The Future of Pacific Asia Cities

(This report was sourced from reports by the UN Centre for Human Settlements and other presentations at the CityNet Congress in Bangkok between October 29 and November 2, 2001)

WHEN MAYORS and city officials from more than 100 local authorities in 20 countries, mostly in the Pacific Asia region, met to discuss the future of urban growth in the region, they declared their commitment to creating "people-friendly cities that are socially just, ecologically sustainable, politically participatory, economically productive and culturally vibrant." Few in the travel industry would argue with that goal. Cities are the vanguards of tourism.

But many cities are facing serious challenges. According to Ms. Keiko Okaido, Deputy Executive Secretary of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), three trends are emerging:

1. This century will be an urban century. More people now live in cities in the Pacific Asia region than ever before. By 2025, most of the region's population will live in urban areas.
2. This century will be characterised by globalisation of economies and information. Cities, rather than countries, will compete against each other for foreign investment.
3. A city's ecological footprint on the earth is great and will continue to increase.

A World of Cities

Since the 19th century, the collective population of the world's cities grew from less than 30 million to 3 billion. Today, the planet hosts 19 cities with 10 million or more people; 22 cities with 5 to 10 million people; 370 cities with 1 to 5 million people; and 433 cities with 0.5 to 1 million. By 2030, over 60 percent of all people (4.9 billion out of 8.1 billion) will live in cities.

Burdened with all the problems of growth, cities are increasingly subject to dramatic crises, especially in developing countries. Unemployment, environmental degradation, lack of urban services, deterioration of existing infrastructure and lack of access to land, finance and adequate shelter are among the main areas of concern.

The development of contemporary societies will depend largely on understanding and managing the growth of cities. The city will increasingly become the test bed for the adequacy of political institutions, performance of government agencies and effectiveness of programmes to combat social exclusion, protect and repair the environment and promote human development. All of these have a significant spin-off impact on the health and functionality of travel and tourism.

Mega-Cities in the Developing World

The rise of the mega-city (cities of at least 10 million people) in developing countries over the past 20 years is of concern because of an incapacity to increase the provision of housing and basic services at the same pace. There is currently an extremely rapid displacement of developed country cities on the list of the world's 30 largest cities by those in developing countries.

Between 1980 and 2000 Lagos (Nigeria), Dhaka (Bangladesh), Cairo (Egypt), Tianjin (China (PRC)), Hyderabad and Lahore (India), along with several others in developing countries, were added to the list. By 2010, Lagos is projected to become the third largest city in the world.

At the same time, Essen (Germany), Milan (Italy) and London (UK) have all disappeared from among the top 30 cities, and New York (USA), Osaka (Japan) and Paris (France) will have slipped farther down the list by 2010. Among developed countries, only Tokyo (Japan) will have held its place – as the largest urban agglomeration in the world – for 30 years.

None of these great cities, with the possible exception of London, will have lost population over the 30-year span. Mega-cities are still growing, but in the developed world they are part of the general slowdown of urban growth rates to a global rate of about one-third of one percent per year. The overall urbanisation rate in Asia, by contrast, is four times that and this is reflected in the growth of its mega-cities.

The Pacific Asia Region

The urban population in the Pacific Asia region today accounts for 35 percent of the total population of 3,515 million. By 2020, it is expected to rise to 46 percent of its projected total of 4,298 million, and cross the 50 percent mark by 2025.

In recent years, the Pacific Asia region has been known for extremely high rates of industrialisation. An average urban growth rate of about 2.7 percent per year is nearly 27 percent greater than the global average (2.11 percent), and the absolute number of urban residents is nearly triple that in the highly industrialised countries. Both China (PRC) (2.47) and India (2.84) are close to the regional average rate of urban growth in the past five years. Southeast Asia has the highest urban growth in the region at 3.57 percent, followed by South-central Asia at 2.97 percent. Eastern Asia and Oceania have the lowest urban growth rates at 2.02 percent and 1.21 percent, respectively.

Vulnerability of the Urban Poor

Countries that had achieved well-functioning cities in a steady process of improvement over a period of 20-30 years saw the collapse of urban functions in the wake of the financial crises of the 1990s. The economic contraction affected millions, aggravating social vulnerabilities, reducing incomes, rising absolute poverty and malnutrition, declining public services, threats to educational and health status, increased pressure on women, and increased crime and violence. Poverty rose as a result of cutbacks in both public and private employment as well as in public expenditure for health and education.

From a number of perspectives, national and local authorities are not prepared to manage urban development in favour of the poor, who usually take up illegal residence on the periphery of the city. These settlements become appalling slums, offering their inhabitants little hope of improving their lives. They live densely packed, subject to heavy rains or sudden fires. They have precarious employment, in the formal or informal sector. They are exposed to higher incidence of disease, arbitrary arrest and forced eviction. Neglected by formal institutions they are often left unprotected against violence, drug dealers, corrupt officials, unscrupulous slumlords and organised crime.

Lesson in Governance

In Asia, cities became the locus of bad debt generated in large part by a vast over-supply of middle and upper-class housing estates, condominiums, hotels and office towers. The Asia crisis revealed one negative side of globalisation. The prospect of global markets fuelled the desire of many entrepreneurs and some government officials to cash in quickly. It increased the opportunities for crony capitalism and corruption. Expecting a rising tide to float all ships, it diverted attention from the basic needs of those who are normally excluded or could not participate.

The silver lining is that the increased pace of urbanisation and its linkages to economic globalisation have reinvigorated interest in good urban governance and its links to economic growth. The combined effect of economic foibles and failures is helping to define the fundamentals of good governance, made conspicuous by their absence: fiscal discipline, fair and transparent resource allocation, effective and predictable regulatory systems, fiduciary responsibility, strategic planning, independent and just mechanisms for conflict resolution, participatory decision-making, safety and security for all, open information flows and ethical behaviour.

CASE STUDIES

Here are some concrete examples of "silver linings" in Pacific Asia urban and infrastructure development, many of which are directly related to global sports events that have galvanised travel and tourism:

SYDNEY, AUSTRALIA

Australia's commercial capital, Sydney hosted the 2000 Olympics, considered the most successful Games ever held. On the edge of the Sydney CBD is Pyrmont, which along with its adjoining district, Ultimo, were for more than a century a mainstay of Sydney's wool storage, sugar refining, flour milling and shipping industries. By the early 1990s, Pyrmont was dying. Once-thriving industries closed, most of the population moved away, and there was a steady deterioration in services.

Now, after 10 years of intensive master-planning, large-scale infrastructure provision and property redevelopment, Pyrmont is being brought back to life. Projections are on target for increases in the number of residents (3,000 in 1992 to 20,000 in 2021) and workers (14,000 to 40,000 in the same period). The basic premise of the ambitious urban consolidation programme was to bring surplus government land to the marketplace and to encourage redevelopment by the private sector – both residential and commercial.

The metamorphosis was spearheaded by the New South Wales Government's City West Development Corporation, which also generated income of nearly AU$90 million through the sale of redundant government land. More than AU$240 million of Commonwealth and State funding went into new services, roadways and infrastructure, and a joint effort by the public and private sectors. Now, there is a vibrant café scene, international offerings ranging from Middle Eastern rugs to gourmet Australian produce and an unhurried atmosphere that sets this precinct apart from the Sydney CBD.

Media, telecommunications and hospitality industries are among those drawing newcomers. The Darling Island Centre housed the Sydney Media Centre during the 2000 Olympics, and the operations of Foxtel, Network Ten and News Interactive form part of Pyrmont's face of the new millennium. Of course, it helps to be backed by the AU$212 billion economy of New South Wales.

BEIJING, CHINA (PRC)

The Olympic Movement's Agenda 21 was Beijing's guideline for winning the 2008 Olympic Games which it has promised will be a "Green Olympics." The Games are designed to serve as a catalyst for environmental improvement and will help promote sustainable development in Beijing and China (PRC). By 2007, Beijing plans to invest up to US$12.2 billion in protecting the environment. Since 1998, a total of US$3.63 billion has already been spent on spreading the use of clean fuels, controlling gas pollutant emission, treating wastewater, safe disposal of solid waste and protecting wildlife species. Strict emission standards were set in place since 1999, which require a reduction of emissions by 80 percent. Between 2004 and 2007, even stricter standards will be set to further reduce emission by 60 percent.

Altogether, by 2007:

- 90 percent of Beijing buses and 70 percent of the taxis will use clean natural gas. Five new subway lines will be built, totalling 114 kilometres in length. The handling capacity of the city's bus services will reach 19.5 million persons per day.

- The usage of natural gas will be quintupled over 2000. No fuel coal will be used except in a few large boilers in power plants. Fourteen more wastewater treatment plants will be built to increase the treating capacity to 90 percent of the total the city produces. And 50 percent of the treated waste water will be reused.

- 100 percent of urban garbage will be safely disposed of, up from 80 percent at present. At the same time, 50 percent of the domestic waste will be sorted before being collected and 30 percent will be recycled.

- Trees will cover 70 percent of Beijing's mountainous areas. It will also develop more than 23,000 hectares of green belts along the major rivers and roads and 12,000 hectares of forest strips to separate the city from the surrounding countryside.

- Key industries will be restructured and the 200 industrial enterprises in the downtown area will be moved out. By the time the Olympic Games opens in 2008, a new Beijing of fresh air, beautiful environment and sound ecosystem will emerge.

KUALA LUMPUR, MALAYSIA

The holding of the Commonwealth Games in 1998 was one of catalysts for a host of multi-million dollar projects. Malaysia has created the Multimedia Super Corridor (MSC) – a world-first, greenfield "corridor," 15 kms wide and 50 kms long, roughly the size of Singapore.

This corridor stretches from the Kuala Lumpur city centre, which houses the world's tallest buildings, the Petronas Twin Towers, down south to the future federal administrative city Putrajaya and the region's largest international airport, the Kuala Lumpur International Airport (KLIA). The Prime Minister of Malaysia moved his office to Putrajaya in 1999, and other departments are following in stages.

The MSC is an ambitious plan to transform rubber and palm-oil plantations into Southeast Asia's Silicon Valley. Malaysia has committed a massive MYR48 billion in investment for the MSC, hailed as Malaysia's stepping stone to developed-nation status by 2020. The Malaysian government has set a target of attracting 50 world-class companies to the MSC by 2003, most of which will be located in an "intelligent city" called Cyberjaya. These will be complemented by a Multimedia University and operational headquarters for

multinationals wishing to direct their worldwide manufacturing and trading activities using multimedia technology. Together, Putrajaya and Cyberjaya are projected to be the nuclei of the MSC.

To alleviate growing traffic congestion inside KL itself, a result of the economic boom, the Malaysian capital is building a new metro system. There will be three lines operated by different companies, two of which are already in service. The third elevated monorail line is expected to open mid-2002.

The Kuala Lumpur International Airport (KLIA) opened in June 1998 at a cost of about US$3.5 billion. The 10,000-hectare area makes it one of the largest airport sites in the world. It boasts the world's tallest air-traffic control tower, the biggest columnless hangar, the longest baggage conveyor belt system, biggest passenger lounge and a capacity for 25 million people a year. Encircling the airport is a tropical forest. More than a million trees and shrubs are transplanted both within and outside the large passenger terminal complex.

SEOUL, KOREA (ROK)

Seoul is to co-host the 2002 World Cup soccer event. On April 25, 2000, Seoul Mayor Goh Kun announced the Sang-am Millennium City Project, aimed at converting Sang-am-dong area in northwestern Seoul into the "Millennium City" catering to both information technology and environment needs.

The project will involve, on a budget of about KRW896.9 billion, construction of a digital media industrial complex, an environment-friendly housing complex accommodating 7,000 households, and a 6.6 million square metre ecological park. Upon completion in 2010, the "Millennium City" is expected to be inhabited by 30,000 residents, and host a large number of daily commuters, amounting to a population of about 400,000.

Sang-am-dong, the venue for the 2002 World Cup, was one of the few remaining undeveloped areas within the city. The site is also intersected by wide-area transport networks including Inchon International Airport Expressway, subway line 6, Kyong-ui Railway, the Han River waterways and Kyong-In Canal.

The kernel of the project is Digital Media Center (DMC) which will house a 5.61 million square metre area of high-tech information industries including software, multimedia, content development, and desktop publishing businesses, Internet and digital, satellite broadcasting companies.

On the outskirts of the "Millennium City," the housing complex will employ such recycling and energy-saving systems as reuse of rainwater and the local area heating system supplying gas drawn from the landfill. Transit systems within the complex will consist of low-pollution modes of transport as walking, bicycling, monorails and magnetic gravity trains. The "Millennium Park" will consist of a World Cup Park, a marsh garden, an ecological park and a public golf course with nine holes. The park is scheduled to be completed by June 2002, the housing complex by 2006 and the DMC by 2010.

Conclusion

It is clear that the extensive socio-environmental problems facing the cities of Pacific Asia are not beyond repair. While big-ticket events like sports extravaganzas and political summits galvanise cities into action, the travel industry should not have to wait for cities to win such events before moving to address them.

Indeed, the reverse should be the case – a constant programme of innovation and renovation of cities will most likely boost the cities' chances of winning such events, and upgrade quality of life for the regular citizens, too. Perhaps there is an opportunity for the travel industry to ask not what cities can do for it, but what it can do for the cities, and to keep doing it