## "Cities and Citizens" Closing Keynote, U-21 Summer School, Glasgow University 14 July 2015

When the telegraph connected the east and west coasts of the United States, Henry David Thoreau famously asked, what does Boston have to say to San Francisco? A century and a half later, Jean Gottmann, author of Megalopolis and of other pioneering studies on networked urban regions, asserted that half the phone calls in centre cities were to arrange lunch. However much our contacts with people in the wider world have multiplied, we can only be in one place at any time. The volume of information travelling at high speed is now unprecedented. The real revolution in messaging however came two centuries ago, during the French Revolution, when semaphores enabled coded messages to be dispatched faster than a carrier could ride a horse. The key was to separate the message from the messenger. The telegraph introduced the first era of big data. The 1870s to 1914, when submarine cables connected the continents, was the first great age of building statistical data bases. There was then the hope then that with more and better information, the world could be governed better, and more safely. Yes, there was progress on health and safety standards, for example; new international bodies were set up; and social scientists began to compare economic and social conditions. But two world wars, the great depression and totalitarian dictatorships weigh in the balance. Why should the prospect for better evidence-based decision-making be different now? Maybe information travels at the speed of light, but except in emergencies, or in certain market transactions, the speed of decision-making today may be slower than in the days of Woodrow Wilson or Winston Churchill, who had fewer people to consult. Digital technology does not make the Greek/Eurozone crisis any easier to solve.

A couple of disclaimers, before I go further. First, I am forthrightly, unashamedly interested in cities. A vacation for me is good when I study a great work of architecture, when I observe city life close up, when I detect social and cultural undercurrents hinting of changes to come. It is however too easy to see in the many innovative uses of urban big data the solution to the problems of cities. Second, I am a poor user of cellphone technology. I know the dark side of politics: I have been bugged and tailed, and have held conversations in cars with the windows rolled up so as not to be seen or overheard. Frankly I prefer physical surveillance to electronic; I want to see who is following me. When everything is monitored and recorded, when data sets can be invaded, modified, and even destroyed, I feel less, not more secure. Big data depends in part on the collection of information about individuals for uses that have unanticipated consequences. The laws and concepts to protect citizens from arbitrary and abusive power can be traced to the era when printing with movable type emboldened Erasmus to write The Praise of Folly, and Milton, Aeropagitica. I worry for what the loss of privacy means for the ability to think, create and innovate. "One of the first symptoms of the slave state *creating itself* from the inside is the fear of self-expression", wrote J. D. Fergusson, the great Scottish painter in 1943. He added that "...the development of fear to express oneself feely is most dangerous when it is least evident." Creative, original thinkers have for centuries struggled against conformity, artists against mediocrity, educators against prejudice and ignorance, statesmen against the lowest common denominator. Are individuals freer today to be creative, radical and innovative, to lift our vision and raise standards of excellence, than in the 1740s-70s, the era of Denis Diderot, Adam Smith and Immanuel Kant, or in the late 19<sup>th</sup> century when many of the technologies we use today and art forms we enjoy emerged? And third, I play practical jokes but I do not write humorous

speeches, so expect something serious. The generation coming of age in the decade following the Crash of October 2008 will have to cope with the consequences of events and conditions which few predicted or analyzed when the new millennium began.

Let us start by taking a closer look at globalization and the urban experience. Culture defines how we live and work in cities, and life in cities defines and shapes our culture. The superficial similarity of hotels, airports, conventions centers, shopping malls and skyscrapers around the world tells us little about how local lifestyles and cultures fit within the global economy and indeed support it. In the global economy we all have two cultures, a global consumer culture and a local community culture. Each of us participates in a mass consumer culture based around new products, designs and services which are available world wide, simultaneously. Because producers can also meet local market requirements and adjust production to changing demand quickly, the rate of change within this mass consumer culture is rapid and continual; it also generates virtual communities of people who share similar preferences wherever they live, be it Prada bags, skiing, a taste for Scotch, or east European films. Each of us also has a local community at the neighborhood scale, where the rate of change is slow and irregular. We recognize our neighborhood's boundaries by many clues, including distinctive sounds, even accents, as well as the look and feel of streets and buildings, changes in density, and odors. We know when we are coming closer to home. Most people may have many global consumer cultures, but only one local community.

A third global culture is made up of people in growing numbers in professions with internationally recognized and uniform norms and standards. Deck officers on

freighters and pilots of commercial aircraft, architects, accountants, bankers, medical researchers are members of knowledge-based communities of professionals who meet the same standards in a global labor market. Because they earn income in more than one jurisdiction, they also share concerns about taxation of income as well as licensing and residency requirements, schools for children, and pension funds.

The new global elite are people with the ability to understand and communicate in different cultures, in different places, at the same time. They know how to relate to co-workers in ways that recognize their local cultures, languages, history, outlooks. In other words they can feel at home in more than one country, in more than one neighborhood, with more than one set of colleagues. Cosmopolitan living and working represents a new form of the Enlightenment ideal of a culture which transcends borders. Cosmopolitan, once a term of hate used by fascists and communists alike who attacked footloose, international capitalists caricatured as the bourgeois Jew, may be recovering its original meaning when it represented a noble ideal. Its revival however may be short-lived. Economic shocks and financial panics reinforce populist nationalism. Another anti-urban romantic revival of the rural pastoral, last promoted by fascists in the 1930s, is unlikely. For the time being, the investments of the very rich, including many foreigners, are shaping the the skylines of London and New York. One wonders whether those who cannot afford to live in their shadow will fight back, and if so, when and how. Scapegoats can always be found, which is why debates on immigration are so troubling. Given the links between immigration, culture, and entrepreneurship, if integrating immigrants into cities becomes a lost art, we will all be poorer.

And this has a lot to do with citizenship. The relevant rules are set by states, not by cities. Mobility of course is part of the human experience. Hundreds of

millions live in a country other than their country of birth. My parents came to the United States as children, refugees in 1914 and 1915 from Warsaw and Palestine; my wife and I were born in New York but live in Paris; our sons were born in Lansing, Michigan but now live in London and Hong Kong, one about to acquire British citizenship, the other already a dual national. Since 1992, I live in a city where I pay taxes but cannot vote; I vote in a city where I have not lived for 23 years, and where I no longer pay any taxes. The first city is Paris, the second, East Lansing, Michigan, where the spring ballot gave me the chance to vote on whether the city should sell city parking lots (probably to property developers), on the decriminalization of marijuana on the Michigan State University campus, and on a badly-designed fiscal measure to get around the blockage in the legislature which keeps the road tax too low to pay for needed highway repairs. "Stadtluft macht frei", the German phrase which means that city air makes one free, may still be true in many senses: life in cities can be liberating socially and intellectually, especially in contrast to tradition-bound, conformist pressures in smaller communities and rural areas. But it does not automatically bring with it new rights and privileges, as millions of Chinese who live in cities without residency rights which would give them access to better services know to their disadvantage. Governments seek to involve local residents in decision-making but their efforts are handicapped by the fact that half the population probably lack the skills and education to understand trade-offs in a complex fiscal environment, and anyway, voter participation in local elections is usually low. Digital information and communication will not of itself realign voting rights with the interest that people have in decisions where they live. More data will not make the hard choices easier.

The situation we find ourselves in is indeed dramatic. The crisis that began in 2007/08 is likely to last until the end of this decade. Years of lost output, high

unemployment and under-investment will not be made good, maybe for decades, and will in fact generate higher demands on social services because millions of people who have been unemployed are likely to be employed less often, and at lower levels of compensation, and with more medical problems in the years to come. The crisis, moreover, coincided with and aggravates other long-term trends contributing to a long secular decline in productivity and innovation. For example, older network utilities built to last 100 or 150 years, and newer ones built to last 25 or 50 years have all come to the end of their useful life-cycle at the same time. Even before the crisis of 2008, global investment in infrastructure was well under the level needed of 50 trillion dollars over a quarter century just to rebuild, expand and upgrade the infrastructures and power systems on which cities depend. Thomas Piketty, in Capital in the 21<sup>st</sup> Century, argues – correctly, I think – that the rate of growth will remain lower than in the two decades before the crisis, returning to a level of 1-1.5%, closer to the very long term historical trend. Not bad, once people get used to it, but our models and expectations build in a higher rate of 3%.

In what follows I want to discuss cities and citizenship in terms of a critical public policy issue which will engage us for years to come, shrinking cities and ageing, before concluding with some hopeful reflections on the role of universities in the art of creating a more holistic culture.

Shrinking cities, and ageing

Everyone knows about the decline of Detroit: once a city of nearly 2 million people, it now has barely 700,000. Detroit, an extreme case, suffered an economic disaster compounded by unresponsive policies which only aggravated the outward flow of people and investment. Every country however has some shrinking cities because in a mobile society, people choose where to live. The macro-economic solution, to say

that government should not interfere with the workings of the market, raises the prospect of market failure, justifying government intervention. Two-fifths of the counties in the United States are losing population; parts of the Great Plains are more sparsely inhabited today than when the federal government opened them for settlement in the late nineteenth century. UN-Habitat estimated that between 1990 and 2000, nearly 140 86 Asian cities lost 17 million inhabitants. Ageing adds a different dimension for two reasons: an ageing population is usually declining in size, and an ageing population consumes and spends more and produces and invests less. In Japan, between 2010 and 2050, 19% of the census grids will become uninhabited, 44% will lose at least 50% of their current population and 35% will lose less than 50%, and only 2% of the country's census grids will gain in population. The percentage of older people living in metropolitan areas is growing faster than the national average, with older people concentrating more in urban hinterlands than in urban cores. The problem in parts of Europe – in Spain, Germany, Italy – is significant, but obscured by the lack of international comparisons. Those born after the 1990s will have to cope with urban landscapes transformed by contraction and abandonment and societies transformed by ageing. Nothing like this has happened in peacetime since the Little Ice Age of the 17<sup>th</sup> century or since the generations of the Black Death in the second half of the 14<sup>th</sup> century.

Shrinking cities and an ageing population are inter-twined with a third trend, toward solitary living. One and two-person households of all ages are increasingly common in both growing and shrinking cities. Single-person households represent 25% of the population in France, Japan and the United States, but the percentage is higher, between 40% and 50%, in Germany, Finland, Austria and the Netherlands.

The policy questions are everywhere the same:

- How will data improve service delivery, connectivity?
- Will people in cities pay to subsidize data services in rural and low-density areas?
- What should government do to encourage people to move into cities which will be more compact and viable?
- What should be done with abandoned towns? What should be preserved?
- Should resources be directed to those cities most likely to sustain growth?
   What will it cost to soften or arrest the decline of some cities perhaps many
   which may actually decline? Or will finance ministries only argue that to do so is to throw away good money?

Historically in the 20<sup>th</sup> century, the rate of physical change in cities was approximately 1-2% per year, meaning that in a decade, between 10 and 20% of a city underwent physical transformation. That rate has to double in the 21<sup>st</sup> century to meet our challenges for sustainable development. By the time we have some answers based on modeling, experimentation and evaluation, some trends will have accelerated, and some costs will have risen. We may know that preventive, early measures cost less, but seldom win votes.

It is an easy excuse for hard thinking to put shrinking cities and growing cities into separate categories. This is a false dichotomy: some shrinking cities can find a new equilibrium, with rising living standards; some growing cities generate unmanageable problems of housing, congestion, deprivation. As long ago as 1986, the Economist published a survey, "The Anatomy of Cities", on how cities have adjusted to structural change when the service sector outpaced manufacturing as the engine of growth. Recognizing that there is no formula, 'no rigid blueprint' the newspaper recommended 'education, further education,

entertainment and culture.' It is always good to have evidence that what seemed intuitively true is in fact close to reality: a 10% increase in the share of university-educated workers in a city raises the productivity of other workers in that city by 3-4 per cent.

The places that will grow are those that succeed in attracting younger people. Lille is growing in Northern France despite being in a region hard hit by unemployment. Cologne, Munich and Berlin in Germany are gaining when other cities are losing people. But the needs of people between 18 and 40 are difficult to align with political programmes that target older people, who have a greater propensity to vote. It is no surprise that young people have led the street revolts in Hong Kong and Tel Aviv, protesting against the high cost of living and the inadequate provision of public services: they anticipate that their living standards will be lower than their parents'.

The answers cannot be found in economic models alone; they are ultimately political decisions. But here we encounter the limits to subsidiarity, bringing decisions down to the level of those most affected. There is a trade-off between national territorial coherence, and local opportunity, between national policy objectives, and local impacts. Decisions about investment in a particular city cannot be made only by the people who live there because their decisions generate spill-over costs, affecting others. On the other hand, national governments are reluctant to pick winners when to do so also means picking losers. Local issues are not purely local. Politics are as much a part of the problem as they are critical to any solution. It is difficult to know at what level urban data should be aggregated, and how it should be used.

Universities and cities

We know that our cities will survive; we just don't know how. When the history of the period we are now in is written, I believe that a significant part of that history will be about ideas that have not yet been formed or articulated, innovations that have not yet been generated or tested. We will then see what role the university played in shaping the 21<sup>st</sup> century.

Universities are places of paradox: they are inherently conservative, transmitting knowledge that has been accumulated over the centuries, but they are also implicitly if not explicitly radical, places where people ask provoking questions about why things are as they are, expose errors and shortcomings in the stock of knowledge, and generate ideas and innovations which bring far-reaching change.

Universities help us all cope with the urban world we have chosen to build and inhabit. University campuses are dense, with a unique model of space for living and working, and for transmitting a way of life from one generation to another. How universities expand and evolve is a kind of multi-generational laboratory for how cities adapt. The University of Glasgow, for example, is expanding onto the site of the Western Infirmary, closed because so many advances in medical practice and technology made the construction of a new hospital imperative. The University sees this as an opportunity to remove barriers between itself and the city, to reconfigure how students and faculty work, and to apply faculty research to the redevelopment of its new site. Tec de Monterrey is doing something similar with "Distrito Tec". No doubt examples can be multiplied around the world.

The redevelopment of the university to meet the urban challenges of the 21<sup>st</sup> century highlights critical gaps in our knowledge and skills. To the list of new fields that did not exist a few years ago, we need to invent one called public economics to carry out research on:

- Innovation in public services;
- Risk, vulnerability and resilience;
- Governance, including multi-level and regulatory issues;
- · Skills for the next generation of public officials and private-sector managers;
- Electoral dynamics and social capital in a multi-cultural urban society;
- The cost of security;
- Design for the housing-energy-transport interface;
- Communication policies and strategies to connect politicians and the public.

Many of the issues I mentioned may already be of interest to students and faculty in departments of architecture or engineering, computer science, finance, geography, cultural studies, medicine, education, etc. The biggest challenge in the city – and in the university – is the separation of sectors and disciplines. Why is it so difficult:

- o To see the whole as bigger than the sum of the parts?
- o To recognize the limits to what one knows?
- o To share in the process of innovation?
- o To co-operate?

What cannot be transcended in the university, I assert, cannot be transcended beyond its walls. Inter-disciplinarity is the cross-over among skills and disciplines to get things done.

Arguably, the digital world should favor more cross-fertilization and collaboration across fields. The internationalization of higher education and the creation and growth of the world-wide web are inter-dependent and complementary. The challenge lies in making them a force for breaking down the barriers that divide professions, sectors, disciplines.

## Final comments

We end where we started, in the city. Cities are such powerful economic engines because the people who live in them can increase human capital and enrich social capital. Economic analysts, who argue that university tuition should increase and that graduates should repay part of the cost of their education, do so on the grounds that better educated people earn more. But just as the there is more to getting an education than to get a job, there is more to living in a city than to make a living. We know this because we are well-educated. Cities in the Western tradition are supposed to develop the whole person. The oldest chamber of commerce in the English-speaking world was established in Glasgow, across George Square and near where the University of Glasgow, fourth-oldest in the English-speaking world, had its home until it moved to the West End. Adam Smith, then a professor at this University, is famous for his description of how the individual, pursuing his own selfinterest, unwittingly contributes to the greater good through specialization, trading and innovation. But he also argued forcefully that people should endeavor to perfect the political system, because the market is unable to provide the public goods which make civilized life possible. Charles Rennie Mackintosh designed some of Glasgow's landmarks, and his Glasgow School of Art is arguably the most important building in the western world completed in 1908. But CRM died poor, forgotten in his home country. Destroyed by fire last January, the School will be rebuilt: that is what a society does which has learned from itself.

Fortunately much that we need to know does not need to be discovered because it already exists. Whether living in cities makes us better people has been the central question running through western culture from Thucydides, Aristotle and the Old Testament prophets to Jean-Jacques Rousseau and Max Weber. There is still a

fault line separating those today who celebrate how cities reduce poverty, illiteracy and eradicable disease, from those who fear that cities will generate unmanageable problems of insecurity and alienation. The challenge is to find ways to help all people become self-sufficient, not just economically but emotionally, confident in themselves and in the places where they live. There must be room for spontaneity, for what Jane Jacobs, in The Death and Life of Great American Cities, called un-average clues. Digital technology helps, but only if we know how to direct it and control it, and what to do with the information it generates. The qualities of mind that find patterns in data, understand how much change a society needs and can absorb, and command the words and images to communicate what needs to be done and why – these remain closer to the humanist vision of the virtuous citizen since the Renaissance than to the technological determinism of science fiction. A course in statistics won't teach you what you can only learn about cities and the good life from Balzac, Baudelaire, Wordsworth and Dickens, from Shostakovich and Mahler, Manet and Cartier-Bresson, from Viennese social housing and the Sydney Opera House. Man remains at the centre of the urban enterprise. It has always been thus.

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On infrastructure, see: McKinsey Global Institute, "Infrastructure Productivity: How to save \$1 Trillion a Year", January 2013; and OECD, Infrastructure to 20130: Telecommunications, Land Transport, Water and Electricity, (Paris, 2013). The Economist survey, "The Anatomy of Cities", is in the issue of 20 December 1986. On the positive spillover from highly educated people, see OECD Regional Outlook: Regions and Cities, Where Policies and People Meet, (Paris, 2014), p: 51, and chapter 4 on public investment. On the increasing numbers of people living alone, see Eric Klineberg, Going Solo: The Extraordinary Rise and Surprising Appeal of Living Alone (New York, Penguin, 2013). The quote from J D Fergusson, Modern Scottish Painting is from the edition edited by Alexander Moffat and Alan Riach (Edinburgh, Luath Press, 2015), p. 139.