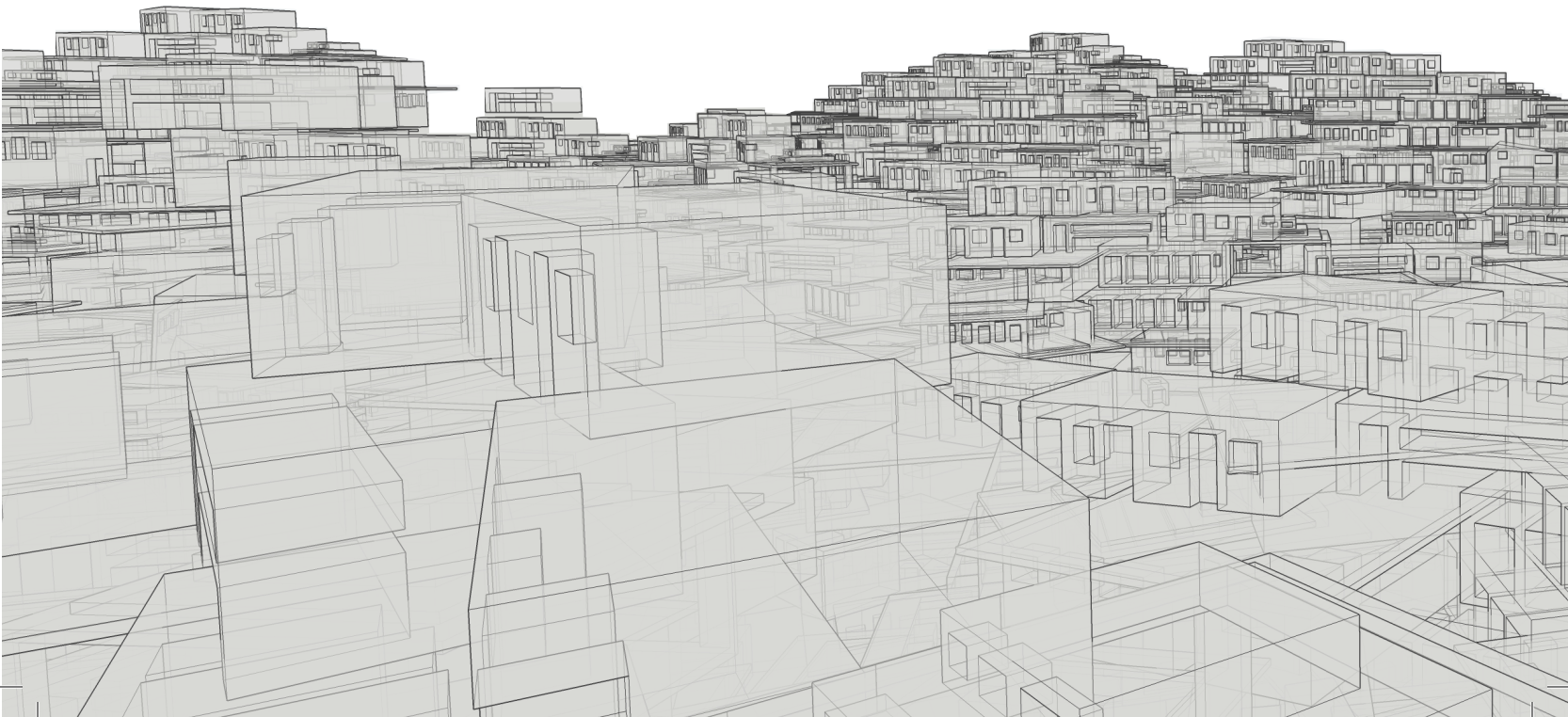
³ Pablo Vega Centeno and Sara Lafosse, « La densification récente de Lima et ses défis en matière de logement et de transport », *Problèmes d'Amérique latine*, 2013, vol. 90, no 3, pp. 39-56.

⁴ Yvette Veyret and Bernard Chocat, « Les mégapoles face aux risques et aux catastrophes naturelles », *La jaune et la rouge*, 2005, no 606.

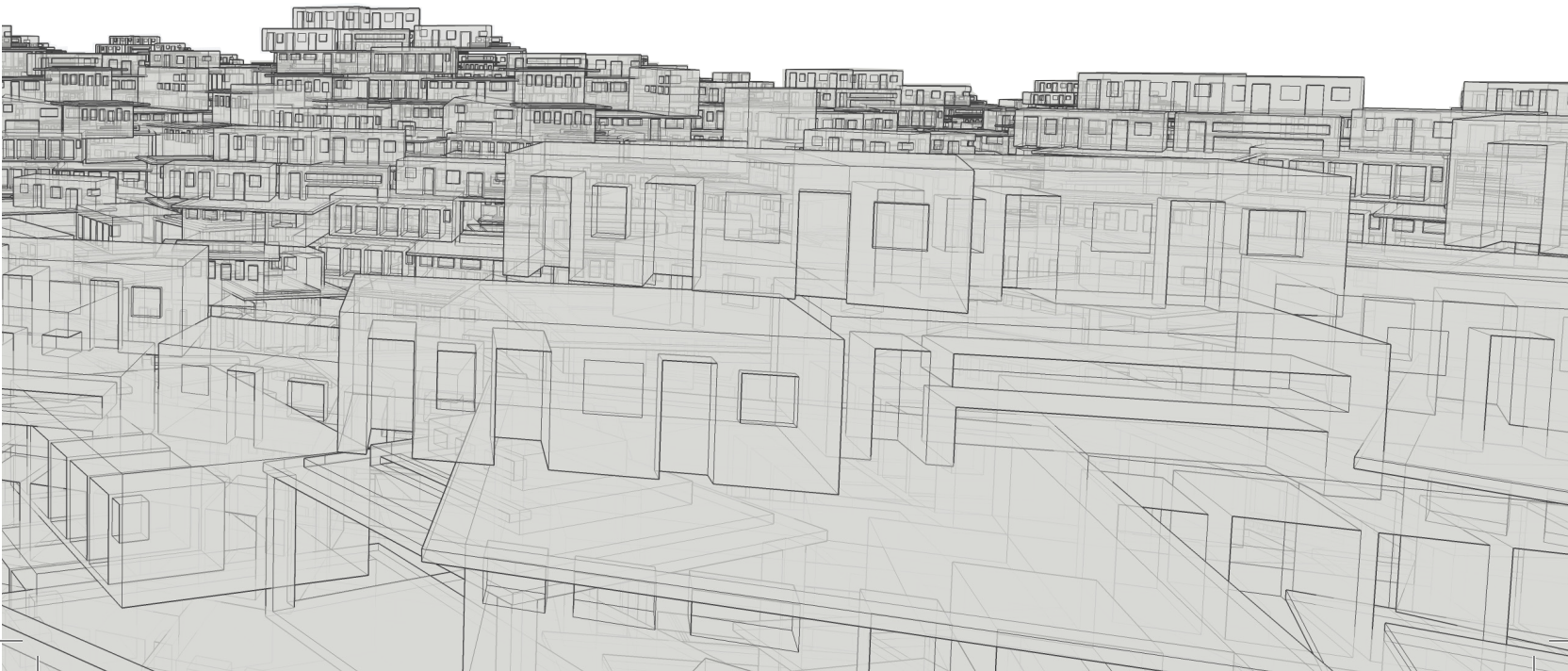
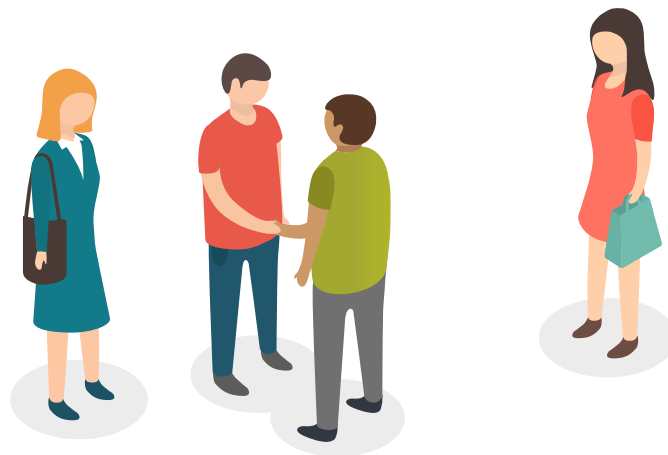
to reverse the greenhouse gas production curve. This priority is needed today in the face of increasing risks such as global warming and flooding. Nevertheless, policies to combat climate change in cities are all too often used as pretexts in the creation of an attractive city. In this way, “risk policies” can be partially instrumentalized by developers to eradicate poor districts in the center (Istanbul, Cairo, etc.). In addition, flood control policies would be more effective if they relied on the capacity of poor communities in informal settlements, such as in Jakarta where the NGO Sanggar Ciliwung located in the district of Bukit Duri showed exemplary crisis management during the floods of February 2007.

DIGNITY FOR ALL AND PUTTING HUMAN RIGHTS BACK AT THE HEART OF SUSTAINABILITY

If technical innovation is not enough to deal with the scale of climate change, then social and economic models must also evolve, in line with the growing demand for justice in urban metropolises and territories. The buen vivir paradigm, implemented in some Latin American cities like Quito with its local development plan 2012-2022, calls into question the market economy model and proposes to go beyond the limits of sustainable development by basing itself on social, economic and environmental rights.



In this approach, economic growth ceases to be the basic objective: the emphasis is on the quality of life of the people. The latter is guaranteed by rights: to land (e.g. through collective property rights for indigenous communities), housing (e.g. through in situ relocation), basic services, mobility, public space, etc. This approach is somewhat in line with other preparatory work that was done for the October 2016 UN Habitat III conference. This work mentioned the importance of elaborating an integrated planning that takes rights into account at all stages of development. For instance, in the case of mobility plans, such approach advocates to consider them also as tools to undermine exclusion.



THIRD PART

STRENGTHENING DEMOCRACY IN METROPOLISES FOR FAIRER PUBLIC POLICIES

Today, metropolises are increasingly being subjected to competition between cities, which is accompanied by a double phenomenon: (i) an injunction to strengthen the “quality” of metropolitan governance that would make it possible to streamline public spending through economies of scale, strengthen fiscal equalization and improve the effectiveness of public action in order to better respond to metropolitan challenges. This phenomenon does not, however, affect all cities, knowing that some governments resist decentralization, especially in the case of metropolises perceived as competing with the State or bringing economic and financial actors closer to public authorities. This is particularly evident in metropolises in developed and emerging countries such as Mumbai, where the industrial think-tank “Bombay First” has promoted a strategy of transforming the megalopolis into a “world-class” city since 2003, drawing on the Shanghai model.

However, this transformation of governance at the metropolitan level for the benefit of private actors raises the question of its social effects and of what means could lead to a management that does not take place at the expense of the weakest groups and local democracy.





DEEPENING DEMOCRACY

The emergence of metropolitan institutions does not always have the expected effect in terms of management efficiency. This was shown by the merger in 1998 between Toronto and its suburbs to create a single city, which increased the administrative burden of the municipal council meetings. Moreover, metropolises are often accused of being technocratic, not allowing a satisfactory representation of all the interests that make up the city, and of being set up in favor of the city center.

In order to strengthen the legitimacy of these bodies, their decentralization seems essential, as the Montreal experience shows, where the autonomy of its various boroughs is strong. In other contexts, the model of the multipolar or polycentric metropolis seems more appropriate. This is being promoted by a number of local elected representatives, notably those of “peripheries” such as the Plaine Commune conurbation community in Ile-de-France or the association of Ciudad Sur municipalities in the metropolitan area of Santiago de Chile.

Moreover, strengthening their legitimacy also implies restoring a place and power for citizens, which can be achieved through (i) the establishment of institutionalized mechanisms of participatory democracy, such as residents’ associations in Indian metropolises, which,

however, are often criticized because they suffer from a democratic deficit and do not allow for delegation or power-sharing with citizens, or (ii) support for citizen initiatives that are rapidly developing in all the metropolises of the world, which make it possible to rethink ways of democratically designing and managing metropolises today and reflect concretely upon the concept of urban citizenship. In this context, the Fédération sénégalaise des habitants (Senegalese Federation of Inhabitants) is exemplary.

MAKING METROPOLITAN POLICIES FAIRER

The challenge for urban policies at the metropolitan level is to reduce socio-spatial inequalities. In order for this to happen, there must be an improvement in the capacity of individuals and social groups to take action. These principles are highlighted through three public policies in urban services, housing and mobility.

Partnerships between the public and private sectors in the management of public services have been promoted since the 1980s to improve efficiency and to compensate for the lack of resources. However, (i) they are not financially a long-term solution, since investments are generally more costly than if they are guaranteed by public funds,

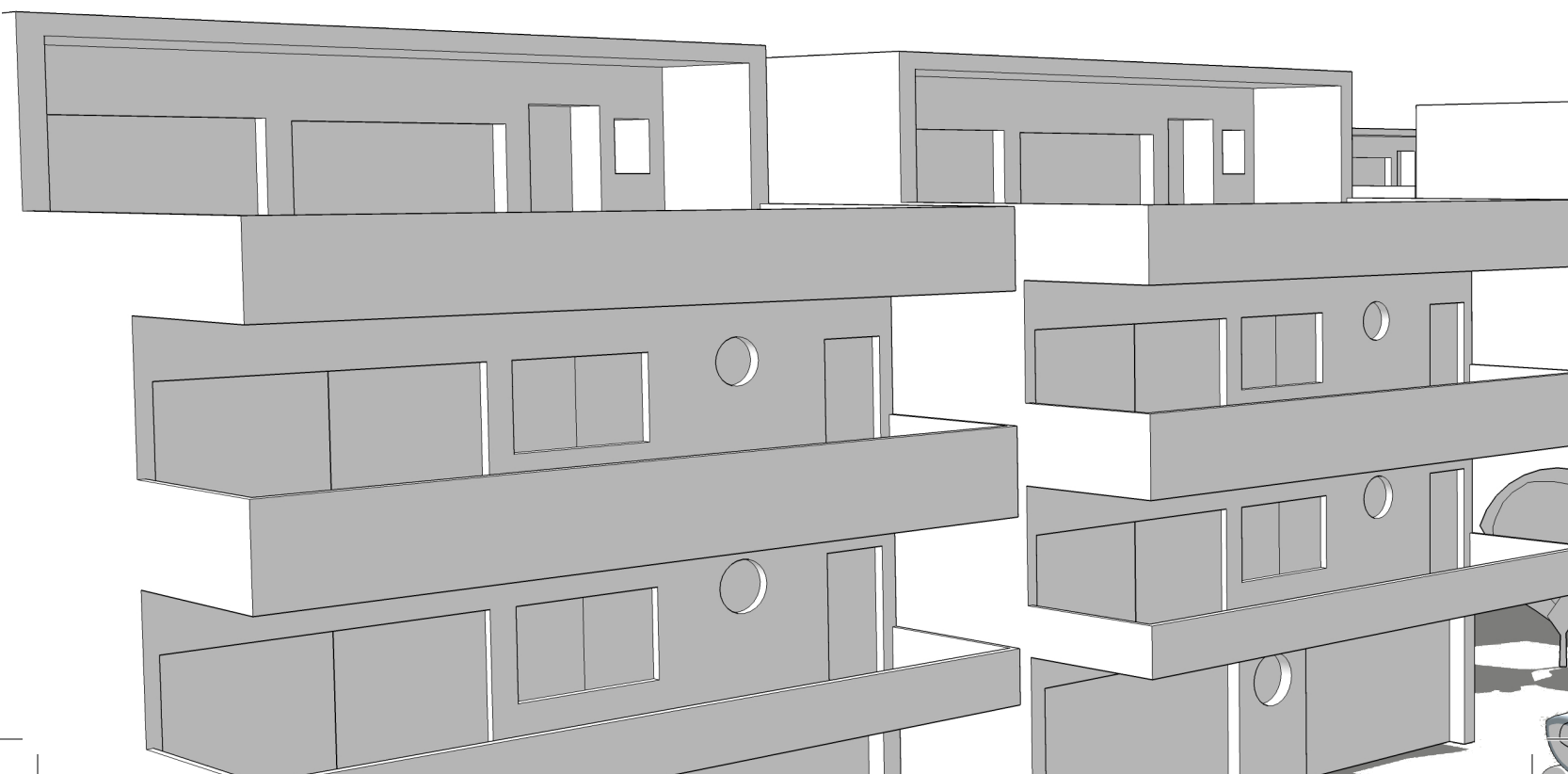
which pleads for an increase in tax level; (ii) they present the risk of excluding the poorest users from access to services if their prices are fixed on the basis of total cost, as in the case of PPPs set up in certain sub-Saharan African countries with multinational water companies

At the same time, the privatization of many social housing units since the 1990s, in the metropolises of Western countries (United States, United Kingdom, etc.) and former socialist countries (China), has contributed to increasing inequalities with regards to housing. This will continue to be the case as long as public production of social and affordable housing remains totally inadequate in meeting existing and future needs, which will be equally enormous.

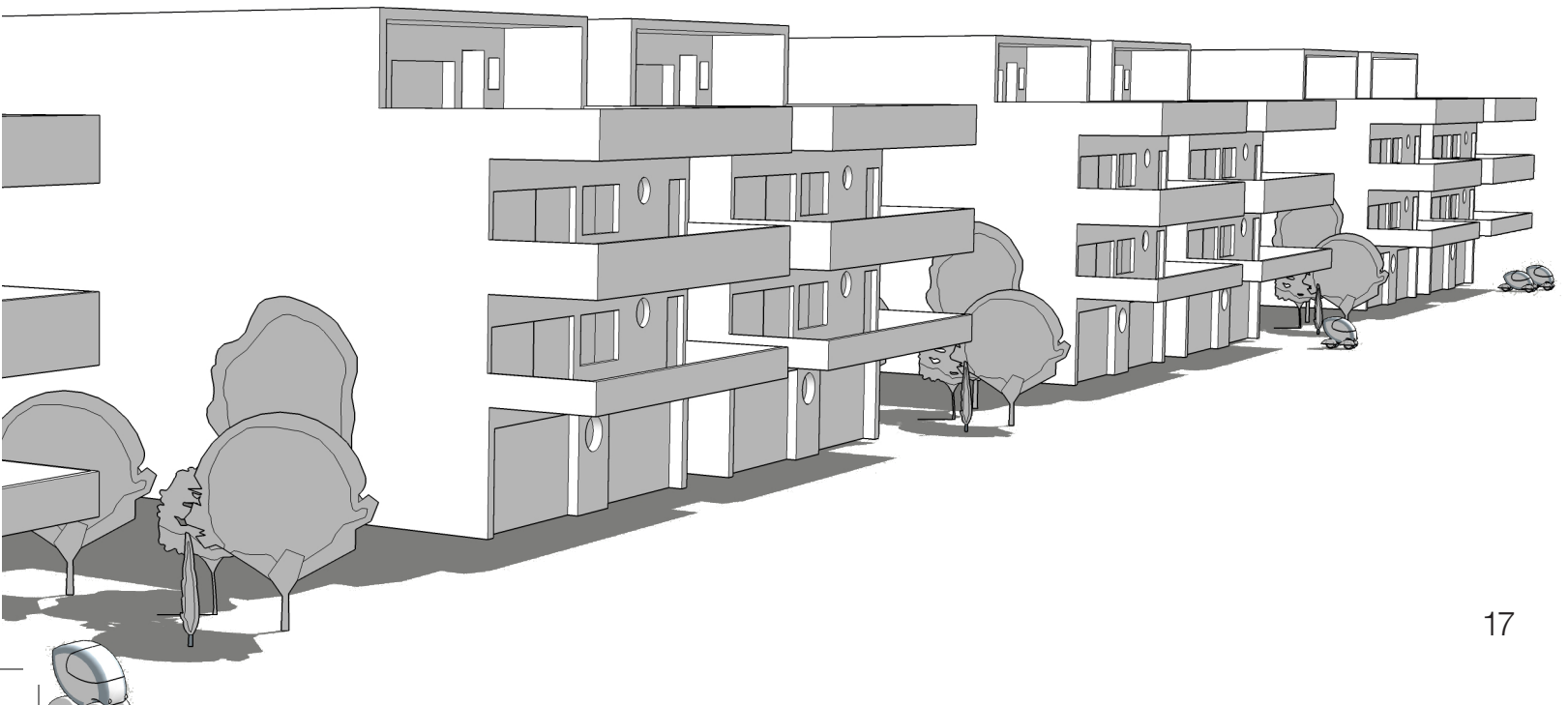
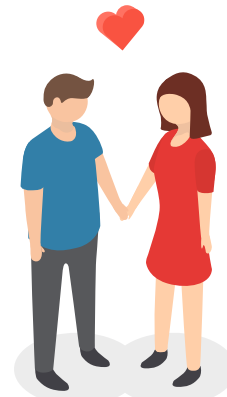
In a situation where the majority of the world's inhabitants are tenants in the legal private sector or unrecognized, it is appropriate to restore controls on the increase in rents - a maximum

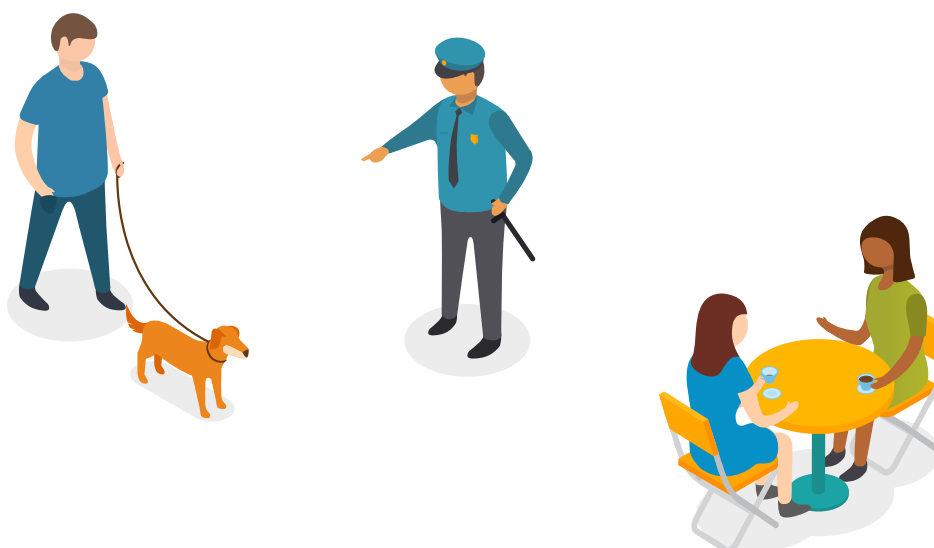
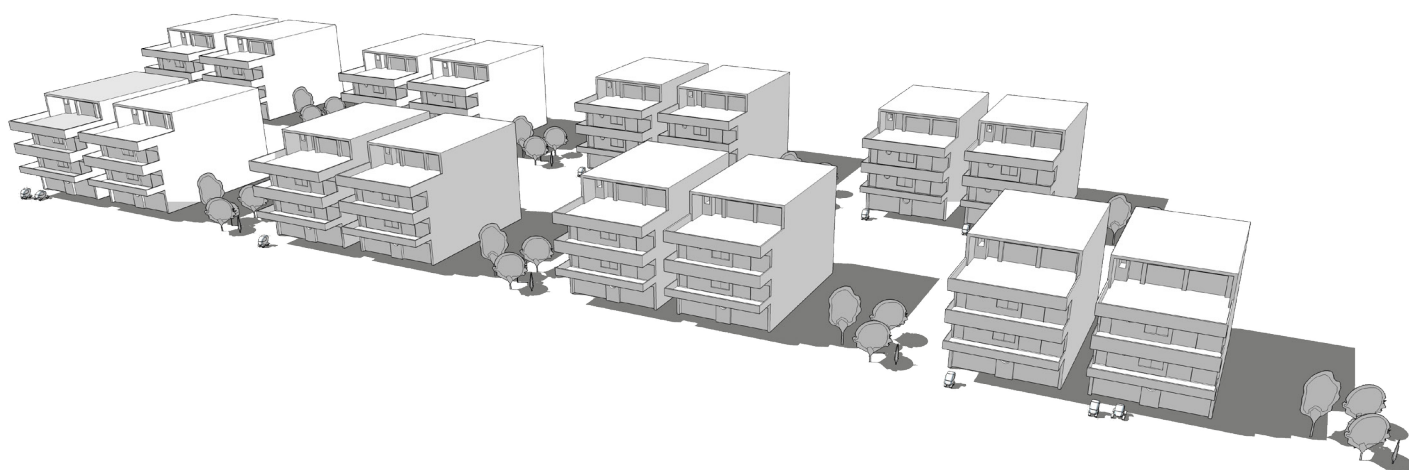
of 1% per year in New York – and reinforce the supply of safe, quality and “well-situated” housing. A precise and regular analysis of the land and real estate markets in all the sectors of the city such as carried out by the Metropolitan Area of Barcelona, which has just set up a Metropolitan Housing Observatory, is still lacking in many places. This lack of indicators coincides with maintaining working class neighborhoods in a state of precariousness and under the threat of eviction, contrary to the spirit of the New Urban Agenda (Habitat III Conference, Quito, 2016). Eradicating precarious neighborhoods is in contradiction with the principle of sustainability and urban citizenship, the right of all to security of tenure – including migrants – and to be involved in all stages of decision-making that concerns them.

Successful policies to combat exclusion by improving the supply of public transport have been carried out, for example in the metropolitan area of Madrid where a line loops among five



cities in the southern suburbs, or, in Bogota, where the cost of transport has been reduced for the poorest people. However, the absence of mobility is not necessarily decisive in the processes of exclusion: the role of “human capital” and that of discrimination (social, racial and, in particular, anti-migrant policies which deny the right to the city) are equally important. This calls for an integrated view of the policies implemented, taking into account all that is hindering and driving the emergence of fair metropolises, and working on multi-level territorial coordination aimed at preparing for a just and sustainable urban development.





Design : Christian Deloye

Illustrations : Christian Deloye, Antikwar/Shutterstock.com