

Chapter Eight

Urbanization: A Primary Driving Force of Globalization

Guangzhou in the Pearl River delta of Southeast China offers an unparalleled example of global trade and migration patterns. Historically, it was open to early silk trade with the west. In the 19th century, while its population ranked it the fourth largest city in the world, it saw tens of thousands of the poor from surrounding Guangdong Province migrate to North America's western regions and Hawaii, where they gravitated even farther east to cultural enclaves offering work in San Francisco and Honolulu. In contemporary times Guangzhou has evolved into the archetype of domestic migration toward work, education, and other advantages of city life.

A snapshot of Guangzhou reveals that it has become a major contributor in the rise of China as a global industrial power, its population rapidly swelling from 6 million in 1990 to nearly 11 million in 2008, with the available labor supply presently tightening. With an expanding infrastructure, excellent transportation, a phenomenal economic growth rate of 21 percent a year, effective trade zones, and a broad and vibrant industrial base in autos, heavy equipment, petrochemicals, communications equipment, and medicines, it presently produces some \$80 billion a year. 127 of the Fortune 500 businesses have invested over \$6 billion in foreign direct investment there. Over 2100 schools and 28 universities and higher education technical schools serve to improve the human capital that, combined with its geographic advantages as a sheltered river port in a moderate climate, make Guangzhou a rapidly growing mega-city. (www.cantonbrand.com) As one of the more successful contributors to both the Chinese and the global economy, Guangzhou also faces many of the ongoing demands that confront global mega cities.

Historically, urbanization and migration have often happened in tandem—people migrate for all kinds of reasons, but most often they migrate to cities. As we mention in an earlier chapter, cities are concentrators—they bring together resources of people, finance, culture, administration, etc. in ways that create capacities and opportunities that smaller settlements lack. Many countries have capital cities that act as primary concentrators—as the political and economic centers for a society, and often as knowledge and cultural centers as well. Wealthier countries and numerically larger countries may have many major cities, with some of these functions distributed unevenly across them. Sometimes one city functions as the finance and economic capital and another as the political and administrative center.

As regional economies grew, regional cities emerged to perform these multiple roles. With national economies developing from regional economies, it was often the case that each major region in a national economy, Guangzhou, for example, would have an urban center, or core. When societies have undergone rapid

industrialization, this process has often accelerated as workers are drawn out of agricultural occupations to urban-based industrial work. In virtually every case, corresponding service industries grow up to provide these industrial concentrations with transportation and communication linkages. Some version of this story can be found in the urban/industrialization of every country.

Cycles of urbanization tend to parallel broader economic growth cycles. Globalization has accelerated this process and generated new migrations that have in turn produced new kinds of urban settlements. This chapter examines some of the causes for these migrations, the different character they take in various countries, and the range of resulting urban settlements. Within this process, we locate and examine once again some of the dynamics of population growth and inequality that have come to characterize contemporary globalization.

Migration and Urbanization

Contemporary migration and forms of urbanization are so inseparably linked that it is difficult to separate them conceptually. Accepting this limitation for purposes of analysis, it is useful to distinguish some basic types of migration, if only to recognize the different causes that induce people to migrate.

Domestic job pull. Within the past three decades, global manufacturing has restructured, moving significant amounts of production from the developed to the developing world. Most new manufacturing sites are concentrated in urban settings, which become job magnets for domestic migration of all sorts. People leave historic regional and provincial cities to move to areas with more and better job possibilities. Even greater numbers leave historic agricultural areas to relocate in urban settings. In yet another pattern, many new manufacturing centers have been developed specifically to house global firms (TNC's) and facilitate the creation of international trade zones.

As we will discuss below, the result of these migrations has been the rapid growth of *urban aggregates* and cities, especially within countries in the developing world. Urban concentrations are referred to by various terms. A conventional usage is to call them *cities*, which has a commonsense meaning, but on closer inspection this familiar usage often does not fit the phenomenon we are describing. Increasingly the concentration of peoples includes formal cities—defined in terms of their governing authority—and their surrounds. Urban scholars tend to call these larger concentrations *urban aggregates*, or *conurbations*. As we will see below these aggregations, or settlements, can sometimes extend for many kilometers around formal cities. Their very existence produces new problems.

These migrations have also resulted in the rapid growth of cities in developed nations, as globalization leads many cities to become finance and service

centers within the global economy. The largest of these cities have come to be called variously *global cities* or *megacities*, and usually have 10 million or more inhabitants.

Between-country migration

The same globalization dynamics that produce domestic migration can induce external migration. Job seeking is, again, the primary motivation for movement, although one can also identify other combinations of factors that lead people to move to another country to “seek a better life,” including the desire for political liberties or to flee situations of war or civil unrest. The flight from “disorder” to situations of a regularized daily social life that promises personal safety is a significant cause for between-country migration in a world of failed states and chronic forms of warfare.

These globalization dynamics account for most of the between-country migration. Many persons migrate in search of both jobs and new immigrant status. Over the past two decades this group has probably become a minority compared with those who migrate for temporary employment ranging from months to several years. Workers from the Philippines may account for the largest numbers of such migrants worldwide. It was estimated that in 2005 over 10 percent of the able workforce of the Philippines (8 million workers) was engaged in overseas migrant work and sending \$11.6 billion (13.5 percent of Philippine GDP) annually in remittances back to the Philippines (World Bank, 2005.) Other notable examples of sizable temporary migration include both legal and illegal workers from Latin America to the United States. Since the end of the Cold War this type of migration from Eastern to Western Europe has also been sizable. Global remittances to the country of origin in 2004 rose to \$232 billion (World Bank, 2005).

Immigration law regulates this type of migration, but in many instances such as U.S. border migration, illegal migration is extensive. One result of these migration patterns has been the recent creation of multi-ethnic populations in societies, for example, those in the Netherlands, France and other west European countries. Social tensions arising out of these ethnic distributions are leading to these countries developing more stringent immigration laws.

Immigration laws are being used to restrict certain groups from entry to other countries, at the same time that changes in such laws are being used to allow selective channels of immigration for individuals with particular skills and qualifications. The United States for example, privileges science and engineering as qualifications that bring individuals and their families preferred entry status. Concerns are expressed by some people and some groups about “brain drain,” that is incurred when one country bears the costs of educating and training individuals, but via emigration it sees other countries on the receiving end of a “brain gain,” in which the receiving country benefits economically the immigration of well-qualified people. Considerable consensus exists that this global

movement of peoples, drain or gain, is here to stay, and is a major feature of contemporary globalization, especially when viewed through the circuits of service exchanges.

Migration stemming from civil disorder

Wars and other forms of civil disorder often make it impossible for people to remain in their established regions of habitation. The resulting migrations are both domestic and external, but the usual pattern is migration to urban settlements. Along with war and civil disorder, disease or epidemics influence people to leave one place of settlement for another. All three of these migration causes are distributed across wide areas of Africa, throughout the former Yugoslavia, and to lesser degrees in some of the states of the former Soviet Union in Central Asia, throughout the Middle East (Iran, Iraq, Israel, Lebanon, etc.) and South and Southeast Asia (Timor, the Philippines, Thailand, India and Pakistan).

The linkages between globalization and civil disorder are complex, often involving efforts to establish particular economic advantage for one interest or another by the manipulation of internal tensions within weak states. Weak and failed states, most of which are located in Africa and Central Asia, are particularly prone to instabilities that can be exploited by external economic or political interests. These patterns are long-standing and were certainly a part of the globalization that characterized 19th century imperialism; they have persisted into the contemporary era of globalization and are an important contributor to the other complex causes that account for weak state behavior (Sud, 2005).

- **State-induced migration.** Nation states may promote internal migration for various reasons, usually to extend economic activity to an area in which it is sparse or absent. Indonesia under the Suharto regime (1996-1998) promoted state sponsored migration out of Java and Sumatra to lesser islands in the archipelago. During the Soviet period populations were moved from the western regions of the USSR to Siberia, some forcibly and some through state-sponsored inducements. China has utilized various inducements to spread populations from the dense provinces of the south and east to the west. The United States in the 19th century encouraged movements west from the eastern states by providing free land for settlers.
- **Migration stemming from political restructuring** was very much a characteristic of the post-colonialism period following World War II. Sizeable populations left colonial countries in and around the periods of independence to migrate to colonial home countries. These migrations brought substantial ethnic populations into more homogeneous societies (for example, Algerians into France, Indonesians into Holland, Indians and Pakistanis into Britain), which have had considerable affect on the subsequent politics of these countries. Within the decades of contemporary globalization, such migrations have been less common, but have resulted from the conclusion to various

revolutions and wars, for example, the Iranian revolution and the conclusion of the Vietnam War.

External populations can come to constitute *diasporas*, coherent collections of migrants living and interacting outside their home countries. These enclaves of ethnic and national groups are certainly nothing new—many different kinds of diaspora Chinese groups have existed throughout the world for the better part of at least the past two centuries and account for the *Chinatowns* that are so much a part of cities all over the world. What is new are the ways in which they communicate among each other and with their home countries through the use of modern communication technologies, in many instances creating virtual communities through the Internet. Also novel is the political force they are able to generate in their countries of residence, especially when elections are open to them. Under the contemporary regime of global financial capital, diaspora populations have become important linkage communities between their countries of origin and the country of residence as well as a source of security concerns (Bryen 2005). Some globalization scholars have gone so far as to propose legal links for the external community back to the country of origin, for example, by proposing representation for Diaspora communities within the legislatures of home countries.

Urbanization and hyper-urbanization:

The pace at which the world is urbanizing is truly astonishing. In the year 2000, for the first time in human history, we became an urban planet. More people live in cities than in rural areas, and this trend will continue. Moreover, we have more huge urban aggregates with more people living in them than at any time in history.¹

Some illustrative data supply a picture of the dimensions of urbanization. Fifty years ago, 30% of the world lived in urban settings; ten years ago that figure was 45%; today it is 50%; ten years from now, it will be 60%. In the year 2000, 2.8 billion people lived in cities, some 411 of which had populations over 1 million. Up to the latter part of the 20th century, the majority of the world's urban population lived in Europe and North America. In this century the largest share will accrue to cities in other continents, mainly Asia. By 2030, all things being equal, the world will have 5 billion people residing in cities—an increase of 2 billion over 2002 (Davis, 2004).

Table 8-1 provides a listing of the world's twenty largest cities, followed by Table 8-2, which lists the world's twenty largest urban aggregates. Inspection of the two tables illustrates the point that the size of cities and urban aggregates can differ significantly. Determinations of size for both categories can also be somewhat arbitrary. Mike Davis, for example, argues that the kinds of estimates of urban sprawl that characterize Lagos, Nigeria overlook the fact that as a result of three decades of migration Lagos is really a node in a pattern of shanty town urban

sprawl that effectively extends in a corridor stretching from Abidjan in the Ivory Coast to Ibadan in Nigeria that embraces nearly 70 million people.

Table 8-1: Ranking of world's largest cities

Rank	City	Population
1	Shanghai	15,584,627
2	Mumbai (Bombay)	13,662,885
3	Karachi	12,461,423
4	Buenos Aires	12,127,814
5	Delhi	11,954,217
6	Istanbul	11,,262,323
7	Manila	10,993,374
8	Sao Paulo	10,287,833
9	Moscow	10,224,099
10	Seoul	9,763,341
11	Lagos	9,494,045
12	Kinshasa	9,166,685
13	Tokyo	8,648,655
14	Mexico City	8,609,347
15	Jakarta	8,576,788
16	New York	8,210,195
17	Tehran	8,070,230
18	Cairo	7,947,121
19	Lima	7,804,611
20	Beijing	7,712,104
21	London	7,622,399

Source: World Gazetteer, 2008

Table 8-2: Ranking of world's largest urban aggregates

Rank	Urban Area	Population
1	Tokyo	37,203,122
2	Mexico City	22,968,205
3	New York-Philadelphia	22,933,398
4	Seoul	22,254,620
5	Mumbai (Bombay)	20,870,764
6	Sao Paulo	20,218,868
7	Manila	19,195,048
8	Jakarta	18,588,548
9	Delhi	18,362,625
10	Los Angeles	17,745,055
11	Osaka	17,414,008
12	Shanghai	16,969,826
13	Cairo	16,078,877

14	Calcutta	15,185,670
15	Moscow	14,744,150
16	Buenos Aires	14,197,085
17	Dhaka	13,240,743
18	Istambul	13,179,865
19	London	13,063,411
20	Tehran	12,664,286

Source: The World Gazetteer, 2008

Urban scholars seeking to find suitable ways to characterize the many types of urban settlements emerging from globalization provide different, but useful, concepts to characterize them. The American urbanist, Saskia Sassen, views the megacities as key nodes in the globalized economic circuits that define the global north and the global south. The cities of the global north dominate the finance and political circuits that are critical elements of global interaction. The dominant cities of the global north can be viewed as “top tier” cities. They include New York, London, Tokyo, Paris, and Frankfurt. Sassen finds a next tier composed of many other U.S. and European business and financial centers (e.g., Chicago, Los Angeles, Zurich, Amsterdam, Hong Kong, Boston, Milan, Toronto, and Sydney). Sydney is geographically part of the hemispheric south, but culturally and economically part of the global north. In the next tier Sassen included a growing number of global south cities that have come to function as key articulators between the global economy and the global south. This tier includes Mexico City, Sao Paulo, Seoul, Taipei, Bangkok, Manila, Shanghai, and Singapore. In Sassen’s view, it is this network of cities that accounts for the vast proportion of global finance and trade (Sassen, 2004).

Another way to classify cities is simply by size, and irrespective of function. Some large cities are classed as *megacities*, meaning those with populations greater than 8 million. As Table 8-1 indicates, one can find roughly 20 or so such cities in the world. Within this general classification one can then catalogue *hypercities*, those with aggregate urban populations greater than 20 million, such as Tokyo, or those cities growing rapidly from megacities to hypercities, such as Jakarta, Dhaka, Karachi, Mexico City and Los Angeles. Yet another perspective is to examine massive *regional settlements* greater than 30 million—cities such as Mumbai and Shanghai. Beyond these in size are yet larger aggregates although they are imperfectly measured. At the least these include the emerging urban-industrial *megapolises* in the Pearl River corridor (Hong Kong-Guangzhou), the Yangtze River (Shanghai and environs), and the Beijing-Tainjin corridor. These are joining older settlement megapolises comparable to Tokyo-Osaka, such as the lower Rhine valley, and the New York-Philadelphia corridor that is soon growing into the Washington-Baltimore-Philadelphia-New York-Boston conurbation.

Yet other concepts are being employed to characterize the new geographies of globalized urbanization. Some geographers use the language of truly *mega*

structures that encompass several countries, such as the set of emergent urban corridors running from Korea to West Java, including Japan and eastern China. In this view Shanghai would emerge as a world city comparable to Tokyo, New York or London as a control node for its region and circuits in the global economy. Several cities of this magnitude may come to constitute the new *mega structures*, continuous urban corridors from Japan/North Korea to West Java (Davis, 2005).

Beneath this tier of globally integrated cities are those that are emerging in global public consciousness. Nowhere is this process more advanced than in China. The rapidity of urbanization in China may be hinted at by the fact that the number of official cities grew from 193 in 1978 to 666 in 2005. Eleven of these cities are over two million in population. Twenty-three cities had populations between 1 million and 2 million. Forty-four cities had populations that ranged between 500,000 and 1 million. One hundred and fifty-nine cities ranged between 200,000 and 500,000 and three hundred ninety-three cities were less than 200,000 (China Today, 2005).

Urbanization in Africa, with a smaller population base has been almost as rapid. Lagos, for example, grew from a population of 300,000 in 1950 to in excess of 10 million in 2004. Cities that are new to international audiences such as Ouagadougou in Burkina Faso or Douala in Cameroon are larger than much better known cities such as San Francisco or Manchester. In Latin America the better known older cities of colonial origin are being matched by new and little known cities of almost comparable size, such as Tijuana (Mexico), Curitiba (Brazil), Temuco (Chile), Salvador (El Salvador), and Belem (Brazil).

If the general course of economic globalization holds for the next ten to fifteen years, this pattern of migration feeding urbanization will continue, being itself sustained by continued population growth. As we will discuss in our chapter on food sufficiency, rural areas in the world are being stressed by environmental degradation, increased desertification, and the short-run destruction of marginal lands, all of which reduce the *carrying capacity* of these areas, limiting the amount of increased population they can absorb. The result is that by 2015 rural capacity will be reached and *all* new net population growth will occur in urban settings (Davis, 2005). It is patently clear that a globalized world is one of increasing and irreversible urbanization.

Urbanization and governance

The primary question to ask of cities when they grow so incredibly large, or so rapidly, is how they are governed. By this one means, how does the fact of population size or rapidity of growth affect the way that the primary means of *urban order* can be established and maintained? Minimal urban governance in the contemporary period would usually include such things as the provision of adequate water and sanitation, electrical power, accessible health care facilities,

basic education, minimally suitable housing, and a police presence suitable for maintaining basic order. On top of these things would be a whole range of factors that might improve the *livability* of cities, such as provision for civic spaces within which public activity might go on.

As the UN report on slums makes clear, countries throughout the world are failing this test, as the most miserable of poverty occurs in the new slums being formed by rapid urban growth (UN HABITAT, 2003). As other UN reports specifically on water and sanitation adequacy add, the situation is not being improved in recent years (WHO/UNICEF, 2005). World Bank and IMF sponsored efforts to induce private sector solutions to urban water problems often result in abject failure while raising the real costs that the urban poor need to pay for water. Further, and especially throughout Asia, national governments have been reluctant and remiss in delegating either the authority or the means to deal with the demands of rapidly growing urban populations. Within urban centers, especially those defined by extreme poverty, governance issues are central as they affect such essential issues as the privatization of water supplies.

The absence of effective local government authority within these hypergrowth urban areas leads to a situation where many of the activities that take place within them are untouched by regulatory authority. Informal or “grey economies,” those that are unregulated, grow in such conditions and do not contribute to governmental tax revenues, adding still another deficit to local governments seeking to meet already an overwhelming demand for infrastructure and services (Wikipedia, 2006). The picture of dysfunction is completed by the flourishing of corruption that undermines government authority, and national government economic policies that shift the burdens for providing social services onto the local level.² We return to this subject of governance in our chapter on the state within the regime of contemporary globalization.

Inequality

We have already discussed inequality in various ways throughout this text. The reason is obvious: continued and growing inequality is perhaps the most difficult predicament associated with globalization. It is a situation that won't go away, and doing something effective to address it leads to significant divisions among all of those implicated in globalization activity—which includes all of us.

For those at the core of fashioning and implementing globalization strategies, the decades of the 1970's and 1980's were to be the decades of development led by key supra-national non-governmental organizations such as the World Bank, the International Monetary Fund, and the regional development banks (e.g., Asian Development Bank, Latin American Development Bank). It seemed that the pathways to development were clear: the international community through its combination of NGOs and those of important donor nations, would supply significant amounts of capital, most of it for economic infrastructure: roads,

harbors, communications, education and health care. Combined with very large amounts of additional capital flowing into developing countries from private bank loans and from foreign direct investment, critical investment mass would lead rapidly toward economic growth. As if they were in the mirror image of the developed industrial nations, it was assumed that “third world” nations would become the developing world; their gross domestic products would rise, as would per capita income. With increased purchasing power, billions of new consumers would be drawn into global markets—at the extremes, millions of rural poor outside the global system of cash economies, still operating at subsistence levels—would become participants in the broader global system. Overall, global economic growth would be triggered to new levels.

Several things went wrong with this scenario, and once again, what one chooses to emphasize depends a great deal on whether one looks through the progress lens or the disaster lens of globalization, or whether one looks at aggregate economic growth or its patterns of distribution. What is clear, as indicated above, is that after thirty years of these development experiences, some countries of the world are much better off, and some are worse off. Compared with thirty years ago, a significant number of countries are wealthier, some very much so. The original four Tigers of Asia—Singapore, Taiwan, Korea, and Hong Kong, became model globalized economies, constituting important nodes for production, transmission, consumption and finance. Several Latin American countries were able to move beyond military governments and various economic crises while developing competitive market societies—most particularly, Brazil, Chile and Ecuador, with lesser successes in Peru and Venezuela. Some countries of the Middle East displayed impressive overall economic growth such as Jordan, Lebanon, Saudi Arabia, Iran and the Gulf states, despite complex and unsettled regional politics and allowing for the fact that much of their growth was highly dependent on oil exports and the global price of oil.

But other parts of the world have struggled. The collapse of the Soviet Union and the transition in the various countries previously associated with it have brought about the existence of market-oriented societies, but in forms that are severely compromised. In many of these societies a combination of corruption, perversion of democratic political processes, civil unrest and other difficulties associated with the transition from state-centered to market societies have produced significant declines in individual income, the support of state welfare services, civil order, health and well-being. Serious income disparities with growing numbers of poor have occurred in 33 countries that represent 20 percent of the world’s population (EarthPolicy, 2005). These have been societies in negative development, struggling to return to the levels they obtained during the late Soviet period, a step Russia has taken over the past five or six years as the price of oil has risen along with the level of the country’s oil exports.

Throughout Latin America, successes have been matched by more problematic cases. Bolivia continues to struggle to achieve a coherent pathway to

development. Argentina has been the site of radical political shifts, unsupportable debt, economic currency crises, and very problematic efforts to privatize important aspects of the economy and society, from banking to the provision of water (Bosman, 2006). Central America and Mexico have been the sites of civil unrest associated with issues of social equity, privatization, and significant parts of the population realizing that even a modest standard of living has become nearly impossible. Mexico, like Columbia, exists as a state in the midst of a culture of narco-trafficking which is taking its toll on development. These faltering economies have generated millions of economic migrants to the United States, many of them as undocumented migrants, which currently leaves them filling the lower job rungs of the American economy. Mexico has become highly dependent on remittances from its externally sited workers, who are very vulnerable to downturns in the U.S. economy such as that underway in late 2008.

Throughout Asia, the picture is dramatically mixed. One can point to spectacular examples of successful development, including the largest economies in the region—India and China. Japan, as we know, after three decades of impressive development that re-established it as one of the leading economies of the world, has suffered through over 15 years of stagnant economic growth, but in 2005-7 rebounded with a modest 2.5 percent growth in GDP and still ranks as the second largest national economy in the world. Korea rose spectacularly as an economic power and successfully weathered most of the effects of the 1997-8 Asia currency crisis, but internally Koreans perceive their struggle to maintain pace with the competitive nature of the global economy to be close to overwhelming. Malaysia and Thailand have become modern societies during this period, very much integrated into the global system, which includes their vulnerability to economic downturns.

Indonesia and the Philippines are more complex stories, both featuring the persistence and eventual collapse of authoritarian regimes. Each has failed to return to developmental “peaks” gained either before the fall of the regime, or to recover fully from the devastating losses incurred in the Asian currency crisis, which probably had its most profound effects on Indonesia. Viet Nam is emerging as a country with a strong state-directed economy. Laos is a weaker development case and remains a very poor country. Mongolia is a fragile democracy with very low levels of economic development. Pakistan, Bangladesh, and Sri Lanka are countries still struggling to gain economic coherence. Cambodia, Myanmar, and North Korea are complex autocracies with struggling economies, approaching implosion. Throughout these economies of Asia, Japan and the Tigers excluded (and Hong Kong, of course, must now be excluded from this generalization after its return to China), development efforts and successes continue to be characterized by very uneven results. Inequality in the form of growing numbers of poor has continued to grow and in many instances is fueled by continued population growth that absorbs increments of economic growth.

The most spectacular development failures, however, have been in Africa, where an insidious combination of restructuring, soaring debt, corruption, disruptive post-colonial transition, unsuccessful privatization, civil unrest, war, genocide, disease, drought, crop failure, and rural collapse have left the continent reeling economically, socially, and politically. In every direction, seemingly, one finds evidence of multiple factors having undermined development, and as a result soaring inequality as those within successful development pockets succeed economically, while those outside suffer a seemingly downward spiral.

The UN Human Development report for 2005 summarized these data in various ways.

- 1) By 2015, if current trends hold, 827 million people will live in extreme poverty.
- 2) 50 countries currently fall behind on at least one Millennium Development Goal (MDG).
- 3) An additional 65 countries risk falling behind target on at least one MDG by 2040.
- 4) For 18 countries, the current status on the UN's Human Development Index (HDI) is lower than it was in 1990. Twelve of these countries are in Africa—the other six are in ex-Soviet Union countries, members of the Commonwealth of Independent States (CIS).
- 5) The countries at the very bottom of the Human Development Index are all in Africa (UN Human Development Report 2005).

Higher education is but one example of these serious social and cultural difficulties. For societies to succeed in the knowledge-based global economy they must be capable of investing in and sustaining effective institutions of higher education (and it should be added, the system of basic education that feeds higher education). But universities, research institutes and private corporations throughout the continent³ lack educated personnel having lost them to a combination of social unrest (for example the purge of Uganda's universities by the dictator Idi Amin), out-migration, and disease. Review of Table 7-2 in our chapter on health reminds us of the shockingly low life expectancy of sub-Saharan countries. These countries find themselves needing to spend ever-greater amounts of social and financial capital rebuilding their intelligencia and knowledge bases, even while the forces leading toward demise continue relatively unabated.⁴

A classic measure of inequality, life expectancy, reproduced in the previous chapter in Tables 7-1 to 7-3, associates development with the basic life choices people throughout the world are presented as they seek to survive. Any number of versions of this story of inequality can be presented. Mulrooney and Neubauer, for example, focus on both the absolute and relative levels of inequality, the latter being represented by the degree to which conditions of inequality are increasing or decreasing:

The well known relationship between poverty and increased ill-health and death is evident in the mortality statistics. In 1990 the life expectancy at birth for sub-Saharan Africa was 52 years and the median age of death was 5 years [of age] (World Bank 1993: 200). In 2000 life expectancy at birth in this region had decreased to 48.7 years (United Nations Development Programme, 2002, p. 152) and by 2002 it had further shortened to 46.3 years (United Nations Development Programme, 2004, p. 142). South Africa and Zimbabwe both had a life expectancy at birth in 1990 of 62 years but these plummeted to 48.8 and 33.9 years respectively in 2002 (World Bank, 1993, p. 200; United Nations Development Programme, 2004, p. 141)

There is now almost a fifty-year difference between the country with the highest life expectancy at birth, Japan at 81.5 years, and the lowest, Zambia at 32.7 years (United Nations Development Programme, 2004, p. 139, 142). Of the estimated 10.8 million children under 5 years of age who died globally in 2000, 41 percent of these child deaths occurred in sub-Saharan Africa. Disparities in child mortality between the global North and South are large and increasing. There was a 20-fold difference in 1990 between the 180 deaths per 1,000 live births in sub-Saharan Africa compared with only 9 deaths per 1,000 live births in the industrialized countries. This gap increased to a 29-fold difference in 2000 with mortality rates in sub-Saharan Africa of 175 deaths per 1,000 live births and 6 deaths per 1000 live births in the industrialized countries (Black, Morris, and Bryce, 2003, p. 2226; Mulrooney and Neubauer, 2005).

Extensive research indicates that over the past three decades the global distribution of wealth is moving consistently in the direction of greater inequality. Expressed in terms of the literature, income inequality is increasing within countries and between countries: the social distance between the rich and the poor is increasing at all levels, even as globalization continues to improve overall global wealth. (Measuring inequality is a complex process, and academic and policy disagreements exist about just how inequality is growing. Some scholars, for example, while conceding that inequality is growing dramatically within countries, contest the view that it is growing between countries, a position that as we point out above is held by the majority of scholars. See for example, Higgs, 2005). Astonishingly, this distance between rich and poor holds for advanced economic countries, developing countries, and those that are failing to develop. Consequently we have framed this continuing pattern of increasing inequality as a predicament. The more the world pursues the current policies and practices associated with its current pattern of economic and political development, the more this relationship will persist.

The UN Development Report for 2005 is unambiguous about this situation. In its estimation, the starkness of this situation is illustrated by the fact that the 50

richest individuals in the world have a combined income greater than the poorest 415 million. Forty percent of the world's population receives only 5 percent of global income, while 54 percent of global income goes to the richest 10 percent of the world's population.

The report concludes:

...the problem is not just one of inequality between countries...in the last 20 years the unequal distribution of income...within many countries has grown worse. Of the 73 countries for which figures are available, 53 (comparing over 80% of the world's population) have recorded an increase in inequality of distribution. Only 9 countries (comprising about 4% of the world's population) has the wealth gap between the rich and poor been at all reduced. Differences are especially great within Namibia, Brazil, South Africa, Chile and Zimbabwe. Even in countries with high economic growth rates, social disparities remain large. In China, for example, the HDI in the western province of Guizhou stands at 0.64, only just higher than the level in Namibia, while that in Shanghai is 0.89—roughly the same as Portugal's (Martens, 2005).

The facts of growing inequality may be in dispute in terms of how inequality is measured, and how it affects the daily lives of people in specific locales, but the overall fact of persistently growing inequality is not. The World Bank, the International Monetary Fund, the United Nations, and most large NGOs concerned with the issue have after a decade of dispute come to agree. They do not agree on how to address the issue.

Critics of the policies of the IMF describe its past requirements for so-called *structural adjustment* as primary causes for the growth of inequality in struggling nations. When these policies were being most aggressively pursued in the 1980's and early to mid-1990s, the IMF drew them from a very crude version of neoliberalism. Failed development, especially in Africa and Latin America, was seen as the result of state dominated societies that had promoted the growth of corruption, failed to produce minimal social order, and buried these societies in oceans of debt, most of it loans from private banks in the global north. These situations, it was argued, could be cured only by a set of structural adjustment policies and actions that would not just tinker with elements of national policy, but fundamentally shift the locus of policy from the state to the private sector. The IMF emphasized the need for debtor countries to adopt austerity measures, for example, lower health care funding, in order to repay debts. These essential conditions were required for the International Monetary Fund to renegotiate the loan obligations of financially desperate countries.

In retrospect structural adjustment policies, especially in Africa, have simply made the situation worse. The reorganization of the political and economic sectors of struggling societies to permit larger amounts of private investment has

for the most part failed to create stable patterns of wealth development. And, the requirements of repaying the enormous loan obligations during the period of the “debt trap” have created a steady shift of resources away from the basic needs of the people in the developing world and toward the developed lender countries.

Looking once more at the education sector as a critical area for national investment, Szanton and Manyika detail how structural adjustment policies impacted tertiary education in Africa during the period following a 1980 World Bank report suggesting that the social returns on investment for primary and secondary education were higher than those for tertiary education, a recommendation the Bank and the IMF pressed in their structural adjustment agreements, leading to cutbacks in national government support:

As a consequence, for the following 12 to 20 years, depending on the country, working conditions deteriorated dramatically. University faculty salaries remained flat or declined, research funding dried up, faculty could not maintain memberships in professional organizations or attend international conference, university libraries stopped purchasing books and journals, physical facilities (classrooms, laboratories, student hostels, etc.) crumbled, and new building was terminated. For the same reasons, student scholarships and both local and overseas development funds were largely eliminated, pensions declined and became uncertain. New faculty hiring was curtailed, in some cases halted for many years, often producing a generation gap and aging faculty. All this also occurred in a period of nearly universal ‘massification’ of the universities in which tertiary enrollments in sub-Saharan Africa rose nearly six-fold from some 350,000 in 1975 to nearly 1,700,000 in 1999, vastly over-stretching faculty, and university resources (Szanton and Manyika, 2002, p. 2).

In a perverse outcome of how structural adjustment was meant to assist developing countries, Stephen Lewis has termed such efforts as a “mathematics conceived by Dr. Strangelove” (Manthorpe, 2005). Between 1970 and 2002 the African continent as a whole borrowed \$540 billion, paid back \$550 billion and still owed \$295 billion (UNCTAD, 2004, p. 19). African nations pay \$1.51 in debt service for every \$1 received in aid. In mid-2005 poor debtor nations paid \$100 (U.S.) million a day to richer nations in debt service (BBC World Service, 2005). All African countries are paying more on debt service than on health care—average annual spending per person on debt service is \$14 per person while the average spending on health is less than \$5 per person (Jubilee USA Network, 2005).

The efforts undertaken by the initiative of British Prime Minister Tony Blair in 2005 to create significant debt relief in Africa, have produced commitments from many of the advanced economies to relieve billions of dollars in debt while increasing aid to developing countries to the level of 0.7 percent of GDP (BBC, 2005).⁵ These efforts can be seen as a retreat from the crude neoliberalism of

previous decades and the beginning of a search for an approach to global development that takes greater responsibility for the lack of equity throughout the world and the need for the advanced countries to act forcefully and realistically to combat it. Increasingly the advanced economic countries are coming to understand that their continued “extraction” of excessive value from the poorer countries is having affects that ripple throughout the world with devastating consequences. Mid-decade commitments to address avian flu as just this kind of situation is illustrative of the realization that growing global interdependence involves complex questions of human security. For example, with avian flu posing the potential for a pandemic beginning in poorer countries, the wealthy nations of the world will serve their self-interest and uninterrupted global trade by providing these nations with the public health assistance and resources needed to forestall a pandemic.

Such efforts are in large part motivated by an increased awareness throughout the world that profound and growing inequality constitutes a major problem—perhaps *the* major problem—in seeking to create and maintain human security throughout the globe. Work on “failed states” makes it apparent that weak and failing states are unable to create and maintain the basic conditions to sustain life at minimal and acceptable levels. In such situations, people have little incentive to support existing governmental structures, leaving these systems all too vulnerable to fragmentation, civil unrest, and the efforts of sub-national groups to establish some form of autocratic control (Sud, 2005). These situations act as downward spirals of civil disorder chasing economic failure to the overall disadvantage of the societies involved.

Increasingly, thoughtful people are coming to realize that the current situation is unsustainable, and that its persistence poses a threat to the whole of humankind, through the spread of disease linked to growing poverty, through growing episodes and structures of terrorism, and through the undermining of the basic financial and fiscal structures on which contemporary globalization is built.

For Further Study

Useful websites to explore increasing urbanization include:

Georgetown Institute for the Study of Migration,
<http://www.georgetown.edu/sfs/programs/isim/pages/IMJournal.html>⁶

Two TED talks related to the globalization of cities are those by Stuart Brand on squatter cities, and Robert Neuwirth on the slums of mega cities. They are available at: http://www.ted.com/index.php/themes/the_power_of_cities.html

References:

- Black, Robert, Saul Morris and Jennifer Bryce. 2003. "Where and Why Are 10 Million Children Dying Every Year?" *Lancet*, 361, 2226-2234.
- Brynen, Rex, 2005, "Diaspora Populations and Security Issues in Host Countries." Available at: <http://www.international.metropolis.net>.
- China Today, 2005. Available at: <http://www.chinatoday.com/city/a.htm>.
- Davis, Mike. 2004. "Planet of Slums: Urban Involution and the Informal Proletariat," *New Left Review*, 26 March/April, 6-34.
- Higgins, Bryan. 2005. "The New Geography of Global Income Inequality," *Journal of World History*, Volume 16, Number 4, December, 515-518.
- Elmahdy Said, Mohsen, 2005, International Network for Higher Education in Africa (INHEA) 2005, "Country Higher Education Profiles." Available at: http://www.bc.edu/bc_org/avp/soe/cihe/inhea/profiles/Egypt.htm.
- Jubilee USA Network. *Status of Debt in Africa: 2004* Retrieved on 7/4/2005 from http://www.jubileeusa.org/jubilee.cgi?path=/learn_more/articles.
- Manthorpe, J. 2005. UN Envoy Sees Hope in Africa's War on HIV/AIDS. *Vancouver Sun*, February 18.
- Mulrooney, Lynn Anne, and Neubauer, Deane. 2005. "Globalization, Inequality and Health," A version of this paper was presented to the Pacific Global Health Conference, "Linking our pasts, build the future." Honolulu, Hawaii, June 15 -17, 2005, available on web site of the conference.
- Proceedings of the Old Bailey. "Early Nineteenth Century London." Available at: <http://www.oldbaileyonline.org/history/london-life/london-life19th.html - population>.
- Sassen, Saskia. 2004. "Economic Globalization and World Migration as Factors in the Mapping of Today's Advanced Urban Economy," paper commissioned for the Globalization Research Network. Available at: www.global.grn.org.
- Szanton, David L., and Manyika Sarah. 2002. "PHD Programs in African Universities: Current Status and Future Prospects", a *Report to the Rockefeller Foundation*. Available at: <http://globetrotter.berkeley.edu/RADW/AfricaPhDReport.pdf>.

Sud, Inder. 2005. "Promoting Stability and Development and Fragile and Failed States," *The Challenge of Globalization: Reinventing Good Global Governance*, November 4, 2005, George Washington University, Washington D.C. Available at: <http://gstudynet.com/gwscg>.

UN-HABITAT. 2003. *Report on Human Settlements, The Challenge of Slums*. Wikipedia, 2006, "Informal Economies." Available at: http://en.wikipedia.org/wiki/Informal_economy.

World Gazetteer. 2008. "World—Largest Cities." Available at: <http://world-gazetteer.com/>.

World Health Organization and UNICEF. 2005. *Water for Life; making it happen*. Joint Monitoring Programme for Water Supply and Sanitation, WHO Press, Geneva. Summary available at: http://www.unicef.org/wes/files/JMP_2005.pdf.

Endnotes to Chapter Eight

¹ Industrialization accounted for very surprising jumps in the size of cities compared to the immediately preceding periods. London for example, by 1800 had become the largest single city in the world, but doubled in size over the next 50 years. (Proceedings of the Old Bailey, 2005)

² The most systematic work on corruption has been done by Transparency International, accessible through its website: <http://www.transparency.org/>

³ All such generalizations have important exceptions. Most of the higher education deficit is in sub-Saharan Africa. Egypt, by contrast, has an enormous system of higher education. The University of Cairo alone enrolled 185 **thousand** students in 1999. South Africa has rebuilt and extended its system of higher education since the downfall of apartheid. Zimbabwe shows the effects of significant higher education investments in the colonial and immediate post-colonial periods, etc. (Said, 2005)

⁴ A 2002 report on PHD programs in African Universities reports that outside South Africa, efforts to create and sustain PhD programs is spotty with relatively small numbers of PhD graduates produced during the period 1995-2001, although individual university data suggest that production has increased in recent years. (Szanton and Manyika, 2002)

⁵ The current UK plan is contained in a key speech made by Mr. Brown, the Chancellor of the Exchequer in June 2005. Its key components include: 100% debt relief to pay for education and health; Launch International Finance Facility for Immunization; Large increase in direct development aid, doubling of aid from European countries; Removal of export subsidies and all trade-distorting support to agriculture, which work against producers in the developing world. (BBC, 2005)