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# THE POTENTIAL OF ASIAN URBAN ARCHIPELAGOS

Rapid urbanisational processes during the first two decades of the twenty-first century have caused the development of megacities (with population of ten million people or more) all over the world. That is why we can state that it is the century of transformational cities. Cities accelerate economic growth, contributing more than 80 per cent of global gross domestic product (GDP). Due to agglomeration effects and economies of scale, cities generate substantial economic activity and wealth, with substantial advantages for urban residents.

According to the 2018 World Urbanization Prospects by the United Nations' Department of Economic and Social Affairs, 54 percent of the world's population currently lives in urban areas. In the next 20 years by 2050, it is estimated that around 70% of the world population will be living in megacities or urban areas with a population of 10 million people or more, adding a further 2.5 billion people to our cities [1].

Most urbanization processes are taking place in Asian cities. Asia's largest cities have become large recipients of migrating population after the 2008 financial crisis. Nowadays Asia is home to 53 percent of the world's urban population, and the biggest cities there are much bigger in terms of population and area than those ones in the West. As of today, there are 34 cities that meet the definition of a megacity around the globe while in 1995 there were 14, and in 1950 only two – New York and Tokyo. Asia tops the list with 20 megacities, but this number is only expected to keep growing [1].

It is quite obvious that China and India are leading the trend. By 2025, a sixth of all megacities will be in China, and by 2030 the country will have 400 million city dwellers, equivalent to the population of the United States. Similarly, 215 million people will move to the cities in India by 2030, adding the equivalent of Brazil's population to the already existing great numbers of urbanites. As urbanisation continues to grow at the current rate, in less than a decade from now, 70 percent of Chinese and 46 percent of Indians will be living in cities with more than one million people.

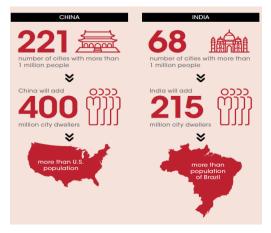


Fig. 1. Urbanisation Prospects by 2030

Source: Khanna Parag. Future Trends in the Century of Cities. New Cities Summit 2014. Dallas, Texas [3].

In cities with improved rail and road connectivity with surrounding areas due to investments in infrastructure, there is the rise of city clusters that bring together several adjoining cities. Such areas present big patches rather than dots on the map, that are rapidly integrating in terms of supply chains, commercial flows and labour mobility. According to Parag Khanna "these cities have expanded not only vertically, but also horizontally, to merge with each other to form what we term as 'urban archipelagos'" [2].

Today, there are almost 600 such city clusters or urban archipelagos most of which are in Asia. Good examples of them are the Pearl River Delta in the Hong Kong area; Shanghai to Nanjing, and Chongqing to Chengdu in China; Tokyo to Osaka in Japan; Greater Delhi, and Mumbai to Pune in India. Additionally, we should mention Dubai to Abu Dhabi; and Los Angeles to San Diego in the United States.

Some city clusters or urban archipelagos are so extensive that they transcend multiple municipal jurisdictions. One of the best examples is the Pearl River Delta in China which serves as a model of how cities under separate political jurisdictions have come together to create an integrated urban cluster with full connectivity and free movement of labour.

Hong Kong is the region's financial hub and offers an open and liberal environment, Shenzhen is more state-directed, Dongguan is heavily industrial, Guangzhou has transformed itself from an industrial centre to a major financial hub, and Macau, with its free-wheeling spirit, is known for gaming and entertainment. These potentially diverse geographies come together to enjoy benefits of scale – this was witnessed during and after the 2008 financial crisis, when this cluster proved to be far more resilient compared to many other cities in the region and around the world [3].

Since early times cities have been the centres of economic power of a nation and this trend is continued with the megacities which have become national and international economic powerhouses, primarily due to their economies of scale. The demographic and economic weight of some Asian city clusters exceed that of most countries – for example, the combined gross domestic product of the Pearl River Delta would make it a member of the G20. These megacities are able to attract foreign investment, global businesses and topnotch talent from around the world. It is hence not surprising that cities such as Shanghai, Singapore and Dubai have become magnets for hard working people around the world looking for top jobs and a positive work-life balance.

In summary, megacities have a great potential for growth as they are able to invest in better infrastructure and technology that further improve their physical and virtual connectivity, and ease of operation. Ultimately, tangible benefits of the city clusters lead to microeconomic resilience which in turn helps to cope with external and internal shocks such as financial downturns, recover and rebuild, social unrest, natural disasters, and epidemics.

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