

**World Bank Urban Geography:
Critical Commentary on the World Development Report 2009
*Reshaping Economic Geography***

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Over the last 25 years the World Bank has annually published reports on world economic development with wide-ranging themes. Two have showcased agriculture and rural development, but this is the first to place urban areas centre stage. Unlike the rural reports, which had copious references to concrete rural development problems and policies, this year's WDR is a celebration of the theoretical concept of agglomeration, and its influence in creating population aggregations in urban settlements. The Report introduces and popularizes what is now known as the 'new economic geography' (NEG). This is a relatively recently established branch of economics which has gained salience with the award of this year's Nobel prize to one of its leading theorists, Paul Krugman. NEG draws heavily on geography concepts but without geographers' qualifications, reservations and provisos. Much of the declining sway of quantitative geography models in the 1980s and 1990s came from the realization that central place theory offered a fairly narrow window on the complicated dynamics of urban demographic and economic change. While drawing on geography concepts, this is a report written by economists, which ignores previous quantitative economic geographers' work on urban agglomeration. Agglomeration is viewed as an imperative for development and, most significantly, an 'engine of growth', inverting past World Bank and western aid agency thinking which saw 'urban bias' as a severe drain on development. Why the change of mind?

First, it is estimated that the majority of the world's population are now urban. Thus, the World Bank is giving urbanization long overdue attention. Second, NEG economists argue that the concept of agglomeration provides a major analytical leap forward in economics resolving contradictions in classic competitive labour market models, which assumed constant returns to scale. NEG economists' awareness of scalar economies yielding higher returns from concentrated supplies of labour and capital have now, according to the WDR: 'diminished the disconnect between research and the real world' (p.126) and the often false dichotomy between internal and external economies (p.136). Claims that the NEG bridges the theoretical world of economists and real world of policy makers could be construed as an oblique way of saying that economic models hitherto were over-simplistic. But proof of the agglomeration concept's revolutionary insights is weakened by the use of restricted case

evidence primarily from industrialized countries especially the United States where patterns are likely to be swayed just as much by corporate organizational structure as by urban location criteria *per se*.

It is jarring to see the World Bank pendulum of thought swing so radically from its earlier negative urban bias position. Agglomeration is posited as an inherent good, optimizing productivity, development and eventually welfare. Population migration and concentration are deemed markers of progress along the developmental path, assuming the hidden hand of the market propels urban agglomeration and should be given full expression without impediment: 'So city administrators are well advised to learn what their city does, and to help it do this better, rather than try to change the course of their city's destiny. Planners and policymakers should see their role as prudent managers of a portfolio of places, to get the most from agglomeration economies' (WDR09, 128). Their role is to 'relax the constraints generated by the congestion and overcrowding of land and resources so that the benefits of agglomeration can be maximized' (WDR09, 144).

A '3-D approach' referring to the main themes *density* (population agglomeration, urban areas), *distance* (migration, transport) and *division* (specialization, borders, social conflict) are didactically explained before schematically linking them to policy trajectories. Stress is placed on the tendency for scale economies to amplify with density and attenuate with distance. Analytical parts of the report read like an undergraduate textbook in NEG.

For those not sharing in the euphoria of a disciplinary breakthrough in economics, there is, however, a significant departure from previous World Development reports' tendency to advance simple dictums and blanket policies recommendations. In their place, multiple policy options are offered, mechanistically derived but nonetheless affording some choice of action related to a country's degree of densification and extent of economic and social divisions, stage of the urban agglomeration process. In areas of incipient urbanization the recommendation is one-dimensional: 'build density with spatially blind institutions'. In other words, implement the millennium development goals and make no allowance for additional infrastructural or service investment in incipient settlements. Small and secondary towns representing intermediate urbanization are seen as sufficiently developed to warrant a two-dimensional policy approach involving investment in connective infrastructure such as roads, rail, and communications. It is only in settlements of advanced urbanization that three-dimensional investment involving spatially targeted investment is contemplated to 'address economic and social divisions' due to slums and other problematic circumstances.

This amounts to a neat package of seemingly pragmatic policies to contend with the 'reality of growth and development' albeit grossly over-simplified, advocating 'spatially blind' policies

in most developing countries where urbanization levels are relatively low. The schema presupposes a market-driven growth trajectory through which lagging regions, permeated with poverty and inequality, are bound to appear. Migration rather than targeted efforts to even out development are prescribed as the remedy. 'Geographic targeting' is considered to be a wasteful impediment to progress.

Apart from the blind belief in *laissez-faire* markets applied to countries regardless of their spatial planning priorities, this Report is, in effect, advocating large-scale urban migration to purportedly dynamic urban centres without due consideration of the environmental and social consequences that follow. Next year's WDR will deal with environmental issues in general but there is no excuse for skating over the likely social distress and political instability arising from accelerating urban growth in the absence of policies directed at providing checks and balances. The Report testifies to the World Bank's continuing inability to integrate their economic growth-optimizing goals with the socio-political reality of widening economic differentiation embedded in single-minded going-for-growth strategies. Urban planners' and policymakers' concern about rapid urban growth is seen as 'a misplaced preoccupation with size, not function' (WDR09, 142). The multi-dimensional nature of urban areas as human settlements is lost on the NEG zealots. '...Cities and towns should be seen as market agents, just like firms and farms, serving market needs' (WDR09, 145). The economic reductionism of the WDR09 borders on the ridiculous if it were not for the power of the World Bank recommending policies that could be hazardous in a period of global climate change, economic upheaval and rising political tension in many parts of the developing world. Under the prevailing circumstances, the myopia of the WDR09 agglomeration fetish is worryingly irresponsible.

Since the early 1980s the developing world, particularly in Sub Saharan Africa, has experienced the direct intervention of the World Bank in national policy formulation. Meanwhile the annual World Development reports have set the fashion, authoritatively presenting the latest economic development theories in technocratic terminology regardless of the concrete complexities of the lived experiences of populations in developing countries. Many of the World Bank's past analytical constructs are now disregarded in development studies, and sometimes repudiated by former World Bank personnel (Stiglitz 2003), yet the consequences of World Bank implementation of the misguided policies arising from their latest orthodoxies persist, continuing to adversely affect the economic competitiveness and welfare of the recipient populations in the developing world.

A committee of economists led by the eminent Angus Deaton from Princeton University evaluated the World Bank in 2006, challenging the institution's reputation as the world's

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knowledge bank, referring to its habit of taking: 'new and untested results as hard evidence that its preferred policies work'. The Deaton report singled out the flagship Wars as a medium through which advocacy of the World Bank's favoured policy recommendations sometimes takes precedence over balanced analysis. This year's WDR falls squarely in this category. Further we need to question the World Bank's lack of accountability to people in the developing world who experience the adverse consequences of implementing their latest WDR policy axioms. The World Bank insists on democratic governance in national government in developing countries but they successfully evade these principles being applied to them in their role as the international governor of development policy. Something is very askew. Under these circumstances, perhaps it is fortuitous that the urban sector has been lucky to escape WDR analytical attention until the present.

This and each of the regional and thematic commentaries that follow represent the views of the author rather than a shared perspective.

World Development Report 2009 and Latin American Urbanization

Katherine V. Gough

Urbanization in the global South has for too long been cast in a negative light by international and national development agencies. This is despite the strong correlation between levels of urbanization and economic growth. The positive slant taken by the World Development Report 2009 (WDR) on urbanization is thus most welcome. As the UNFPA 2007 State of the World Population Report, subtitled 'Unleashing the potential of urban growth', similarly highlighted, there are many positive aspects of urbanization including economic, social, cultural and environmental. The claims of the WDR regarding urbanization and economic development, however, are far from unproblematic when considered from a Latin American perspective. This commentary is divided into three parts corresponding with the tripartite division of the report, in each case focussing on the first chapter i.e. the chapters on 'Density', 'Scale economies and agglomeration', and 'Concentration without congestion'.

Part 1 The facts

The WDR claims that density increases with urbanization, rapidly at first and then more slowly. Although living standards initially diverge between areas of different density, later they converge and 'Even within cities, densely populated slums amid formal settlements, the differences slowly disappear with development' (WDR09, 49). Although density is defined as an 'economic mass or output generated on a unit of land' (WDR09, 49) the authors have a tendency to slide between using density in relation to the economy and density of population (place) which confuses their argument. Leaving this aside, if we turn to the USA, one of the countries most frequently drawn upon in the report, the claim that 'within-urban disparities in welfare narrow with development' (WDR09, 49) clearly does not hold. In Latin America, the overriding trend in cities is for increasing, not decreasing inequalities and associated rising socio-spatial segregation.

Income inequality in Latin American cities has increased significantly in recent decades. As Janice Perlman (2004, 30) has shown, building on detailed ethnographic work in Brazilian *favelas*, 'while the poor have improved their standing in absolute terms they have lost ground relative to the rest of the population'. Rather than inequalities disappearing with growth, Latin American cities are characterised by increased spatial segregation with the rich having an increased ability to segregate themselves from the poor. Gated communities, where fences, gates and armed guards mark spatial segregation, and in the large Latin

American metropolises even fenced cities housing up to 50,000 people, have emerged. As Axel Borsdorf *et al.* (2007, 366) argue, 'These residential spaces form a central element of the new model of the space organization of the Latin American cities ... and are one contemporary expression of the inequality and exclusion that have characterized the residential areas of the Latin American cities from their initial formation.'

One of the driving forces behind this increased segregation is the rising fear of violence, which is linked to the increasing inequality. Urban violence is central to understanding urbanization as it not only acts as a considerable barrier to development, but the development process itself is instrumental in both producing and shaping new forms of urban violence (Winton 2004). As Caroline Moser (2004) has argued, urban space in Latin America is being reorganized in response to two interrelated issues: the heightened levels of crime and violence, and the lack of confidence in the state's capacity to provide effective police security resulting in socio-spatial exclusion and segregation. This totally contradicts the image of increasing harmony projected by the report.

Part 2 The insights

Drawing on the concepts promoted by the 'new economic geography' approach, the WDR focuses on benefits of scale economies and agglomeration focussing almost exclusively on formal urban economies. The claim picked up on here is that 'Among mature industries the persistence in employment patterns across cities is high over time' (WDR09, 139). This clearly does not apply to most Latin American cities, which are characterised by an increasing informalization of the economy with consequent implications for the labour market. Neoliberalism, with its associated policies of liberalization, privatization, and deregulation, has resulted in deindustrialization and the reorganization and relocation of production and consumption activities. This has transformed the nature of work and increased the polarization in occupational structure and incomes with profound consequences for social and economic organisation (Roberts 2005).

As in other parts of the world, the labour force has grown at a faster rate than formal employment resulting in 80 percent of job creation in Latin America being in the informal economy during the 1980s and 1990s (Tokman 2001 cited in Biles 2008). Drawing on studies conducted in Buenos Aires, Mexico City, Montevideo and Santiago, Bryan Roberts (2005) shows how the situation of the economically active population deteriorated during the 1990s with vulnerability to poverty increasing correspondingly. Women in particular have

more insecure working conditions today than several decades ago (Perlman 2004). Latin American cities are characterised as having: reduced public sector employment, increased outsourcing and subcontracting, more precarious 'flexible' employment, increased participation of women in the workforce, and higher rates of underemployment and unemployment (Biles 2008). The powerful drivers for urban development are thus 'economic transformation, deregulation, a retreat of the state, weakening of urban planning, but also the rise of (internationally organised) crime and ... the perception of vulnerability by the citizens' (Borsdorf *et al.* 2007). This is a far cry from the picture of urban economies presented in the report.

Part 3 The policy framework

The WDR has the tendency to be highly selective in its use of supporting evidence, both contemporary and historical (Rigg *et al.* 2009). In relation to its housing policy proposals, Costa Rica is heralded as being a 'model for other developing countries' (WDR09, 214). Whilst not denying that countries can learn from each others' experiences, no policy can be used as a blueprint for another; as is argued elsewhere in the report, place matters. The successful policies named in relation to dealing with low-income housing are taken from Sweden and the USA in the 1930s-1970s, which entailed demolishing and building replacement homes. However, not only can the very differing situations of Sweden and the USA not be transferred to Latin American cities today, there is a real danger of lumping all informal housing together under the label of 'slums' (see Gilbert 2007 - whose dislike of the return of the term 'slum' I share). As has long been reported for Latin America, dating back to the pioneering work of John Turner in the 1960s and 1970s, housing in informal settlements tends to be consolidated over the years and is often a solution rather than the problem.

In the WDR's policy proposals relating to slums, the 'correct approach' is seen as being 'integration of slums into the broader urban economy' (WDR09, 227). Here again there is a slippage between economy and place, but the overall sentiment is shared, as are proposals for settlement upgrading. However, the authors continue by proposing that 'if the problem is spatial inefficiency, steps to improve land use efficiency and compensate slum dwellers for disruptions to their livelihoods probably should take precedence' (WDR09, 227-228). This provides a *carte blanche* for governments to remove informal settlements, the severe consequences of which for their inhabitants have been demonstrated countless times before.

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To conclude, whilst the highlighting of some of the positive aspects of urbanization by the WDR is applauded, there are serious concerns regarding the facts, insights and policy recommendations it contains. The deliberate omission of any analysis of the social effects of a changing economic geography (as stated on page 34) results in central aspects of urbanization, including rising violence and the associated socio-spatial exclusion and segregation being overlooked. The misleading representation of the urban economy results in an incorrect analysis of the underlying processes and nature of urbanization. Not surprisingly then, and most worryingly, the policy suggestions are highly problematic and potentially harmful.

World Development Report and Asian Urbanization

Jonathan Rigg

WDR2009 contains a good deal of discussion of Asian urbanization and agglomeration. Broadly speaking, the experience of Asia is presented as positive and worthy of emulation. To support this, there is detailed, adroit and sometimes finely-crafted discussion from the world city of Singapore through to transport in Bangkok, rural-urban integration in China, and city-to-city connectivities in Japan. The Report is, at first glance, impressively broad in its coverage of Asian countries and cases.

For many geographers, however, the Report also embraces an uncomfortable, albeit hidden, teleology that, in summary, takes it for granted that reducing distance, easing division and encouraging density will deliver economic growth and, therefore, development. In making its case, the Report adopts three approaches which are regarded here as problematic. First of all, the Report generally avoids examples and evidence that might challenge the argument the Report seeks to make; second, the Report narrows the focus of concern to the economics of concentration (urbanization), and in large part fails to confront the social and economic implications and outcomes of the processes that are addressed; and third, the Report does not sufficiently entertain the possibility that urbanization processes and transitions are importantly different between countries, regions and cases.

Perhaps the most striking statement in the whole report is contained in a box with the title, 'What this report is not about': 'To keep the Report focused, several important aspects of the spatial transformations do not get the attention they would in a fuller study. The main aspects not considered – except when emphasizing or qualifying the most important messages – are the *social and environmental effects* of a changing economic geography' (WDR09: 34 [emphasis in original]). This means that cities tend to be portrayed in the Report as spaces of economic activity which generate growth, create wealth and reduce poverty. The implication seems to be that social and environmental effects are distractions, rather than central elements in building an understanding of what shapes cities beyond economic forces on the one hand, and what effects city growth and agglomeration economies have on the other.

A more inclusive vision would, for example, have done more to explore the manner in which rural and urban poverty and prosperity are co-constituted; it would have considered the effects of increasing levels of mobility as households become divided over space; and it

would have been more explicit in its portrayal of the plight of urban migrant workers. Instead the report provides a Panglossian vision of agglomeration economies in which migration is seen as a positive force for change. Singapore, Shenzhen and Sriperumbudur 'show how scale economies in production, movements of labor and capital, and falling transport costs interact to produce rapid economic growth in cities and countries both large and small'. 'These', the Report goes on to state, 'are the engine of any economy' (WDR09, 14). The migration of millions of rural Chinese to the coastal provinces is presented in the report as a positive process, resulting in the matter-of-fact statement that 'Governments should facilitate labor mobility' (WDR09, 18).

The result is that the authors of the Report feel able to make blanket assertions: 'Are the policy messages of this Report anti-rural? No' (WDR09, 200). The 'rule' apparently, 'is symbiosis' when it comes to relations between rural villages and different urban settlement types. This statement conveniently overlooks, for example, the literature on urban bias and the debate over the virtuous cycle of rural-urban relations. To be sure, both debates are still very much alive; with regard to urban bias, Corbridge and Jones note that while 'academics may be notorious for sitting on the fence...there is no case for opting for the urban bias thesis or its 'opposite' in the round and in all respects' (2005, 30). They go on to warn against forms 'of politics or public policy that steamroller over local realities in the name of theoretical purity...' (2005, 30). In this connection, the Report has three limitations: it limits its span of concern, largely, to the economic and gives the impression of viewing the social and environmental as merely incidental; it does not go far enough in looking for the links between urban and rural people, spaces and activities; and it eschews contrary views and evidence.

In addition to narrowing its object of concern fairly squarely to economics, the Report also provide a universalist account of urban transitions. The possibility that urban transitions in various parts of the world may be importantly different is not seriously considered. For Grant and Nijman (2002), their study of cross-continental urban comparison 'shows that the economic geography of present-day cities in the less-developed world is fundamentally different from that of 'Third World cities' *and* from globalizing cities in the West' (2002, 328 [emphasis in original]).

The necessity to consider the possibility of difference is particularly apposite when it comes to Asia because there has been a rich debate over the specificities of Asian urbanization processes. In a recent study of cities and urbanization in China, the authors conclude that

'the Chinese urban experience will lead to new ways of thinking about the urbanization process...' (McGee *et al.* 2007, 199). That possibility is not present here.

Because of the restricted way in which the Report selects and sieves its evidence, Chapter 7 on 'Concentration without congestion: managing an integrated portfolio of places' ignores the extensive literature on Asian extended metropolitan regions (EMRs) initiated by the geographer Terry McGee (McGee 1989, 1991, 2003, McGee and Greenberg 1992, Koppel 1991, Jones 1997, Webster 2005). This is all the more surprising because McGee and his followers' work specifically addresses many of the spatial aspects of integration and interaction which the Report seeks to illuminate. Moreover, it does so in a way that might have injected more of a sense of nuance and contingency into the discussion. McGee, for example, critiques the way in which technology has become the scaffold for understanding change in Southeast Asian cities, 'lead[ing] to a distorted view of Southeast Asian development, in which the roles of state and local actors are subordinated to the global impact' (McGee 2007: 278). 'My problem', McGee writes, with such 'approaches is that they are too one-dimensional and too unidirectional' (2007, 278).

What does this mean? It means that certain spaces of activity (the interstitial urban [and rural] spaces that are not easily measured and captured), certain processes (those that fall outside of the ambit of normal study), certain interactions (as noted above), and certain people (the poor, the marginalised, the uncouneted, the unrecorded) become pushed to one side. The framing of economic geography that is adopted in WDR09 in which the economic takes precedent over the non-economic, the statistical over the 'anecdotal', the technical and the instrumental over the oral and the informal, and the expert over the non-expert plays a significant role in shaping the views and positions that are presented. It is true, of course, that all research has to make choices; but recognising the influence of these choices is critical. At the extreme, framings can create the justification for policy interventions that may be inimical to the interests of certain groups – who are usually the poor, the powerless, the invisible and the uncouneted. It is striking how far this report differs in its tone and philosophy from WDR2000/01 'Attacking poverty' which privileges the personal, the anecdotal, the participatory and the local (World Bank 2000).

This is not to suggest that the World Bank in general and the authors of the Report in particular are not cognisant of inequality, but rather to note the way in which the approach adopted in the Report inexorably leads towards a set of positions. The overview, for example, states:

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‘Concern for these intersecting 3 billion [poorest and most vulnerable] sometimes comes with the prescription that economic growth must be made more spatially balanced. The growth of cities must be controlled. Rural-urban gaps in wealth must be reduced quickly. Lagging areas and provinces distant from domestic and world markets must be sustained through territorial development programs that bring jobs to the people living there. ... *World Development Report 2009* has a different message: economic growth is seldom balanced. Efforts to spread it prematurely will jeopardize progress’ (WDR09, 5-6).

World Development Report 2009 and Sub-Saharan African Urbanization: Ignoring African Exceptionalism

Deborah Fahy Bryceson

The WDR09 adopts a conventional interpretation of urbanization, associating it with industrialization. This is a reasonably valid assumption for Asia at present and Latin America in the past but it has never been a significant factor in African urbanization. Africa's industrialization was fostered by nationalist government support for import-substitution industries in the immediate aftermath of the national independence era of the 1960s and early 1970s. African industrial development had yet to take off before the oil crises of the 1970s struck. Structural adjustment and economic liberalization policies eroded African industrial viability. By the 1990s most countries' urban industrial sectors had become inconsequential.

Nonetheless, Sub-Saharan Africa has experienced an exceptionally strong urbanization trend over the last three decades, not generally associated with economic growth or industrialization (Bryceson 2006). In fact, the continent has been gripped by economic malaise, despite western donor agencies' concentrated aid expenditure and the World Bank's dominating influence on national economic policy formulation. African urbanization trends directly contradict NEG theory, which associates urban agglomeration with economic growth. UN Habitat (2008, 106) describes African urbanization as a 'widespread poverty-driven economic survival strategy'. How can Africa's rapid urban growth in the face of deepening poverty be explained?

The WDR 09 tries to sidestep the yawning gap between theory and reality by casting doubt on African urban population statistics and reducing the sample for their analysis of correlation between urban growth and industrialization to a mere 10 countries out of over 50 (WDR09, 59). On the basis of this cosseted sample, they claim there is evidence for 'Africa's urbanization reflect[ing] industrialization' and economic growth – in direct contradiction to UN-Habitat's (2008) experienced eye assessing the nature of African urban growth. By avoiding citation of data that would undermine the explanatory power of NEG agglomeration theory, the Report deflects the reader's attention from the real causes of rapid urbanization in Africa (Bryceson 2002).

The reliability of African urban population data differs from country to country. What is readily apparent is that the rural percentage of national populations is, as acknowledged in last year's WDR08, declining. Africa is deagrarianizing and people are seeking non-agricultural livelihoods in a variety of places and at various rungs of the urban hierarchy. The rates at

which they are doing so vary from country to country, but they have been generally high for the last three decades. Given the depressed state of peasant agriculture, it is unlikely this trend will change until countries reach the point at which their countryside has aged and rural areas become underpopulated.

In the Report, the 'drivers of urbanization' are conceptualized as 'the market forces of agglomeration, migration and specialization - and the policies that help or hinder them' (WDR09, 158). It is pertinent to consider the policy trajectory in Sub-Saharan Africa in this regard. In the 1970s, African nation-states' agrarian economies were crippled by rising fuel costs that undermined the competitiveness of their agricultural exports and caused them to fall heavily into debt. The WDR09 stresses the significance of the historical decline in global transport costs for agglomeration tendencies but, while noting the continent's relatively high transport costs, it does not acknowledge the structural dislocation of African national economies connected with the sudden oil price rises of the 1970s. Since then Sub-Saharan African economic policy formulation has been subject to western international financial institutions and donor agencies' aid conditionality. African sovereignty in national economic policy-making has yet to be regained, with the exception of South Africa and Botswana whose solvency and middle-income country status have afforded them the scope to set their own policies. African peasant agriculture, which had absorbed the efforts of the majority of the population in almost all countries, deteriorated under structural adjustment's lack of investment in it and economic liberalization policies which exposed a then weakened peasant agricultural sector to the rigours of world competition.

In Sub-Saharan Africa, migration has driven the expansion of cities, but it is the 'push' of rural instead of the 'pull' of urban areas that has dominated. Agrarian involution rather than rising productivity in urban settlements has spurred African urban migration. The dominant tendency within rural and urban areas of Africa has been economic diversification not specialization, in response to the exceptionally high-risk environment that producers have faced. African urban areas, relative to other urbanized parts of the world, do not evince high levels of economic specialization. The burgeoning literature on African 'urban agriculture' is indicative of the subsistence nature of large spheres of urban economic activities (Foeken 2006, Smith 1999).

Most migrants entering the urban informal sector engage in low-income earning trade and service sector work and find makeshift housing in the extensive slum areas of African cities, migrating from rural home areas where income-earning prospects are even more meagre. Their aggregation in cities represents a concentration of poverty rather than productivity. The WDR09 averts confronting the fact that urbanization in labour-abundant, capital-deficient

areas will not generate the same economic dynamism as in countries where labour and capital assets are more balanced.

African countries now have a broad range of urban settlement sizes from rapidly growing rural mining settlements that become towns in form and function over the space of months to large megacities including Johannesburg, Luanda, Kinshasa and Lagos. Luanda has been growing at over 6 per cent per annum. It is anticipated that by 2015, Kinshasa and Lagos will have entered the league of top 20 largest cities in the world at 17th and 19th places respectively (UN-Habitat 2008, 6).

Regardless of the enormous spectrum of urban sizes and historical specificities of African urban settlements, the WDR09 reduces urban diversity into a mechanical policy matrix based on scale (level of agglomeration) and changing 'dimension', offering a staged progression of policies as urban scale increases, reserving urban investment policies primarily for high-density cities. This is seen as logical, leaving the market to find optimal urban sites for private investment and determine the economically viable size of cities. The WDR09 advocates avoidance of spatial policy intervention through the administration of 'spatially blind' policies where development investment of basic service infrastructure, e.g. health care, education, water provisioning in line with the millennium development goals is generalized regardless of the presence of rural or urban populations. This approach does not take account of: 1) the exceptionally rapid rate of urban growth in many African cities/countries, 2) the specific resource constraints or opportunities of incipient and intermediate cities, and 3) the growing stimulus of mining in African urban development which poses special environmental and social problems. Mining settlements can grow very rapidly from small, deep rural to urban agglomerations of considerable size (Bryceson and Yankson 2009).

The reality is that infrastructure provisioning is not uniform over space nor between rural and urban areas. Assuming that the market determines city location and rates of growth neutrally in the absence of powerful vested interests masks the inequities embedded in urbanization as a political process, and is likely to fuel rather than temper political instability and spatial welfare imbalances further. The economic dynamism of incipient urban settlements is usually accompanied by extreme wealth differentiating tendencies and potential discord. Governments cannot afford to ignore such settlements in their spatial policy formulation despite their relatively small size. Furthermore, at all scales of urban agglomeration, the complex challenges of ethnic relations cannot be overlooked in a continent where the plurality of ethnic groups is marked and sometimes prone to violence.

The WDR09's *laissez-faire* approach to urban agglomeration discounts the urgency of African governments at local, municipal, regional and national level having a vision of the desired direction of urban change with informed and flexible plans. By contrast, African urban migrants have a vision and high expectations spurred by their dissatisfaction with rural conditions. The major governance problem for African states and local governments is that their urban expectations and search for alternative livelihoods to rural farming are frequently not secured in the city.

Several undesirable trends are likely to coalesce. Unplanned urban growth has no feedback mechanisms. Urban growth becomes encrusted with the economic disappointment and social tension of expanding, spatially concentrated populations. Insufficient urban infrastructure and services leads to entrenched class bias in service provisioning. Adverse environmental outcomes associated with unplanned urbanization proliferate causing hazards to urban residents. Meanwhile energy expenditure levels climb as growing numbers adopt an urban lifestyle. Transport gridlock looms in the absence of offsetting measures. Rising unemployment levels feeds the proliferation of slums and crime. Economic frustration and social discord emerges that Africa's weak nation-states cannot contain.

Increasingly African political strife and civil war centres on cities. Witness the sudden outbreak of ethnic conflict in Kenya's urban slums after the country's national elections in January 2008. And then there is Mogadishu where unprecedented urban migration fuelled by rural distress and famine during the 1980s was the prelude to a civil war that has simmered and then vigorously boiled on and off to the present with disastrous loss to human life, urban civility and the undermining of the Somali nation-state.

The WDR09's enthusiasm for the economic invigoration of urbanization lacks an appreciation of the cultural, social and political forces that are unleashed by rapid urbanization in Sub-Saharan Africa. Without attempts at balancing state, market and community efforts to ensure socially harmonious and politically viable urbanization at *all* stages of the process in Sub Saharan Africa, it is inevitable that urban agglomeration will generate relatively more economic misery than growth for the continent.

Agglomeration, migration and the geographical concentration of labour

Jytte Agergaard

'Labor mobility and voluntary migration for economic gain are the human side of the agglomeration story' (p. 158)

At the heart of the WDR's concept of agglomeration is density of population and economic activity, and in order to secure population density, mobility of capital, and resources, people's migration is essential. Factor mobility issues are discussed in Chapters 5 and 6 of the Report. Chapter 5 focuses on the relationship between economic growth and labour mobility, highlighting how the concentration of economic activity is stimulated by migrants. The subsequent chapter concentrates on economic and material flows and how economic activities are stimulated by the changing landscape of connectivity in relation to decreasing transportation costs and increasing communication facilities (what geographers normally refer to as 'time-space compression', cf. Harvey 1990). While Chapter 5 advocates removal of barriers to internal and international migration of labour, Chapter 6 argues for infrastructural investments, liberalization of transport in order to lower transport costs, and removal of other trade barriers in accordance with the WTO's latest suggestions for policy reform (WDR09, 188).

Migration researchers, not least the ones concerned with migration and mobility in the global South, have long argued for a more positive interpretation of internal migration acknowledging that people are increasingly living mobile lives, and that households' livelihoods span rural and urban space (rural-urban linkages). For example, Robin Cohen puts forward a cogent pro-migration position in his book, *Migration and its enemies* (2006). The WDR's focus and positive attitude towards migration and migrants is to be welcomed. However, not all migration is interpreted as positive. In making a distinction between 'good' and 'bad' migration, the WDR is operating with two main dichotomies: the first being between skilled and un-skilled migrants; and the second between migration for economic reasons and migration to improve access to public services. The WDR09 views positive migration as the migration of skilled migrants moving for economic reasons internally to urban areas, part of the national agglomeration processes that will provide 'knowledge spillovers' and investments in human capital (education). On the other hand, if the same migrants move overseas to the benefit of other nations' agglomeration, this mobility is less

positive and risks loss of human capital. When it comes to unskilled migrants their mobility to agglomerations within the country is interpreted as mainly negative because they cannot partake effectively in the knowledge spillovers. However if they cross borders and remit earnings to their home community, their mobility is considered worthwhile: 'the policy challenge is not how to keep households from moving, but how to keep them moving for the wrong reasons' (WDR09, 147).

The theoretical construction behind this valuation of migration and mobility is Lucas Jr.'s re-working of Arthur Lewis's two-sector model (1958), which assumes that due to comparative labour costs, labour will flow from the subsistence sector in undeveloped economies to the modern sector in the developed economies. In Lucas Jr.'s version (1988, 2004), Lewis' work from the 1950s is combined with later growth theory and focus on urban agglomeration economies. While most commentators would accept that differences in size and content of economies impact on the direction of migration flows, the suggestion that this economic model can inform us about who moves and who stays behind is much more problematic. The WDR09's explanation of why current trends in migration and mobility do not follow Lewis's and Lucas Jr.'s theoretical insights is that the 'market' for migration is imperfect: governments impose barriers to free mobility, and the transport sector does not function effectively. While, it is likely to stimulate migration, insisting on an imperfect market theory as a generalized theoretical framework ignores the bulk of academic analyses of migration/mobility and development over many decades (see Rigg 2007 for a summary). At least three central characteristics of migration dynamics are suppressed. First, most potential migrants weigh a number of different aspects of their lives, not least their family circumstances when making the decision of moving or staying put. Second, most people, especially in the global South, are part of a bigger decision-making unit, notably their households. Decisions that are 'rational' in a household context might be less logically coherent from an individual point of view. Third, family networks and networking are often decisive for giving direction and help to migrants when moving and settling.

Returning to the means for supporting the 'good' migration and halting the 'bad' migration a delicate issue emerges: even if it is possible to encourage more people to move for economic reasons, is it possible to make the so-called non-economic migrants stay put? In the WDR09, lack of social investments notably in education and health, in peripheral areas provides the answer. However, if social investments prevent unskilled people from leaving their home in the periphery due to their ill health or lack of education, then deficiency of social services is likely to be the main reason why they move. The WDR09's presentation of evidence is somewhat distorted.

A great deal of empirical evidence suggests, that increasing migration to urban areas in many regions of Africa and Asia is closely linked to the increasing sway of a youth culture amongst rural youth who choose to move to become 'modern' (Tranberg *et al.* 2008; Gough 2008). Hence, local improvement of rural health services and better schooling might not compensate for the feeling of living in the periphery. Young people may not want to wait until they have become 'skilled' through education in the rural context. And then there is the difficulty of delivering high quality education to the periphery in countries of the global South with no tradition for universal education. Hence, even where decentralized education facilities are being given investment priority, this is a long term strategy which in the short run may not succeed in preventing ambitious young people, usually supported by their parents, to seek opportunity in the city rather than staying put to achieve and apply their skills in the periphery.

This brings us to a more fundamental doubt: is it only migration for agglomeration purposes in the modern sector that needs to be supported? While the division between 'good' and 'bad' mobility fits well into the ideal two-sector model of factor mobility and agglomeration dynamics, it does not shed light and may even distort our understanding of how migration and mobility contribute to a growing number of households' efforts to improve their livelihoods and living standards in the global South. As stated by the WDR09's own main source on migration, Deshingkar and Grimm (2005), the spatial and temporal patterns of migration vary greatly by region. Migration to cities has increased considerably in recent years, but rural-to-rural migration in many countries of Asia and Africa still dominates. Rural-to-rural migrants' remittances and flexible migration practices provide a valuable safety net for many rural households and may 'prevent' an escalation of migration to city areas for the 'wrong reasons'. Hence, economic activities in the periphery do play an important role not only for migrants and rural incomes but also for national incomes. The WDR tends to overlook that the dynamic national economies in Southeast Asia, notably Thailand and Vietnam, base their success not only on attracting foreign capital and modern industrial investment, but also on developing rural employment opportunities and commercial agriculture (Agergaard 2009). Commercial agriculture is also of considerable importance in many African economies, not least pre-SAP, but also the mining sector (small-scale as well as large-scale) has proven to drive important non-metropolitan economic development (Bryceson and Yankson 2009). Hence, *in situ* or rural based urbanization, often highly stimulated by migrants and mobile livelihoods seems to be a parallel development path to the one led by urban agglomeration.

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So while I acknowledge the WDR09's emphasis on seeing migration as a societal benefit rather than an evil, I question the usefulness of seeing migration and economic activities from such a dualistic perspective, depicting the so-called peripheries as labour reserves while supporting economic activities in the centres of population agglomeration. In taking this exceptionally old-fashioned dichotomized view of rural and urban areas, the inference seems to be that economic development in the global South is only possible if reproduction costs (supporting children, mothers, disabled and old persons) are left to the rural areas? Where are the linkages between 'traditional' rural and 'modern' urban economic activities impacting on employment and regional and urban growth? Hence, I would argue that the links between urbanization and migration consist of much more than knowledge spillovers for the benefit of a progressive modern (industrialized) sector.

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