### Patrick Le Galès, FBA CNRS Research Professor Centre d'Etudes Européennes Dean, Sciences Po Urban School



#### Excellent report

- 2
- Very strong on the economic data,
- Differences between income groups and the risk of middle income trap
- Definition and data: Indicators or local autonomy
- Quality of life, relatively safe cities (homicides, accidents)
- Environment : land use or air pollution
- Migration
- Mobility
- Formidable collective work

#### Reshuffling the deck?

- From time to time capitalism is marked either by major crisis or by surge of innovations (possibly both) that reshuffle the deck, leading to major transformations of states, the relocalisation of wealth creation centres and poor areas, the structuring of inequalities.
- First medieval merchant capitalism, industrial revolution, great depression
- Now: financial capitalism, high tech, globalised mega firms, profound changing scale and relocalisation

- States versus nation
- Emergence of large metropolis
- Tension and disconnection states/Metropolis
- Cities and regions in Europe in the world
- The long economic crisis
- Political mobilisation and there rise of anti European, anti elites, anti globalisation populism

#### I Robustness of the European cities model

- 5
- European cities obsolete ?
- European urban structure :
- One megacity and carnage of medium size cities or
- the robust european city model with mid size (250 000 to 5 millions)?

 $\left[6\right]$ 

 Fading charm or collective actor of the European governance?

 European way or the American way (markets, mobility, specialisation, inequalities)

#### European cities

- The relative long-term stability of the European urban system
- Its original structure—with a concentration of medium-sized cities—and the remains of its physical form.
- Cities as distinctive characteristics of European societies
- Municipalities
- Economic and demographic growth

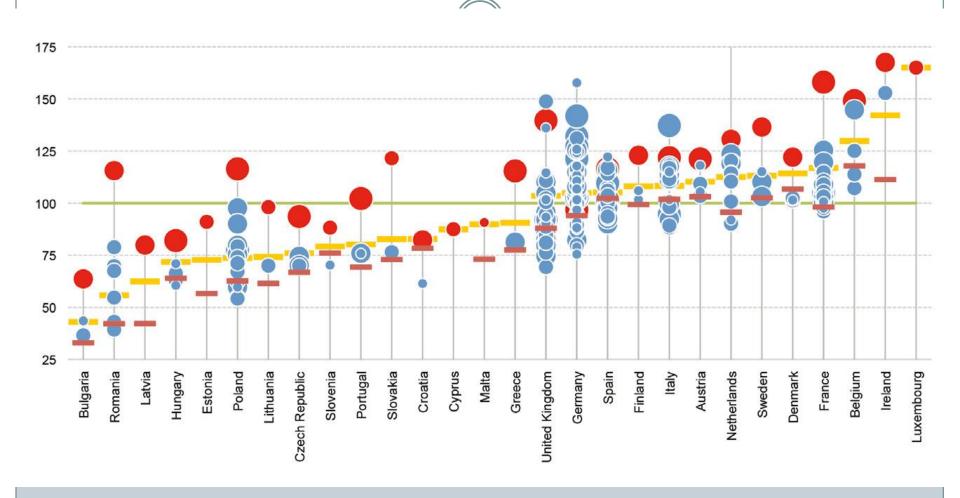
# Future of European cities after 50 years of single market?

- 'Of cities like Amsterdam, Antwerp, Barcelona, Brussels, Copenhagen, Dublin, Frankfurt, Hamburg, Lisbon, Liverpool, Lyons, Manchester, Marseilles, Munich, Naples, Newcastle, Nuremberg, Stockholm, Stuttgart, Turin and Vienna, half must either grow or decline: expanding to become one of the six or seven European urban giants, or declining into provincial insignificance ...
- The carnage will likely be most pronounced among the mid-sized cities of Germany and the United Kingdom.

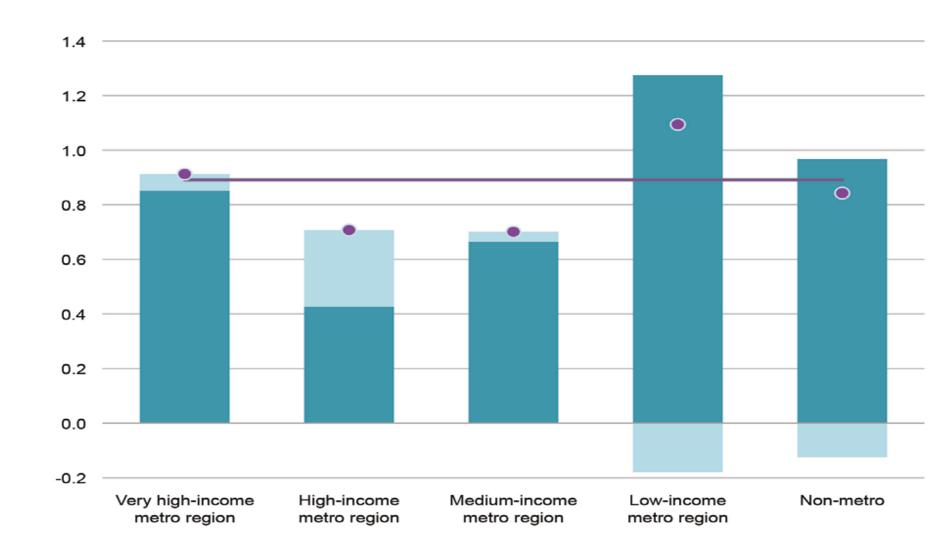
#### Evidence: robust....but

- 9
- Local autonomy, local expenditure (stable with the crisis), 50% of public investment
- Economic productivity
- Demographic growth

# Productivity per metro region, 2013: high growth firm and innovation



## GDP per head growth per metro region by income level, 2000-2013



#### European cities

- European cities, are still structured and organized within European states: in particular, welfare states.
- Dynamism of european cities: projects, investments, demographic growth (some exceptions,), decentralisation reforms, more mayors
- Attracting population, working age population and foreign born residents

#### Robust European cities

- A mix of public services and private firms, including a robust body of middle class and lower-middle class public-sector workers, who constitute a firm pillar of the social structure.
- 50 % of public investments (not in the UK) is controlled by local or urban government in the EU
- Despite increasing social tensions, inequalities, even riots at times, European cites have resources, identities, and political legitimacy, and it is not appropriate to describe them as dual cities or obsolete.







### European cities as strategic collective actors (also in oriental Europea and in the UK)

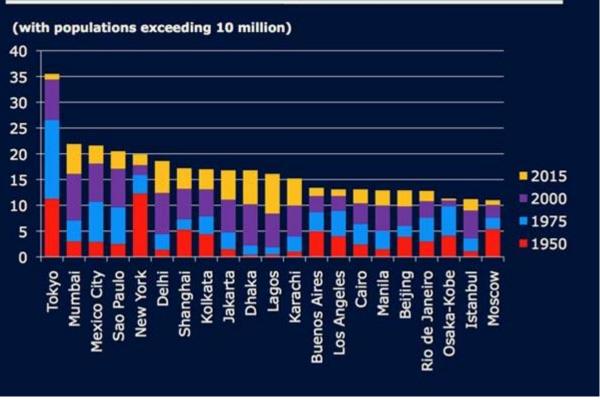


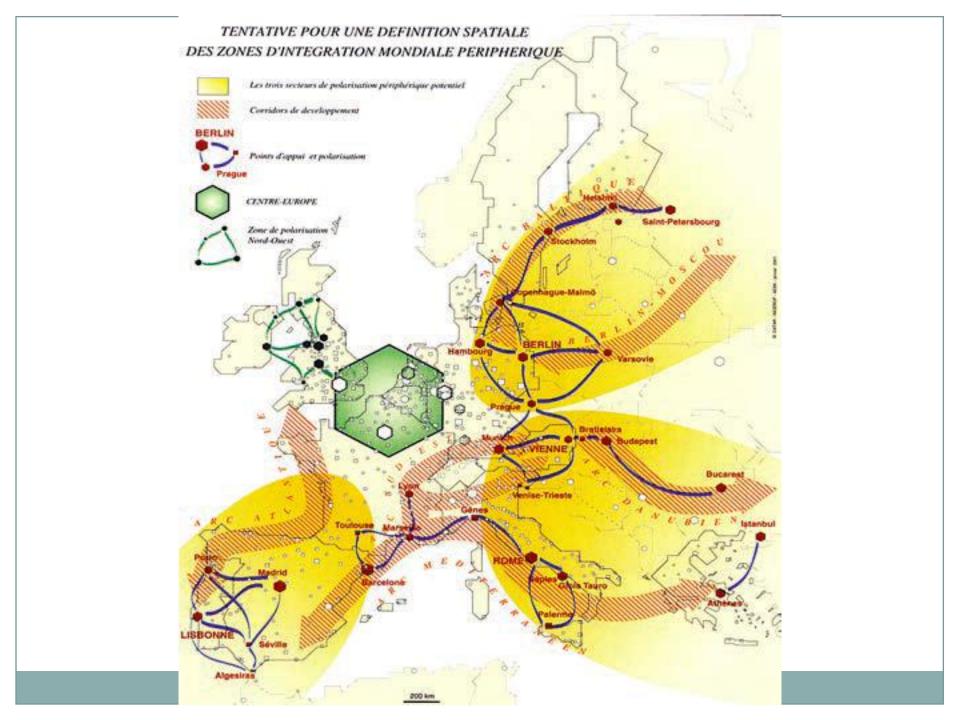
- Since 2002, development of urban projects, massive investment in renovation, collective strategies, not to mention vision
- Strengthening of governance capacity, even in the UK (Manchester, elected mayors...)
- Lots of new investments: transport, museums, city centres, local welfare, sport, leisure, consumption, environment, technological clusters, strong mobilisation
- Localising social policies
- Classic model still operating, implementation of national policies

Two major metropolis: London and Istanbul?

[18]







#### Europe large metropolis

21)

- Istanbul: mega projects, financial quarters, new bridges, from 15 to 20 million
- Moscow
- London
- Paris

Looking at economic flux



22 12/12/2016



23 12/12/2016





#### London



- Europe's escalator region
- Financial capital
- 1.5 million immigrants in about 15 years
- About 3 million born outside the UK
- About 30 billion investment last year
- Billionaires of all countries UNITE (B.Johnson)
- 200 towers in construction



27 12/12/2016



28 12/12/2016

### II Discussing some issues

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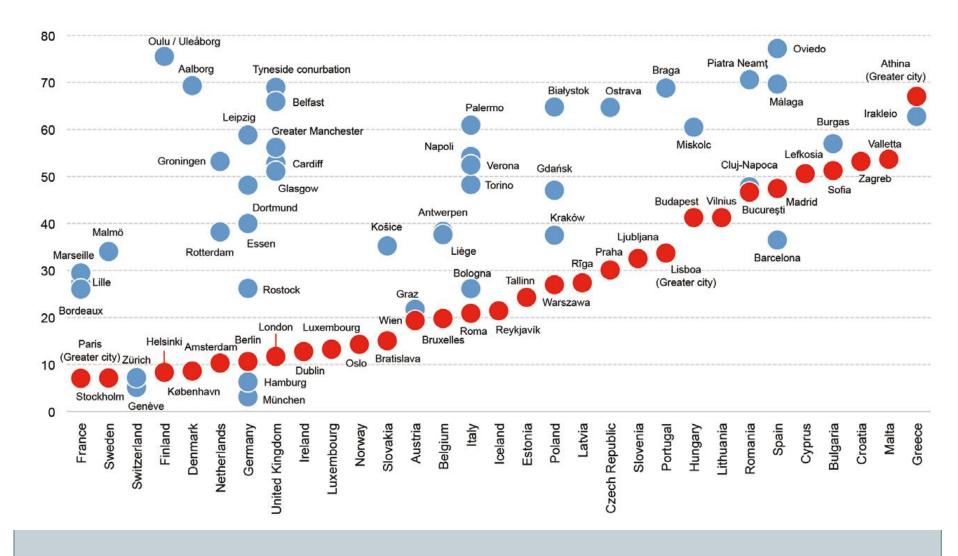
Beyond the report

#### 1) Inclusive city



- Self satisfaction, quality of life
- No systematic analysis of inequality (housing)
- Some on social segregation
- Access to school
- Conflicts,
- Anti muslim or anti jews attack or aggression
- Petty crime, « incivility »
- Policing, opinion does not suffice,
- Social mobility

#### Good housing at a reasonable price per city, 2015



- Mobility; not just the use of car and the arrival of migrants
- National mobility
- Transnational mobility :
- « globalising minds, roots in the city »
- Social networks : very strong roots in the city....among the same people,
- Family relations

33

- But : elective belonging (M.Savage)
- Selective belonging
- Transnational mobility and social segregation as slow incremental long term major filtering processes

#### Young people question



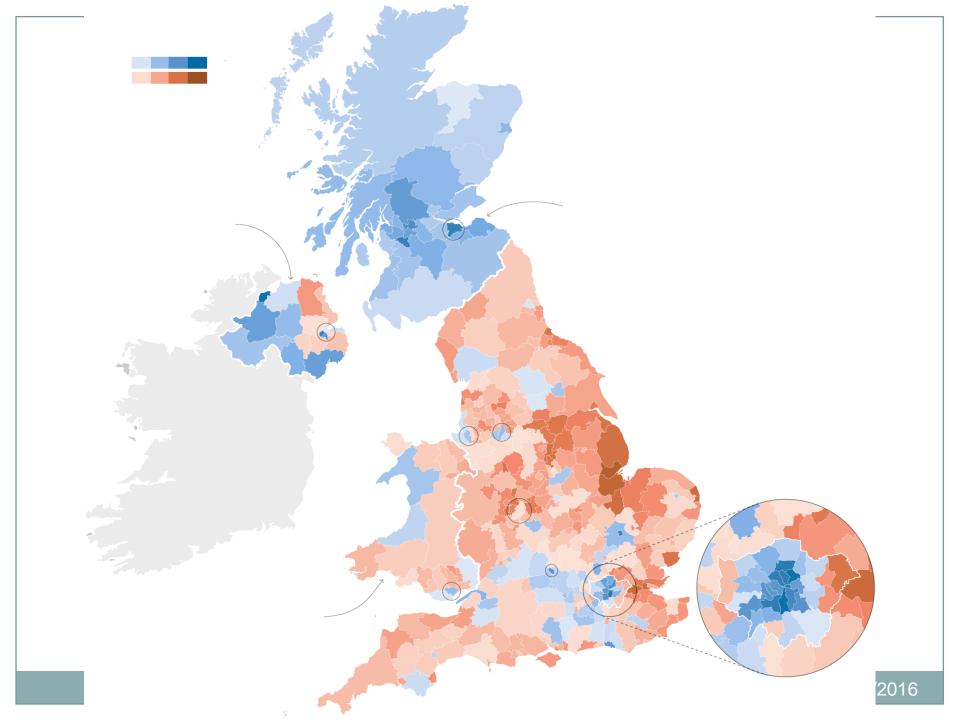
- Generation effect: value, technology, mobility, vote, social networks (brexit, renzi)
- Average
- What happens to young people from discriminated ethnic background? Less mobility, gender dimension
- Young educated : leaving southern european cities, oriental Europe ?
- Ageing

#### 2) Political change

(35)

- Brexit : return to the past
- Anti londoners

- Mobilisation
- Participation: who is not participating
- Corruption



## Limits of political regulations

37

Does politics matter? Looking for urban politics Limitations of the limited states

What is not governed?
Informal activities

Cleavage: economic, cultural, globalisation/localism?

## 3) Financial funds against cities« assetisation » of buildings and neighbourhoods

- 38
- Hedge funds, sovereign funds, becoming leading actors of the urban production
- Finance and private developers, more and more integration, housing (Aalbers)
- More Professionalisation and financiarisation of urban assets (utilities, infrastructures, buildings)
- Particular way to assess risk and income (including within the state)
- Many cities do not find the capital or the demand to develop ambitious projects?
- Utilities: PPP

#### **SciencesPo**

BATAILLE À 650 MILLIONS DE LIVRES : 200 CANDIDATS
THE LONDON-BASED PRIVATE EQUITY FIRM AND CO-OWNER DEUTSCHE FONDS' IVG
EUROSELECT 14 FUND



12/12/2016 39

#### CROSSRAIL IN LONDON: rattrapper le retard dans les infrastructures



## Utilities for a political economy of cities

- 41
- Water, Energy, Telecoms, Transports, Services, Digital cities, real estate
- Large transnational firms: bechtel, Veolia, Siemens,
   Orange, Eon, ....massive urban capitalism (grand paris Express: 30 bn Euros)
- Financialisation of the city, real estate: Pension funds financialisation of land, buildings

## Financial funds against european cities



- Hedge funds, soverign funds, becoming leading actors of the urban production
- Finance and private developers, more and more integration
- « assetisation » of buildings and neighbourhoods

- More Professionalisation and financiarisation of urban assets (utilities, infrastructures, buildings)
- Particular way to assess risk and income
- (including within the state)
- Many cities do not find the capital or the demand to develop ambitious projects: case of France, Milan?
- Utilities: PPP

## 3) Technological changes

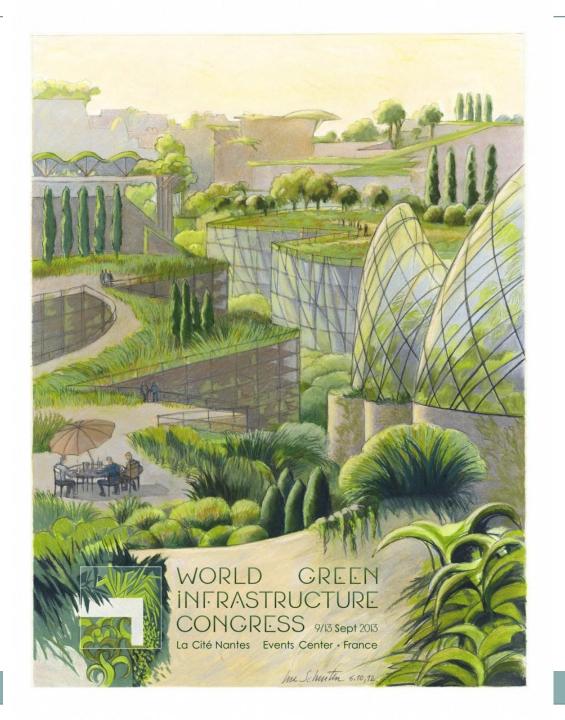
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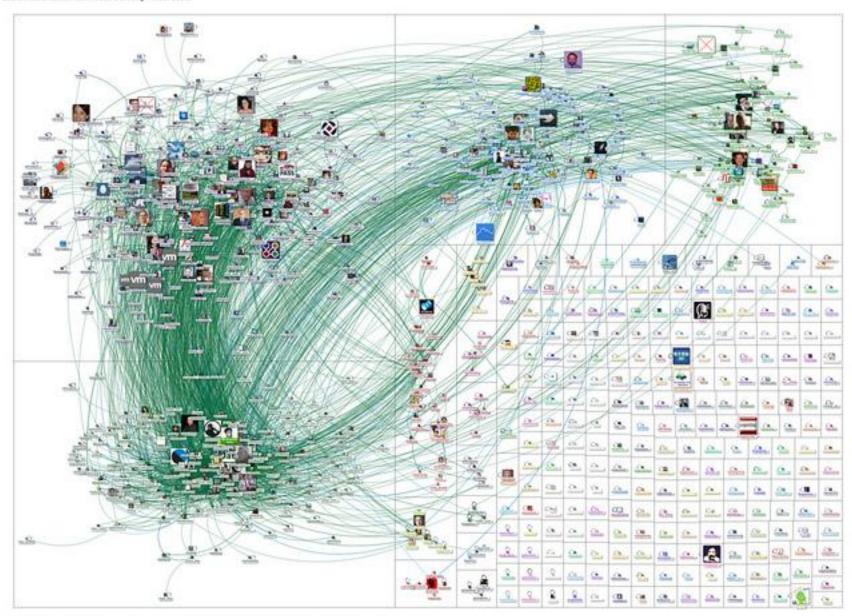
- Digital city
- Concentration of technologies and firms
- Territory versus big data : more networks

## Territoires numériques

44

- Censors, CCTV, learning machines
- Big data, plateform for apps
- Networks
- Urban robots
- Eco efficiency





#### **Applis**



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Tokyo carte de mét: WONDEREVER





Tokyo City Guide TripAdvisor





Tokyo (Metro 24) Dmitriy V. Lozenko





Tokyo Metro Explor: Gnomons Vietnam



Tokyo Metro Map Tesseract Apps



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Tokyo Subway Map M-F Media Service



Japan Connected-#

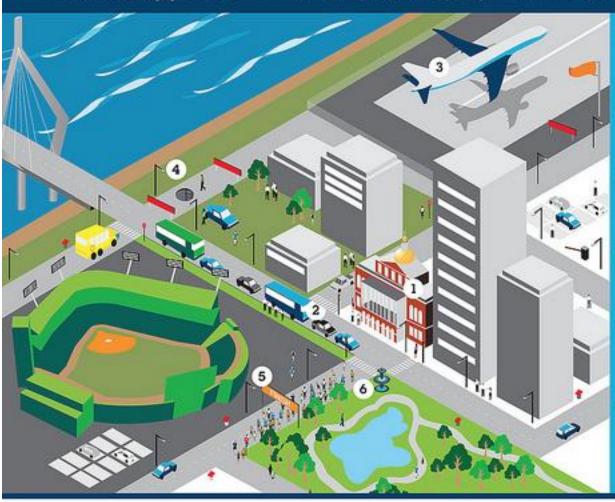


Metro Now:簡単操作 takash1 t0m0be



## Building a Smarter City and State

The Commonwealth of Massachusetts, The City of Boston and IBM are working together to transform the region's physical infrastructure, engage citizens, reduce costs and improve efficiency. Do you know where technology is at work where you live?



1 Buildings:

The state of Massachusetts own; 72 million occurs led of property. Software helps improve maintenance, space and management across public sector buildings.

2 Traffic

Approximately 1.9 million commuters travel by car a day in Botton. Officials examine how Sig Data technology makes transportation more efficient and reduce pollution."

3 Airport:

Time of millions of travelers pass through Logari Airport every year. Software helps the Port Authority better manage maintenance operations for equipment such no air conditioning, does and escalators at Terminal A.\*

4 Physical Assets:

Boston has more than 60,000 streetlights and 10,000 fire hydrants. Software helps city officials better manage and maintain physical assets.

5 Special Events:

More than half a million people attend events such as the Boston Manathon and July 8th freevorks every year. Software can integrate and visualize critical atternation across city departments including five, police and emergency responders to help coordinate and plan special events."

6 Water

Massachusetts Water Resource Authority (MWRA) serves 2.5 collion people in 61 communities. Using software, MWRA decreased corrective maintenance and created work orders for 30 percent.

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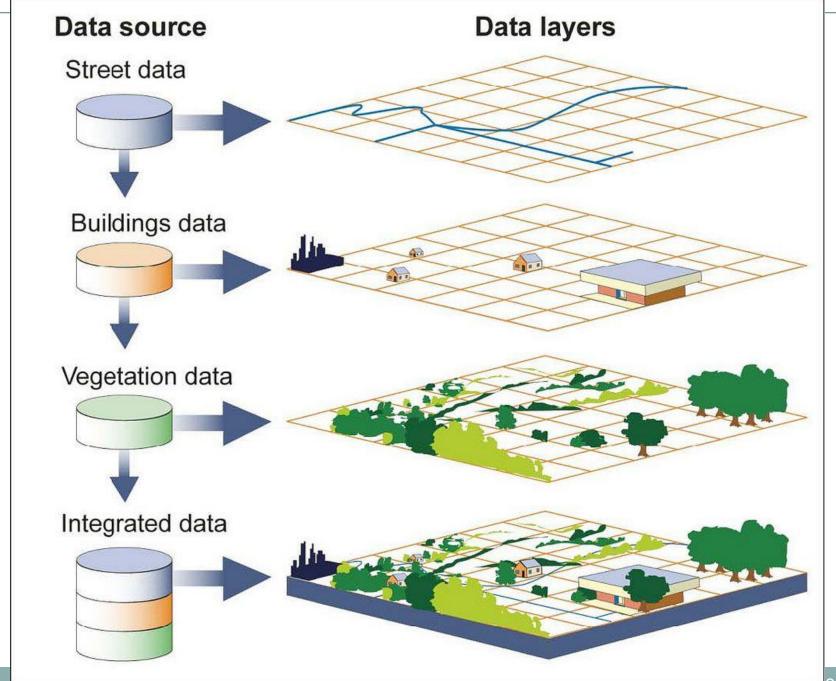
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50 12/12/2016



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#### May 5th 2015, Barcelona 9:30-18:30

Centre de Cultura Contemporània de Barcelona (C/Montalegre, 5 - 08001 Barcelona)



# Network democracy for a better city

#### Panels:

- \* Citizen mouements' new generation campaigns in Spain
- \* New political movements for real democracy in Europe
- \* Democratic-common Cities us Smart-private Cities
- \* Experiments of democratic participation in cities across Europe





#DemocraticCity / @Tecnopolitica\_ #DCENT / @dcentproject

Programme: dcentproject.eu / tecnopolitica.net

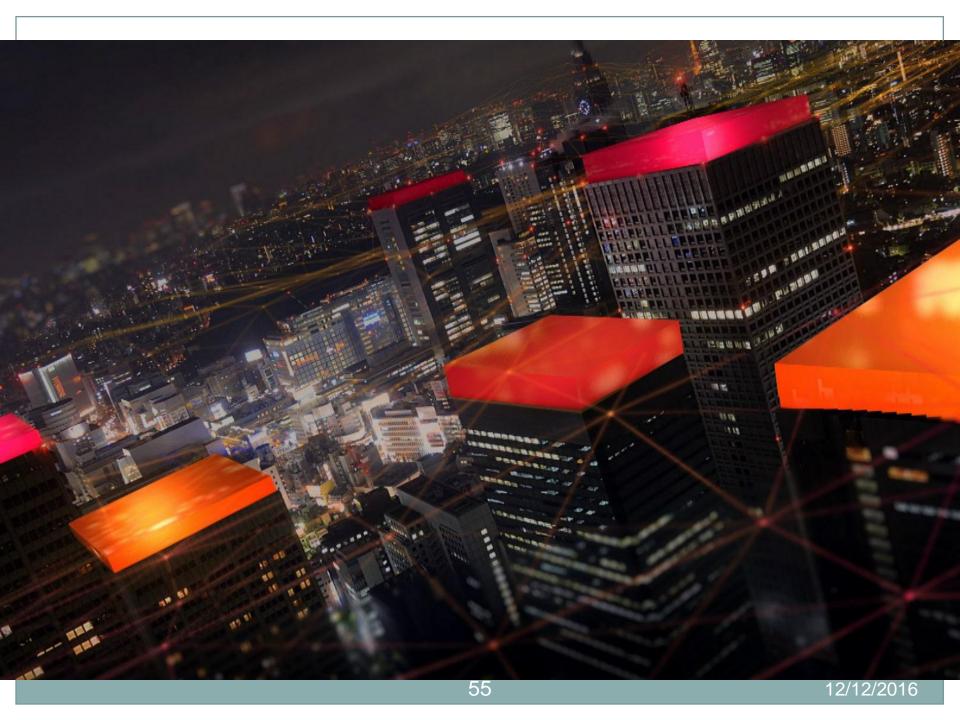








54 12/12/2016



### Conclusion



- 1) Still european cities,
- 2) but economic pressures, political pressures, technological pressures, social transformations
- 3) political economy of cities but now, STS, design, technologies, different combination of architecture, social science, engineering...but cities are political beasts
- Macro trends, rough seas, need to govern, collective action or .....the carnage scenario

## Pressure on European cities



- More globalisation processes, more large firms, more financiarisation of capitalism, more mega cities
- Argument: the transformation of European cities is less dependent upon their own capacity for collective action within a favourable political and economic environment: rather state restructuring, large firms and mobility
- And the EU

