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**UN-HABITAT**

**THE EXECUTIVE DIRECTOR'S MESSAGE  
WORLD HABITAT DAY  
October 4, 2004**

*Cities – Engines of Rural Development*

The United Nations has designated the first Monday of October each year as World Habitat Day. It is an occasion to reflect on the state of human settlements and the basic right to adequate shelter for all.

The theme of World Habitat Day on Monday 4 October this year is, *Cities – Engines of Rural Development*. We chose this theme to underline the economic, social and environmental interdependence between urban and rural areas. Sustainable development can only be achieved in both areas if they are considered holistically as part of the same, integrated system.

The links between cities and the countryside depend on the infrastructure connecting them. Improve the infrastructure network, and rural production increases, giving people in the countryside better access to markets, information and jobs. Cities are magnets for rural trade, and the gateway to national and international markets. They benefit from rural demand for their output.

The better the links between cities and their hinterlands, the easier it is for rural people to get jobs in cities, and thus ease the problem of rural unemployment. It is important that cities absorb excess rural labour. But in the developing world, poor development in urban areas has restricted the options that would normally be open to rural people.

A major hurdle to be overcome in developing countries is the fact that secondary and tertiary towns are under-supplied and under-developed. This can be remedied by improving the road, rail and other vital communications networks between them. Economic development in small towns can have a positive impact on the surrounding rural economies through a greater demand for rural produce from urban residents who normally have a higher purchasing power.

Intermediate towns provide natural destinations for rural migrants seeking better opportunities. They also help cushion the impact of major migration flows towards large cities.

In many poor countries, the scattered nature of rural settlements renders the provision of infrastructure and services to rural areas extremely costly. There is no doubt that a major cause of rural under-development is poor access to basic infrastructure and services such as roads, telecommunication, health care, education, credit, markets and information. Many of these can only be supplied and supported from within the more populous urban areas.

It is imperative, therefore, that if we are to achieve sustainable economic and social development nationwide Governments must integrate their country's urban and rural areas as a matter of policy. Stimulating balanced development between urban and rural constituencies means strengthening national, regional and local planning bodies.

On this World Habitat Day, we call upon all those concerned about rural growth to integrate urban development fully into their plans and to bring a more holistic perspective to our common future: Cities can be the engines of rural development.