# Urbanization and Its Stakes

## Definition

As of 2018, Approximately 55.7% of the world population lives in urban areas.[1] Urbanization is the "process by which a large number of people becomes permanently concentrated in relatively small areas, forming cities"[2].

## Key Insights

**Some megacities in proximity to protracted crises will become the critical economic, political, transport/logistics and regional hubs**

There are several countries at the epicenter of protracted crises affecting both the countries in question and the regions in which they sit. Proximity to these protracted crises and the ability of cities to act as logistics hubs for disaster response (both chronic and sudden onset) is essential for every INGO. Large regional centers will continue to be loci of power with secretariats and headquarters of regional or international organizations (both economic and political) and as such are key places for NGO's. These institutions vary in their influence and importance but regularly, and with increasing efficacy, play a central role in driving economic and social policies, disaster response and preparedness and mediating national and regional conflicts. The headquarters of these institutions are likely to stay in the current locations at least in some form and can therefore be included in a 10 ten-year outlook. Suggested key cities of focus are West and Central Africa: Dakar / Abidjan / Lagos / (Accra) / (Kinshasa); East Africa: Nairobi / Djibouti / Addis Ababa / (Kampala); South Africa: Johannesburg / Lusaka; Middle East: Cairo /Ankara-Istanbul / Amman / (Riyadh); South and Central Asia: Delhi, Dhaka, (Almaty); East and South Asia: Beijing / Jakarta / Manila / (Bangkok).

**"Slumification" and proliferation of shanty towns will become a major concern for humanitarian stakeholders**

The development of shanty towns in emerging countries, particularly in Asia and Africa where the population growth is particularly dynamic, increases economic, social and environmental risks: pollution, availability of arable land, water supply, food, electricity, etc. Such risks could slow down the development of megacities.
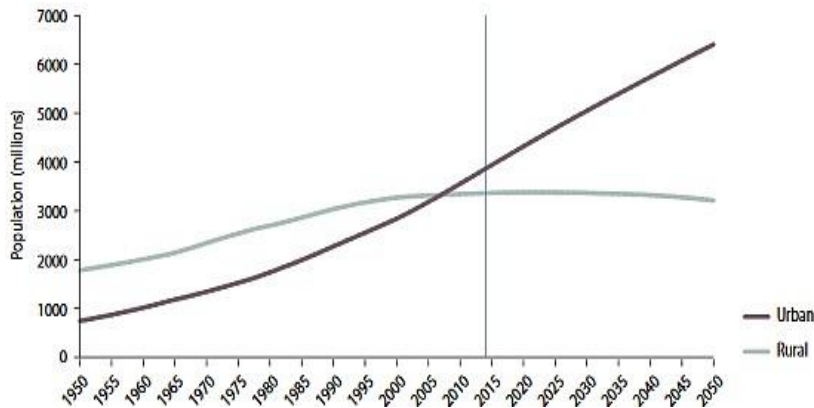
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[1] Demographia (2019) Demographia World Urban Areas, 15th Annual Edition, April 2019, p3

[2] Glossary of Environment Statistics (1997) Studies in Methods, Series F, No. 67, United Nations, New York in OECD (2003) Glossary of Statistical Terms

Figure 2.
Urban and rural population of the world, 1950–2050

A majority of the world's population lives in urban areas

Source: United Nations, World Urbanization Prospect: The 2014 Revision

## Changes by 2030

➢ **An urbanized world**

According to the United Nations world population prospects[3], by 2050, the urban population will be 6.7 billion; it is projected to represent 68% of the world's total population. North America, Europe, and Latin America are the most urbanized regions with the urbanization rate exceeding 70%. While in Asia, almost half the population lives in urban area (48%), Africa remains predominantly rural (57% of its population lives in rural areas)[4]. Twelve countries[5] have below 20% levels of urbanization most of which are in Africa: Burundi, Malawi, Niger, Rwanda, and South Sudan, and in Asia: Nepal and Sri Lanka. According to UN projections[6], these states will see their urban

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[3] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p1

[4] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p1
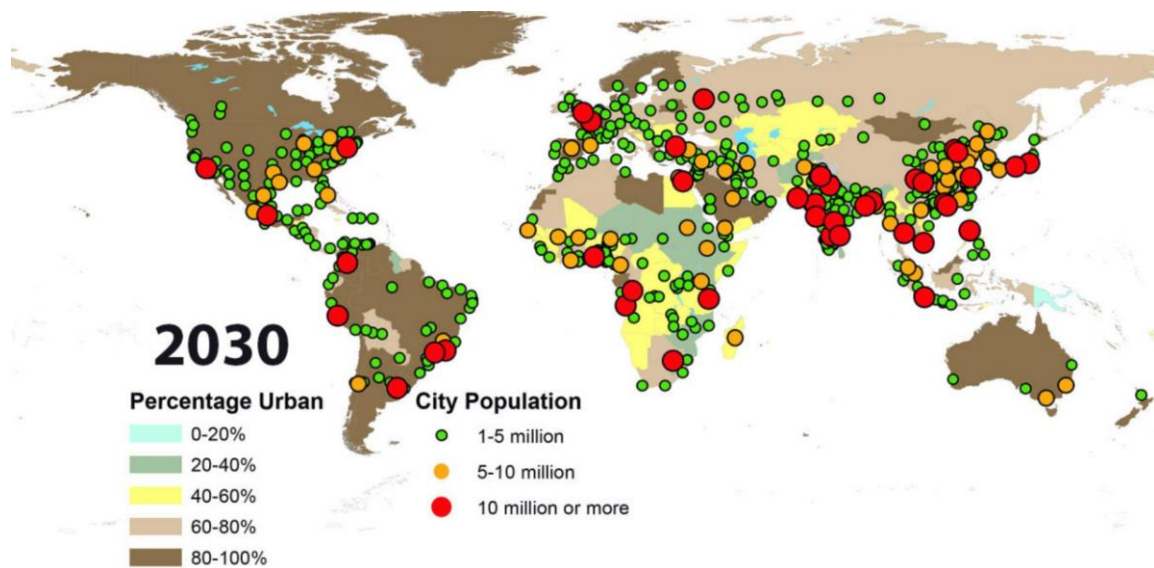
[5] Burundi, Malawi, Niger, Rwanda, South Sudan, Nepal, Sri Lanka, Liechtenstein, Montserrat, Saint Lucia, Papua New Guinea, and Samoa.

[6] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p1

population proportion more than double by 2050. Nearly 90% of the global increase of urban population will come from Asia and Africa.

High rates of urbanization will result in significant challenges that will have to be addressed, especially in the lower middle-income countries which will experience the most significant increase. Urban management is critical for many countries who seek to provide their city dwellers with adequate utilities, healthcare, education, employment and transport. Decentralization policies, shifting power from central governments to a lower level is an important factor in encouraging local authorities to focus on urban planning and prosperity[7].



**Urban population and megacities by 2030** Source: Urban geographies: cities/places/ regions, *World urbanization 1970-2030*

➢ **An increase in Megacities**

In 2018, there were 548 cities with more than one million inhabitants, three times more than in the 1970s. In 2018, 13% of the urban population lived in megacities (cities with 10 million inhabitants or more). Among these megacities, 33 have more than 10 million inhabitants[8].

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[7] United Nations, Human Settlements Programme (2013) *State of the world's cities 2012-13: Prosperity of cities, p. 113*

[8] United Nations, Population division Department of economic and social affairs(2019) *World Urbanization Prospects: The 2018 Revision* p58, p62, p64

The world will have more than 700 cities of more than **one million inhabitants by 2030, including 43 megacities with 10 million inhabitants or more, representing 14.6% of world population and 752 million people[9].** By 2030, Dhaka, will be the fourth most populated city; Karachi, and Lagos will surpass cities like New York and Buenos Aires. Such rapidly expanding centers will likely increase water, air, noise light and land pollution.

➢ **Concentration of activities and wealth**

The urbanization process leads to a concentration of activities and wealth in places that become the heart of human activities. Megacities are hubs of economic functions including education, research, industry and finance. The ten most urbanized areas which account for 6% of the world population produce more than 40% of world GDP and 70-80% of technologies[10]. Countries with an existing concentration of universities, think tanks and civil society partners have strong advantages. These countries will be key players in the fifteen-year outlook. Nevertheless, this concentration encourages segregation by concentrating knowledge and talents in megacities, embedding nation-wide inequality.

➢ **Slumification**

Urbanization can bring benefits such as economic development, access to education and healthcare and social mobility[11]. However, when uncontrolled, rapid urbanisation has, in many cases, led to the creation of new slums and expansion of existing ones. In 2016, more than 900 million people were living in shanty towns[12]. By 2025, 1.8 billion individuals will live in shanty towns, accounting for approximately one in five people globally and one in three city dwellers[13]. This will be mainly due to rapid urbanization, population growth, and low employment opportunities[14]. Slumification will

[9] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p59

[10] Julien, Damon (2016) La métropolisation : concentration des activités et des richesses' [metropolization: concentration of activities and wealth], *vigie report 2016, Territories and networks Chapter,* Futuribles International
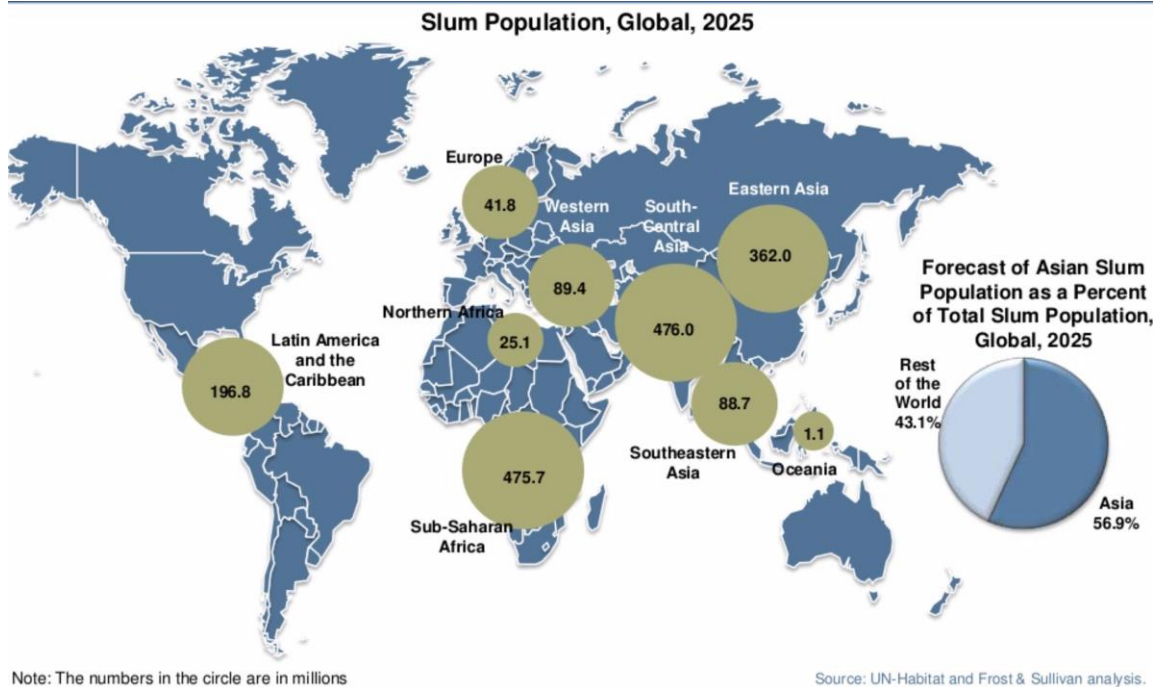
[11] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p1

[12] Totaro, P. (2016) *Insight: Slumscapes - How the world's five biggest slums are shaping their futures*

[13] James, Mani (2016) *Spot the Business Trends and Opportunities in Africa from the World Design Capital for 2014,* Frost & Sullivan, Slide share, 46 slides

[14] United Nations, Human Settlements Programme (2013) *State of the world's cities 2012-13: Prosperity of cities*

put social, economic and ecological pressure on already fragile cities, and might induce political unrest and displacement.



**Slum Population, Global, 2025**

Note: The numbers in the circle are in millions

Source: UN-Habitat and Frost & Sullivan analysis.

Source: Mani James, Frost & Sullivan, Spot the Business
Trends and Opportunities in Africa from the World Design
Capital for 2014

➢ **Declining population in some cities**

According to United Nations[15], some cities have experienced population decline in recent years. Most of these cities are located in the low-fertility countries of Asia and Europe where the overall population is stagnant or declining. Economic contraction and natural disasters have contributed to population losses in some cities as well[16]. Those cities are likely to suffer from competition from megacities and could continue in decline.

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[15] United Nations, Population division Department of economic and social affairs (2019) *World Urbanization Prospects : The 2018 Revision* p1

[16] Few cities in Japan, South Korea, east Europe and Russia (Nagasaki and Busan for example). «In the United States, for example, Buffalo and Detroit each experienced net losses of population between 2000 and 2014, concurrent with a loss of industry and jobs in those cities, while New Orleans experienced population decline in the wake of the 2005 Hurricane Katrina», page 15, United Nations, Population division, United Nations, Population division Department of economic and social affairs (2014) *World Urbanization Prospects : The 2014 Revision* p15

➢ **Coastal urbanization**

Populations and activities are concentrated near or on the coastal areas. Nowadays, half[17] of the world population lives within 60km of the sea. In numerous countries, capital cities are located in proximity to a coastline (Bangkok, Mumbai, Dakar, Jakarta, Lagos). Coastal populations grow faster than inland areas and are extremely sensitive to economic, demographic, and climate changes, especially the rise in sea levels and increasing salinization[18]. Hundreds of millions of people could be displaced especially in East, South, and South-east Asia.

## Uncertainties

### Global governance: the rise of megacities

Over the past few decades, megacities have gained influence in the global economic and governance spheres. Seen as being politically legitimate actors representing local needs and growing global economic powers, megacities and network of cities are using their own leverage to shape national and global governance. Currently, according to the Chicago council on global affairs[19], "42 of the largest 100 economic entities in the world are cities." This global economic power is enhance by the increasing constitution of city networks such as C40 Cities Climate Leadership Group or United Cities and Local Governments. Megacities and city networks may represent an answer to some national governments bureaucratic paralysis and political gridlock. At the same time cities have to constantly face particular challenges such as in urban planning and the impact of climate change in highly dense areas that are not necessarily addressed by national or international entities. As a result, they use their experience to exchange good practices in networks and to challenge national governments and international institution to adopt more efficient policies at the local level. Megacities and city networks have pushed for greater involvement in sustainable development, refugee management, multicultural, and religious issues, to name but a few. Megacities could become the driving force behind a new order of global governance.

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[17] United Nations Environment Program, Urban Environment Unit (2016) Cities and coastal areas

[18] Julien, Damon (2016) La métropolisation : concentration des activités et des richesses' [metropolization: concentration of activities and wealth], *vigie report 2016, Territories and networks Chapter,* Futuribles International

[19] Toly, Noah, Tabory Sam (2016) 100 top economies: Urban influence and the position of cities in an evolving world order, *The Chicago Council on Global Affairs*, Global cities