

Urbanisation

We are actually in the midst of what we, in political science, would call systems change, moving from a world merely defined by states and boundaries and discreet political units, into, evolving into what I am calling a global network civilisation on the back of this very robust infrastructure today. The connectivity I talked about, the three categories of connectivity; transportation, energy and communications, has a parallel process that is reinforcing the extent to which we are becoming this network civilisation and that is urbanisation. This is, again, one of these irrevocable, in the same way that I am presenting connectivity as an irrevocable, irrefutable mega-trend that has been accruing over time, urbanisation is another one. We have decided, individually, as the billions of agents in the world, to urbanise, and nothing is dissuading people, it seems, from moving into cities. Already most of the world's population lives in cities, that is projected to increase to two thirds, maybe even three quarters of the world population in the decades ahead. And these cities, of course, are not mere little discreet dots but they have become these archipelagos, urban archipelagos, as I call them. So this is a map depicting the entire world's population, where everyone is, yellow being the most dense geographies and we have created little ovals to show you those that are the largest mega cities, if you will, and the circles demonstrate the extent to which these cities are the anchors of national economic value in GDP. These are the, according to most projections, the 15 mega cities that are going to dominate the world economy and are certainly the demographic centers of the 21st century as far out as about 2030. So these are the centres of growth, when retail companies and others are thinking about where are our markets, where do we need to be? The answer isn't necessarily so much countries or regions writ large. It's very easy to say oh yes, Africa is growing. Oh yes, Asia is the centre of growth, but where? And the answer to the where is indeed these particular sets of cities. And again I find very little evidence that there is going to be a retreat from this trend of urbanisation into these cities and the connectivity across those cities being a huge driver of their growth, commanding the flows of technology, of labour, of talent, of capital and so forth. So when we move into a world in which we think more, in terms of functional Geography rather than political Geography, interesting things happen. We begin to actually achieve what economics is supposed to be about, to some extent. The optimisation of land, labour, capital, production.