PRESS RELEASE

BASIC SERVICES MUST ADJUST TO CITIES’ GROWING POPULATIONS
(Ch. 2: Urbanising Asia)

Over the past two decades, Asian governments have realised that urban expansion is a major factor in economic development, but investment in infrastructure, including housing, has failed to match mounting demographic pressures. According to UN-HABITAT’s State of Asian Cities Report 2010/11, urgent action is required, or the benefits of the region’s two decades of uninterrupted economic growth may be jeopardised.

DEMOGRAPHIC PRESSURE CREATES NEW NEEDS AND NEW URBAN CONFIGURATIONS

Between 1990 and 2010, Asia’s urban demographic expansion amounted to the combined populations of the USA and the European Union. No other continent has experienced any increase this size and in such a short time span. Over the next decade, Asian cities will absorb two-thirds of the growth in the world’s urban population. A majority of the world’s mega-cities (those with populations of 10 million or more) are now in Asia (see Table 2.13), where many agglomerations are evolving into city-centred development corridors or city-regions. Still, half of Asia’s urban population lives in cities with populations under 500,000, which badly need proper infrastructures and basic services to stimulate rural economies for the sake of more balanced development (see Case Study 1).

ASIAN CITIES BENEFIT FROM HIGH PRODUCTIVITY AND HIGH POPULATION DENSITIES

Cities can be highly productive. On the whole, 42 per cent of the Asian-Pacific population contributes 80 per cent of the region’s gross domestic product (GDP), although the two proportions still roughly overlap in less-developed countries. GDP per head in Asia-Pacific has been increasing steadily since 1990, and between 2000 and 2005 grew faster than in any other region – an annual 4.4 per cent, or nearly double the average for the world as a whole (see Table 3.1).

Asian cities feature the highest population densities in the world (10,000 to 20,000 per sq. km.) due to a combination of modern high-rise and traditional, overcrowded low-rise buildings. Together with mixed land use (residential/commercial, formal/informal), this phenomenon favours cost-effective infrastructure and reduces the need for large-scale public transport systems.

URBAN EXPANSION AND GLOBAL COMPETITIVENESS CALL FOR PROPER INFRASTRUCTURES

Most Asian countries are still in the early stages of urbanization, which gives them an opportunity to prepare for sustainable urban development. Combined with poverty reduction, proper infrastructures, including housing, would enable Asian cities to take full advantage of their large populations and the associated economies of scale as far as the costs of basic services are concerned. Good infrastructures stimulate productivity and investment while reducing congestion, pollution and slums. Economic growth provides the necessary resources. Throughout the 1980s, Shanghai spent 5 to 8 per cent of its GDP on urban infrastructure and redevelopment. Beijing and Tianjin now spend more than 10 per cent of respective GDPs on roads, water and sewerage networks, housing and transportation.

Since cities have become the engines of Asia’s economic dynamism, urban affairs must become part and parcel of national development policies, and the needs of all (poor, young or elderly) contributors to this success must be accommodated. Short of this, the future growth and prosperity of Asian cities could be seriously jeopardised.