

MYTH 3: “The future is predominantly urban”

This is not so much a myth as an assumption that can be questioned. The world will only become predominantly urban if the economic changes that underpin urbanization take place. For 40 years, there has been an assumption that the world’s population will become ever more urbanized. Projections are routinely made up to the year 2025 or 2030, showing the level of urbanization in each nation and the size to which the world’s largest cities will grow. This in turn generates statements like ‘the world has to accommodate two billion more urban dwellers by the year 2025’. But the future size of any city depends on its economic performance and as will be described in the next section, many of the world’s largest cities are having difficulties attracting new investments. Any nation’s level of urbanization depends on its economic performance. Africa will only become increasingly urban if most of its more populous nations have greater economic success than they had during the 1990s.

Few economists would dare to predict the level of economic growth in each nation up to 2025 or 2030. But for all low and middle income nations, their level of urbanization in 2025 will be much influenced by their economic performance. One hopes that low-income nations in Africa, Asia and Latin America are much more urbanized in 2025 than they are today because this would be the result of them achieving stronger economies.

The world’s future level of urbanization will also be much influenced by the economic performance of the most populous nations that currently have low levels of urbanization. It would only need India to have high economic growth rates for the next 10-15 years and for China to maintain the very rapid economic growth rates it has achieved over the last 15-20 years for the world to become significantly more urban than anticipated.

In addition, perhaps too much is made of the world’s level of urbanization since this is in part a matter of definition. The world could acquire several hundred million more urban dwellers overnight if India or China were to change their definitions of “urban centres” to those used by nations such as Peru and Sweden²⁰ and this in turn would mean that most poverty in India (and in Asia) was in urban areas.

²⁰ At least up to its 1990 census, urban areas in Sweden were built-up areas with at least 200 inhabitants and usually not more than 200 metres between houses; for Peru, urban centres were populated centres with 100 or more dwellings grouped contiguously and administrative centres of districts (United Nations (1998), *World Urbanisation Prospects: the 1996 Revision*, Population Division, Department of Economic and Social Affairs, United Nations ST/ESA/SER.A/170, 190 pages). Using these definitions in China or India would make both countries predominantly urban.