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CITIES, NOT CAMPS

THE CONTRIBUTION OF PLANNED CITIES TO DEVELOPMENT AND MIGRATION POLICIES

A Book with articles by
Paul Romer, Joachim Rücker, Titus Gebel,
Samih Sawiris, Dyfed Aubrey …

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White Book

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SETTING THE SCENE

Cities, Not Camps

by Günter Nooke

Lack of resources and limited perspectives for a decent living and a sense of disenfranchisement of the young generation lead to migration in many countries. Most of this labor migration takes place within countries, usually from rural areas to urban centers. Most migrants settle illegally in townships and slums that grow unregulated and that rarely offer decent housing with adequate service infrastructure.

At the same time, there are increased levels of forced migration triggered by conflicts; the refugees are often settled within the region in tented camps, often erected far away from centers of economic activity.

Perspectives for a good life are bleak in illegal settlements, but even worse in tented camps or UNHCR sites, where refugees are housed with humanitarian support from donors. Such donor support has been declining, in part because the situation is unsustainable, with many camps existing for decades. less resources from the international community to sustain refugees in those camps in turn increases the incentive for the refugees themselves to move to urban centers in the host country, further burdening those cities.[1]

One way of addressing this situation is to support affected cities with technical assistance tailored to empower mayors and city administrations to cope with the administrative, social and economic burden. This would be the "traditional" approach. However, many of the problems in existing cities are intrinsic and difficult to address because of vested interests, lack of physical space to expand infrastructure and other constraints. Furthermore, it is not clear how this approach could meet the challenge of absorbing the huge numbers of young people entering the labor market in the next three decades especially in African countries. Most of these young people will migrate to cities resulting in hundreds of millions of labor migrants who cannot be accommodated through classic development cooperation configured for hundreds of thousand people at most.

An alternative would be to build from scratch, cities planned on the drawing board, with an elementary infrastructure capacity to facilitate life and work for a specific number of occupants. Note that the idea is not to have high end expensive structures, which few can afford, but basic structures that can be upgraded by the inhabitants themselves over time. In what follows we have called this concept, which could be a model for up scaling planned cities with New Cities, Free Cities or SDZ (Sustainable Development Zones). Such cities would require an up-front investment and sufficient administrative power. But they could provide perspectives for livelihoods and become sustainable over time. While such planned cities could primarily be built to house refugees or migrants, they could also be conceived for a mix of inhabitants, including refugees, migrants and nationals of the host country. A planned city could be built on green field or in an inclusive process of reconstructing an existing settlement or a slum upgrade.

A number of proposals or concepts for such cities have been developed – see for example my article in the Swiss weekly Weltwoche.[2] None of the concepts has been realized in a pure manner so far, but a number of small-scale planned cities do exist and their experience to date is also summarized as part of this reader.

Let me now turn to a strong argument in favour of such planned or new cities – history!

In Africa, we often hear: "We would rather learn from the Chinese how to earn money than from you [the Europeans] how to apply for it".

Looking back in history we note that economic growth in China took off after Deng Xiaoping changed the economic policy by introducing market economy features which were first piloted in Special Economic Zones modelled after Hong Kong.

The *Hong Kong Special Administrative Region* is one of the most prosperous areas in the world. Its economy is the 34th largest in the world,[3] dominated by services (travel, finance, trade, transportation) which contribute more than 90% of its GDP. Hong Kong was a British colony until the handover to China in 1997 after which it kept its capitalist system, own currency and business friendly laws and ranked second in 2020 in the Heritage Index for Economic Freedom.[4] Since the 1950s, many Chinese from mainland China have migrated to Hong Kong to take up jobs in its growing industries. In 1980, Deng Xiaoping decided to copy elements of Hong Kong's economic policy in four Special Economic Zones in the vicinity of Hong Kong. These zones could formulate economic and business policies to attract investment and implement their own economic administration.

Shenzhen in the province Guangdong is the best known of these zones and due to the success of the system grew rapidly to become one of the largest cities in China and a global centre for technology, manufacturing and finance; its port is one of the largest in the world.

The success of Hong Kong and Shenzhen inspired Paul Romer for his famous TED Talk in July 2009 "Why the world needs charter cities". The proposal was to create a Special Economic Zone in a developing country administered by a developed country, which would have authority to guarantee economic laws and policies to attract investors. The concept was criticised because the authority granted to the developed country would undermine the sovereignty of the developing country. In practice, a couple of attempts to establish a charter city in developing countries (Madagascar, Honduras) failed and Romer himself stopped talking about charter cities.

Let me add to the important issue of authority and sovereignty, central to Romer's talk, a second aspect, which is also very important: Topography matters – a littoral location is clearly an advantage, especially if there is an option for a deep sea port;

as this clearly added to the success of Shenzhen. In view of climate change and the push for green energy, wind, solar and hydro energy sources are also important.

Many leaders of developing countries, in particular in Africa, would like to emulate the Chinese development model. In this regard, practitioners and academics in development economics have advanced a number of approaches to make the model of Special Economic Zones which is at the core of China's growth and industrialization deliver similar results in Africa. The proposed governance solutions address some of the criticisms voiced against the Charter Cities.

Still, bilateral and multilateral development cooperation has not considered experimenting with the setting up of Special Economic Zones that provide not just business friendly tax schemes for producers (as, for example, in Morocco and Ethiopia) but larger regions with their own investment and economic laws. Not even in academia are these concepts discussed with the usual explanation that this solution is only second best to changing the investment laws and economic policies for the entire country, not just a region, or strengthening existing cities to better cope with the influx of migrants and refugees.

Because the reality in most developing countries is very far from achieving the best possible, this book presents a range of the current thinking along new or planned cities, including alternatives such as slum upgrading, along with valuable critical views. We are proud to have some of the most important experts on this topic contributing to this volume. Each paper represents the author's or authors' own view not necessarily shared by myself or other contributors.

The book is organised as follows: It starts with discussing a few very fundamental questions regarding planned or new cities, followed by an overview and analyses of concepts and existing activities, and then a proposal for criteria to compare the different models. We have also included critical views on new or planned cities and specific aspects of innovative public policy making with regard to the role of city coins and other ideas for the realization of planned cities if the framework of the EU is involved.

In OVERCOMING DEMOCRATIC DEFICIT IN NEW CITIES, *Paul Romer* focuses on showing how equality under the law, democratic legitimization and influx of migrants can be ensured for the new cities by resorting to a proxy democratic legitimization while the city is still growing. Among his assumptions is one concerning the maximum size of a new city as 10 million citizens; additional migrants would be accommodated in the next city.

Under UPGRADING VS. NEW FOUNDATION, *Nikolaus Wolf* argues that for a growing city, offering basic infrastructure to ensure a "planned" extension is more efficient than ex-post slum-upgrading; *Samih Sawiris* describes a concrete example of upgrading the slum in Baraka, part of Senegal's capital Dakar, which his company, Casa Orascom, funded with US\$ 7 million. This is a first-hand account not only of the challenges of retrofitting decent housing and infrastructure services, but also creating ownership by the population (migrants, refugees and poor Senegalese families).

The article also points to Haram City, an integrated affordable housing community 20 km west of Cairo. *Dyfed Aubrey* argues that new refugee cities are needed because refugee camps can in exceptional circumstances be turned into productive urban centres. The success of a city is determined by topography, which is neglected in choosing refugee camps. Apart from the right location, effective policies, governance frameworks, urban and territorial planning and finance are necessary to establish a New City where refugees can live decent and prosperous lives.

SUSTAINABLE DEVELOPMENT ZONES focuses on a specific concept of a planned city: *Joachim Rücker* and *Michael Castle-Miller* propose the concept of a Sustainable Development Zone (SDZ), which extends the idea of Special Economic Zones for investors with also housing people – migrants and citizens of the host country – in the zone. This requires a delicate balance of various interests and close cooperation between the administration of the SDZ, the host country and investors. This idea is further elaborated in two articles by Kleinschmidt and Castle-Miller: *Kilian Kleinschmidt* argues that Camps for displaced people should be conceived as new cities from the start, which requires a different approach and different experts to be involved. He then supports the SDZ (see Rückert) model, not only for camps but also existing urban centers that had to absorb displaced people because of the inadequate capacity of camps run by the UN. *Michael Castle-Miller* elaborates in the same vein that refugees and migrants should be housed in "Refugee Cities", special-status communities where they can work, have good infrastructure, connections to markets and a streamlined administrative system. Such cities would need to have an investor-friendly framework, so that investors would set up enterprises but also social services infrastructure, the latter in cooperation with donors. He also explains the relationship between Refugee Cities (similar to SDZs as presented by Rücker) and Special Economic Zones, and how the concept can be taken further. *Bertram Lohmüller* and *Thomas Wu* present a concept which presents planned cities or Special Economic Zones with an ecological twist. The focus is on green technologies and green investments, including local centres of excellence for research, education and training.

In PRIVATE CITIES AND PROSPERITY ZONES, further concepts of planned cities – including practical examples – are presented, analyzed and compared. *Titus Gebel* presents the concept of Free Private Cities[5] financed fully by investors as a solution without elaborating details regarding governance and access to social services. *Armin Rothemann* analyses the first private city with a micro-jurisdiction – "ZEDE de North Bay" – established in Honduras. He concludes that "ZEDE de North Bay" largely failed because the social dimension was not developed. He suspects a design error for the entire concept of private cities: we cannot expect sufficient social and public goods standards from profit-oriented investors. *Christiane Kraus* presents different concepts of planned cities and a number of examples for cities that have actually been built. *Günter Nooke* proposes a model to compare the different concepts of planned cities using a diamond/mesh with six different criteria for struc-

turing the debate about those concepts. *Martin Read*, *Peter Hedlund* and *HRH Togbe Afede XIV* give insights into the work in progress of setting up a new city in Ghana.

STRENGTHENING EXISTING CITIES, URBAN INFRASTRUCTURE AND URBAN POLICIES focuses on critical issues related to new or planned cities. *Victoria Delbridge* and *Astrid Haas* argue that the investment necessary to build a new city is so significant that private sector interests will need profits that will price out the majority of potential African residents, let alone the poor. For the same reason, public goods and services will not be available to the extent necessary for decent living. Instead of thinking about planned cities, they recommend a focus on improving the performance of existing cities. *Edgar Pieterse* finds that planning processes in African cities suffer from the legacy of colonialism and circumventing those processes by focusing on planned or new cities will not help to improve the structural weaknesses. Rather, home-grown National Urban Policies in Africa should be reinforced and particular consideration should be given to infrastructure development, in particular in light of the Covid-19 pandemic, which is mostly urban. His conclusion is that infrastructure development and integrated planning are more likely to lead to sustainable outcomes.

In NEW CITIES – NEW MONEY AND PUBLIC POLICY MAKING two papers look at issues of innovative policy making and the possibility of City Coins. *Thomas Mayer*, in tradition with historic city currencies – proposes that new cities issue a Free City Coin (digital stable coin or asset-backed), which would benefit the city and currency holders, as national central banks come under increasing political pressure to weaken their currencies, mostly to accommodate increasing public deficits. *Stefan Schepers* focuses on the challenges for public policy making in planned cities. Establishing and managing new cities can be an opportunity to pilot a radically new, fit for purpose form of public governance. Starting from scratch allows for different models to run in parallel, in the spirit of controlled experiments. He further makes the case for the European Union to support establishing new cities in particular in Africa, where its policies remain dispersed, uncoordinated and inefficient. *Roland Schatz* looks at the perception of migration and migrants in Europe and how it can be corrected, an exercise that may be necessary also in host countries for planned cities if those are to be inhabited by a majority of migrants.

I reckon "New or Planned Cities" is a complex topic with no easy answers to questions regarding concept and practical implementation. However, in light of the challenges for public policy making in general and development policy in particular, I think it is well worth the effort to delve into the subject with the hope of coming up with pilotable ideas and implementation results or outcomes.

[1] Bieler & Kipp (2019) Alternativen zu Flüchtlingslagern, SWP-Aktuell Nr. 67, November 2019.

[2] Nooke, Günter (2019): https://weltwoche.ch/story/migrantenstaedte-statt-fluechtlingslager/

[3] www.data.worldbank.org

[4] It ranked 2nd after Singapore in the 2020 Heritage Index of Economic Freedom (www.heritage.org).

[5] Developed in detail in: Gebel, Titus, Free Private Cities: Making Governments Compete For You. Aquila Urbis, Walldorf 2018.

OVERCOMING DEMOCRATIC DEFICIT IN NEW CITIES

New Cities and Extended Democratic Accountability as a Compromise Solution to the Migration Crisis

by Paul Romer

INTRODUCTION

There is a broad consensus that any plan to help potential migrants should be grounded in three principles: democratic accountability, equal treatment under the law, and the opportunity for every person to leave the conditions that do not allow for the first two notions. The practical challenge in finding a solution to the migration crisis is that there is a fundamental tension between these three desiderata.

They can all be accommodated when the potential inflow of migrants into an existing democracy is small. The new residents can soon be treated equally under the law, which means that they will have the right to vote. From the point of view of existing citizens, a few new voters do not pose the risk of any significant change to the laws of their nation.

But as the scale of the potential inflow increases, the existing citizens might reasonably fear that this risk builds up. The European Union, for example, might be comfortable with admitting migrant inflows of around one tenth of a percent (0.1%) of its population, which would mean around 450,000 new residents per year. They might not be comfortable admitting 4.5 million per year. Or 45 million per year.

Yet in the absence of any restrictions, the flows of this magnitude are not just plausible, but likely. According to a 2018 Gallup World Poll, the number of people who would like to move to another country if they had the chance to do so exceeds 750 million. Any program that tries to let this many people migrate to a better life will face an unavoidable conflict with the core principles of democracy and equal treatment under the law.

GETTING TO SPECIFICS

For a discussion about the migration crisis to converge on a practical response, it needs to go beyond the level of abstractions and grapple with specifics. To focus attention on such specifics, please bear with the many steps needed to set up a thought experiment. Do not worry about whether the assumptions it imagines might plausibly happen. Focus instead on the way that taking these specific facts as given forces us to rethink our basic concepts.

THE HISTORY BEHIND THE THOUGHT EXPERIMENT

There is a democratic country to which we give the name "Demco". Its voters broadly agree they should help people who face conditions so dangerous and stifling that they want to move to a place that offers safety and opportunity. Assume that in some distant region, there are 9 million potential migrants that the citizens of Demco would like to help.

For the reasons outlined above, the citizens of Demco are not willing to let all 9 million potential migrants enter as new citizens with equal treatment under the law. Nor are they willing to let all 9 million enter as residents who can work in the local labor market, because they anticipate that a large increase in the supply of low-skilled labor will worsen income inequality by lowering wages for current citizens with lower levels of skill or education. The commitment to democracy means that their preferences, as the voters of Demco, must be respected.

Suppose in addition that next to the jurisdictions from which the 9 million want to flee, there is a more stable developing country called "Devco." Devco currently hosts a refugee camp with 1 million people who have already left the unstable neighboring countries. As refugees, they have only a temporary right to stay, with no right to work or vote in Devco, because the voters in Devco, just like the voters in Demco, fear the effects of a large increase in the local supply of unskilled labor. In addition, near the camp where they are temporarily housed, there is another piece of unused and uninhabited land that belongs to Devco.

To help the citizens of Devco and the 1 million refugees inside their border, the government of Demco suggests that it move the refugees to a new site and make it possible for the refugees to work there without disrupting the local labor market in Devco. To do this, it will create a new jurisdiction that we will call "New City," which will be situated in the piece of unused land next to the camp. To protect the local labor market in Devco, the governments of Demco and Devco agree that New City is a new legal jurisdiction. Its exports will not be able to freely enter Devco; they will be subject to the same import controls that Devco uses to manage the trade with ist neighbors. Under this arrangement, Demco takes full responsibility for developing the project, and providing each refugee from the camp the right to live and work in New City.

After the 1 million residents from the refugee camp have successfully settled in New City, the government of Devco faces a second large-scale inflow. The 9 million potential migrants who currently live in Devco's unstable neighboring countries would like to have the same opportunity to live and work in a place that is safe, just as the 1 million refugees from the camp have been given.

In response to a request for assistance from the leaders of Devco, the leaders of Demco consider letting all 9 million of these potential migrants become residents of New City. The government 2 of Devco agrees, but insists first that the ad hoc arrangement in which the administrator for New City is appointed by the Prime Minister of Demco needs to be formalized in a treaty between Demco and Devco that specifies how New City will be governed.

The question for Demco and Devco is what kind of a constitution should they agree for New City. They want this constitution to respect the preferences of the 1 million residents who are already living there, and the 9 million migrants who could settle there in the future.

Officials from Demco and Devco want to support the three principles listed above: democratic accountability, equal treatment under the law, and a commitment to help potential migrants. They realize that the challenge they face is one of sequencing. They cannot start by upholding all three.

If they give the existing 1 million residents democratic control over the administration of the city and establish the principle of equal treatment under the law, the current residents will vote to keep the 9 million new residents from entering. These current residents appreciate the safety and stability of the current regime which operates under the control of the administrator appointed by Demco. They would be comfortable with switching to a system where the administrator is a mayor that the current residents elect. But they fear that if the 9 million new residents become part of such a system, one of the hostile factions among these new arrivals might elect a factional leader who will undermine the safety and opportunity that the current residents value.

THE CONSTITUTIONAL TRILEMMA

After consulting with the current residents of New City, the leaders of Demco and Devco realize that they face a constitutional trilemma. In practice, they can only support two of their three core principles. Such trilemmas are often illustrated by means of a triangle. The three feasible options are represented by the three sides of the triangle, where each side captures two of the three goals:
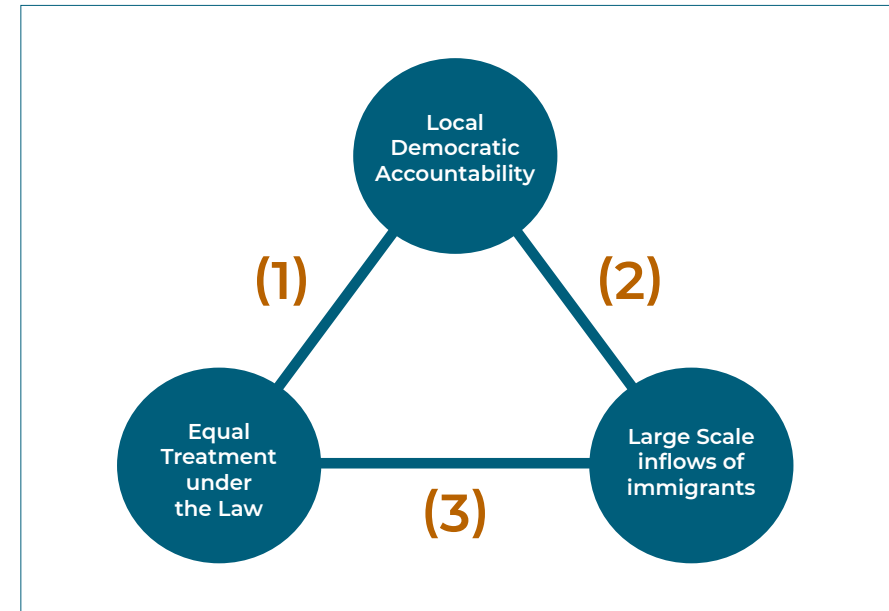
(1) One alternative of the constitution could stipulate local democratic accountability and equal treatment under the law for all residents. In this context, local democratic accountability means that officials in New City are elected by the residents of New City, instead of some other jurisdiction. Equal treatment under the law ensures that each resident will be granted the same rights, including the right to vote. But if both of these conditions are in place, current residents of New City are likely to oppose a significant inflow of migrants into their jurisdiction with a population nine times their own, similarly to what the citizens in Demco had voted for.

(2) The constitution could also ensure both local democratic accountability and the opportunity for all 9 million migrants to settle in New City. However, the current population of 1 million residents would likely oppose the idea of granting the right to vote for all 9 million new immigrants. This would lead to an unequal treatment under the law of New City residents with regards to their right to vote, depending on whether they are newcomers or initial residents.

(3) Lastly, it is possible to combine the principles of equal treatment under the law, and the inflow of 9 million new migrants. However, in this case the current arrangement whereby the administrator for New City is appointed by the Prime Minister of Demco would be made permanent, resulting in extended democracy that derives from the voters of Demco. The officials from both Devco and Demco do not think such an arrangement would be fair. They reasonably anticipate that future residents of New City would prefer to have their own democratic representation, instead of a system based on extended democratic accountability.

SEQUENTIAL COMPROMISE

At this time, the current residents of New City raise the idea of deferring the implementation of local democratic accountability, in order to preserve equality under the law at all time, and allow all 9 million immigrants the opportunity to come to New City for better opportunities. These residents are comfortable with a temporary extension of the governance system that is already in place, one which means that the administrative head of the city is appointed and evaluated by the Prime Minister of Demco.

During the period of rapid migration into New City, when its population would increase from 1 million current residents to 10 million residents, New City would continue to rely on the extended, nonlocal, democratic accountability provided by Demco. This would be acceptable to the residents of New City and of Demco because it is only a transitional arrangement. It will no longer be necessary once New City reaches the highest population it can host (around 10M), and migration flows stabilize. At that point, New City can make the transition to solution (1) of the trilemma, which allows for local democratic accountability but no longer allows for large scale immigration.

The officials of both Demco and Devco acknowledge that extended democratic accountability derived from the citizens of Demco is not nearly as desirable as local democracy in the hands of New City's electorate. However, they also agree that it is preferable to a dictatorship or some other form of autocratic government. Moreover, officials from both countries agree that this approach has the advantage that at all times it maintains equal treatment under the law for all residents of New City. This is crucial because systems that create second-class citizens can create division and animosity that make it ever harder to manage a democractic process that unwinds this division.

WHAT WE CAN LEARN FROM THE THOUGHT EXPERIMENT

The goal in presenting this thought experiment is both to focus on the practical difficulties that make it difficult to address the migration crisis and to suggest that there are ways to manage them. It takes some imagination, but using the lessons from the thought experiment, one can imagine how the democracies of the world could actually make it possible for 750 million people to move to a place where they could be included as equals in new jurisdictions.

This short exposition cannot address the many details that remain to be resolved, such as the process for allowing a reincorporation of New City back into Devco if residents of both jurisdictions are in favor of this change. Nor can it explore in any detail the financing of the many new cities that it would take to meet the demand for new places. But it is worth noting that city scale real estate development can be self-

financing. The increase in the value of land that goes from an unoccupied territory to a prime urban location can finance the operations of the city government and all the infrastructure that it must build.

But without addressing all these details, what this thought experiment can do is clarify our concepts. This experiment shows that there is a tension between equal treatment under the law, large scale migration, and local democratic accountability. But it also shows that this tension goes away over time as a new jurisdiction reaches its ultimate population and large scale immigration is no longer feasible. Even more importantly, the experiment points to a distinction between local democratic control and the kind of extended democratic accountability provided, in this account, by the citizens of Demco. If they embrace the notion of a temporary period of extended democratic accountability, the nations of the world can address the migration crisis without ever compromising on the principle that leaders of any government need to be accountable, directly or indirectly, to the voters of a democracy.

IN WHAT SENSE IS THIS A COMPROMISE SOLUTION?

From the perspective of a family that wants to immigrate, the best outcome would be to become citizens of a wealthy country where wages are relatively high. The chance to move to a new city of the type described here will offer the freedom to work that refugee camps deny, and the type of equal treatment under the law of the city that is given to new citizens of wealthy democracies. Nevertheless, the economy in the new city will not offer wages that are as high as in the wealthy country. So for individual families, moving to a new city is a compromise, but one that many are likely to prefer over staying where they are.

From the perspective of voters in a wealthy country, the best way to help a single family of immigrants would be to let them come live in their democracy as citizens who can vote, get an education, and participate fully in the local economy. For these voters, giving this single family only a chance to be included in a new city may also feel like a compromise relative to their ideals.

The fundamental problem in the migration crisis is that the solution that both sides prefer when it concerns a single family is not acceptable when it would apply to hundreds of millions of potential immigrants. When confronted with the scale of the present crisis, the default resolution has been to force most potential migrants to stay where they are. The solution offered here is a compromise in the sense that it is not the one that anyone would prefer for handling the case of a single migrant, but which both sides might prefer over the ugly status quo in which the wealthy nations are compelled to use force to keep people from leaving desperate circumstance.

UPGRADING VS. NEW FOUNDATION

City Development: Upgrading vs. New Foundation

by Nikolaus Wolf

The world is on the move. Since 1965 the world migrant stock has increased from 75.2 million to about 272 million in 2019,[1] a growth of roughly 2.4% per annum compared to global population growth of only 1.5% per annum over that same period. And there is reason to expect more migrants over the next decades. Migration has recently picked up, and surveys suggest that many more people are considering migration in the next years. Underneath this are structural factors, which are hard to contain. First, existing push factors due to political and economic crises are likely to get magnified by climate change. Second, growing diaspora networks and rising affordability predict more future migration.

Africa plays a major role for global migration, and increasingly so. And for African migration, cities take centre stage. Often rural-urban migration within countries is followed by migration between countries and to destinations outside of Africa. Hence, the share of people living in cities is one of the main macro drivers of migration within and outside Africa.[2] The reason is very simple: while cities are and have always been a promise of opportunity and shelter, the realities are harsh. The unprecedented pace of urban growth in many parts of Africa is difficult if not impossible to manage.

While urbanization is typically a sign of economic development and modernization, poorly planned city growth can be a barrier to development and indeed lead to new conflict, poverty, poor health and further outmigration. Therefore, a crucial question for African development is how to plan for the predicted urban growth. For this, a combination of theoretical work, detailed empirical evidence on long-run developments and local knowledge is needed. One fundamental question involves the choice between upgrading of existing cities versus the "de novo" creation of new neighbourhoods or even altogether new cities.

UPGRADING VS. DE NOVO CREATION

Urban planning for rapidly growing cities has always been a challenge. European cities like Paris, London or Berlin were struggling to accommodate the rapid influx of people during the 19th century, providing new houses, sanitary infrastructure and extending public transport, while reserving space for recreation and public life. With many failures and crises, these cities succeeded due to early interventions, strong public authorities and well-defined property rights over land.

In the context of Africa, there are various policy options for dealing with the challenges posed by rapid urbanization, notably the construction of planned cities. More specifically, according to Michaels et al (2021)[3] we can distinguish four options. The default option is to allow neighborhoods to develop "organically", without further intervention. Next, the city authorities can provide basic infrastructure in previously unpopulated areas to foster the development of "de novo" neighborhoods, or third not only plan but actually build public housing. Finally, the authorities can attempt to "upgrade" areas where low quality housing has already started to develop.

Clearly, all four options have been tried, but we have surprisingly limited evidence on their respective relevance and their consequences. Frequent references to historical predecessors of planned cities can easily mislead, for several reasons. For example, the wave of medieval city fondations occurred in a setting of very low population density, with the objective to secure territories and trade routes, and many medieval cities were designed to compete for "scarce" settlers. 19th century free ports such as Hongkong in turn, emerged in the wake of Imperial trade policies, hence they were regularly backed by the threat (or use) of military intervention. Instead, in the context of modern Africa, a market-based approach to city development will always imply a tendency to compete for "scarce" capital rather than people. Put differently, if the aim is to create better living conditions for poor migrants in African cities, there is scope for market failure. Also, in contrast to 19th century settings, local African institutions loom large (as they should). Hence, while we can learn from historical experience, we need to be careful about the context.

So, what do we know about the prospects of the four policy options mentioned above? New evidence on Tanzania suggests that "de novo" neighborhoods with basic planning, that were build as part of the Sites and Services projects of the World Bank in the 1970s and 80s compare quite well to "upgraded" neighborhoods and those that developed without any planning intervention in several dimensions. Apparently, the "de novo" creation of neighborhoods and cities, where some basic infrastructure was provided on previously unpopulated land before the construction of private housing, led to a positive feedback effect from housing quality back to infrastructure. The infrastructure in questions was the provision of roads and connection to water mains, alongside the provision of formal plots. Even though these cities were designed for poor households (ca the 20th–60th percentiles of the income distribution), there is evidence that over time this approach contributed to a substantial rise in

land values, led to a crowding in of private investment and helped to maintain the initial stock of infrastructure. In contrast, efforts to "upgrade" existing residential areas in nearby sites in Tanzania turned out less successful. These areas failed to crowd in additional investment and experienced a decline of infrastructure over time. A possible cause are dynamic ineffiencies as suggested by Krugman (1991).[4]

We certainly need more evidence on this in other African countries, notably on the impact of several upgrading projects in Egypt, Morocco, and Tunisia. But this evidence from Tanzania is in line with the idea that urban planning needs to intervene early on to avoid very costly adjustments. A recent study on one of the world's largest slum upgrading programs, the Kampung Improvement Program (KIP) in Indonesia, stresses the costs of ex post planning interventions.[5] Moreover, the timing and sequence of interventions and infrastructure provision matters. For example, a connection to water mains in the absence of any sewerage or provision of septic tanks can lead to a deterioration of public health, even an increase of mortality via a spread of waterborn diseases.[6]

Yet, the naïve import of "western" planning concepts is likely to fail. Most obviously, both new cities and efforts to upgrade existing cities will succeed only if African governments and the resident population perceive them as beneficial.

All these considerations are becoming more pressing due to climate change. Many large African cities are located close to the coastline, in particular the older and larger metropolitan areas. Flooding can cause catastrophic damage, especially in poor neighborhoods that have emerged without much planning or infrastructure. While upgrading is important, and often the only option available in the short-run, in many cases it will not be sufficient to deal with long-term challenges. Worse, upgrading might even lead to a lock-in. Newly created neighborhoods based on ex ante planning, or altogether newly planned cities – informed by African realities – can help to bring Africa's rapid urbanization on a path towards modernization and long-run sustainable development.

[1] Ferrie, Joseph P. and Timothy J. Hatton (2013) "Two Centuries of International Migration", IZA Discussion Paper No. 7866; IOM, "World Migration Report" 2020

[2] European Commission (2018), "Many more to come? Migration from and within Africa", Luxembourg: European Commission, 2018.

[3] Michaels, Guy, Dzhamilya Nigmatulina, Ferdinand Rauch, Tanner Regan, Neeraj Baruah, and Amanda Dahlstrand (2021) "Planning Ahead for Better Neighborhoods: Long-Run Evidence from Tanzania", *Journal of Political Economy* 2021 129:7, 2112–2156

[4] Krugman, P. (1991). "History versus Expectations". The Quarterly Journal of Economics 106(2), 651–667

[5] Harari, Mariaflavia and Maisy Wong (2021), "Slum Upgrading and Long-run Urban Development: Evidence from Indonesia", University of Pennsylvania, Wharton Real Estate, unpublished manuscript, 2021

[6] Kappner, Kalle (2021), "Water and the Micro-Geography of the Urban Mortality Transition: Essays on 19th Century Berlin". PhD thesis, Humboldt Universität zu Berlin, DOI: 10.18452/23257

New Baraka –
From Slum to Vibrant
Neighborhood

by Samih Sawiris

We believe that every family should have a chance at the dream of owning their own home. We believe that lower and middle income families should get the opportunity to convert their hard work into a home with dignity and therefore into a real asset to pass on to their children, to give them a better future. We believe that cities are more than just engines of growth, they are systems that should improve human wellbeing and create happiness. So we strive for a powerful combination: to shape the living standards of many thousands of families while running a successful enterprise. This is the WHY behind Casa Orascom.

Casa Orascom is a leading developer of integrated affordable housing communities in emerging markets. The firm is controlled by global real estate entrepreneur Samih Sawiris, and along with its subsidiaries has built over 35,000 homes worldwide as part of town developments, government housing programs, as well as disaster relief initiatives.

Casa Orascom's business builds on an immense and rapidly growing need. Between today and 2050, every single week 1 million people will move to the cities of the so-called emerging economies. By 2030, 3 billion people or 40% of the world's population will need access to housing. This means a demand for 96,000 new affordable units every single day. The vast majority of urban populations is priced out of the market of dignified housing, and conventional building methods are not sufficiently scalable to address the need.

We believe these megatrends, as well as the tragic global refugee crisis, require a radical shift and a new approach. We relentlessly innovate along every single step of town development, leveraging the best solutions and technologies available today. The goal is sustainable urban growth.

One path of leveraging and applying Casa Orascom's extensive development track record is in the challenge of slums.

We aim to prove that urban slums do not need to exist and that removing them can have a zero net cost. Baraka is a trial project and revolutionary approach in sustainable slum rehabilitation.

Since the 1970s, the 15,000 sqm Baraka slum in central Dakar has been home to refugees and migrants from across West Africa, as well as poor Senegalese families. Reconstructing Baraka for 1,600 residents involves an intense planning effort with the entire community, as we transform the slum into a modern, liveable neighbourhood. Two thirds of the slum land, 10,000 sqm, is used for Phases 1A and 1B to deliver free new housing (210 apartments), a school, a kindergarten, a community center, a health facility, retail areas providing employment, and vocational training facilities for the population.

This investment of €7 million, funded by Samih Sawiris, turns a destitute reality into a dignified neighbourhood, without uprooting the population. The new community is now integrating with the surrounding middle-income quarters. The remaining unused 5,000 sqm of the former slum land is now vacated and free, since all 1,600 slum dwellers have moved into the 210 new apartments of Phases 1A and 1B. No longer stigmatized and squalid, this free land rises immensely in value and is used by the consortium to develop middle- and higher-income apartments for sale in the open market (Phase 2). The profits from Phase 2 offset the sponsors' capital expense – effectively a financial bridge – of delivering the entire Phase 1. This provides true sustainability and a new model of rebuilding slums.

HISTORY OF BARAKA

In the 1990s, UNESCO Special Ambassador Ute-Henriette Ohoven begins to champion the cause of the Baraka people, who have no access to infrastructure or utilities. The lack of sanitary facilities exacerbates an atrocious health situation, and overall life in Baraka is marked by extreme hardship. Ambassador Ohoven joins forces with the foundations ENDA and HOPE'87 to bring basic water supply and electricity to the slum, and to build a school, kindergarten, community center, basic public toilets and a small health post. Ambassador Ohoven also financed women's commercial activities and vocational training programs. While these activities didn't lift the population from poverty, they improved earning capacity and in particular the ability to purchase more and healthier food. Through the direct involvement of all subsequent Presidents of Senegal, Ambassador Ohoven was also able to protect the families from the continuous attacks of land speculators who attempted to expel the population.

In October 2015, the President of Senegal H.E. Macky Sall issued a decree declaring 9,200 square meters at Baraka of national interest, formally transferring ownership of the land to the State. In 2016, Samih Sawiris commits to fund and execute a comprehensive reconstruction of the entire slum in partnership with Ambassador Ohoven organizations and the Government of Senegal, in particular the Office of the President. In 2017, the non-profit project company SOREBA (Société de Reconstruction de Baraka) negotiated a further extension of land available for the Baraka project. A presidential decree in April 2017 unlocked the total land of 14,725 sqm, which was transferred to SOREBA in August 2017. Casa Orascom manages SOREBA. Works on 210 apartments in 11 buildings began in August 2018. 130 apartments for 900 people were delivered in May 2020 (Phase 1A), the remaining 80 apartments for 700 people are under construction and on track for delivery in Q3 2022 (Phase 1B).

CHALLENGES, SUCCESSES, LESSONS & IMPACT

Among the main challenges was the extremely limited space in a dense urban setting, and the need to keep and manage 1,600 slum dwellers – including 300+ children – essentially on site during the works. The technical teams also had to utilize highly resistant materials and solutions for ease of execution and future maintenance, given the extreme wear and tear from a population only accustomed to living in slum conditions. All this within budgetary constraints.

Flexibility is crucial and the team also turned challenges into value. For instance, we faced significant difficulties with rock formations and complex soil conditions, which the geotechnical and topographic studies had not entirely captured in advance. Instead of filling two large resulting spaces below the buildings, Soreba adjusted the structures and built out 400 sqm of additional surface area for social, educatio-

Finished Phase 1A – 130 apartments

Over 50 retail outlets will be housed in several commercial areas. To prepare the population and provide structure as they launch their small businesses, a whole spectrum of training programs are under way.

Further initiatives at Baraka:

- A dental clinic in collaboration with the Ministry of Health, serving the wider district
- A group of residents were trained to handle facility management and cleaning of common areas.
- Educational programs on women's rights, family planning and hygiene.
- A non-armed police service was established and is already serving New Baraka 24/7.

Baraka is proof that with the right consortium and a financial bridge, urban slums can be eradicated and rebuilt in a sustainable way.

HARAM CITY – AN INTEGRATED AFFORDABLE HOUSING COMMUNITY

nal and commercial activities benefitting the population. The community administration and security offices are now also housed there.

The project employed and trained as many Baraka residents as possible during the works. The slum population furthermore constructed all temporary housing units needed because of the relocations during the first phases.

We learned that purely gifting new homes will not create the necessary sense of ownership. Thus we oblige all beneficiary families to pay a monthly community fee between €14–€40 per month, depending on the size of the apartment, for a period of 15 years. Only then full title is transferred to them. Without forcing a disciplined approach, supervised by the partner foundations, the homes would simply be sold or rented for immediate gain. The goal is to create an asset for the generations to come.

To protect the state of those assets, the families also signed a code of conduct and community rules, monitored on a daily basis by Ambassador Ohoven's teams. They have a constant presence at Baraka and run numerous programs to help families adapt to their new life, including intensive hygiene education.

The homes between 29 and 57 sqm were allocated according to family sizes following a census conducted by the Government. An equitable and fair process is key.

Haram City is Orascom's flagship affordable housing community and spans almost 4oo hectares in 6th of October City, 20 kilometers west of Cairo. With over 12,000 homes built and more than 35,000 residents, the development is a reference point even beyond the African continent, in terms of size, scope, and services.

An attractive public realm in the town center creates life and vibrancy through retail and commercial outlets around the main square. Haram City offers four different schools, several houses of worship, health posts, various sports facilities and places of entertainment. The project houses a waste recycling company as well as a textile/embroidery factory. Furthermore, the Sawiris family's philanthropies run an orphanage and rehabilitation center with over 400 children.

Unit sizes are 38, 48, 56, 63 sqm, and broad selling prices approximately \$450–490/m^2, although the Egyptian Pound devalued over the life of project. Haram City has a substation of 50MW, and its water treatment plant processes 11,000 cubic meters a day. This in turn allows the project to integrate more green spaces and landscaping when compared even to higher income developments in Cairo.

Existing Cities – not New Cities

by Dyfed Aubrey

Urban solutions for displaced populations are needed. Refugees and IDPs often remain displaced for decades and need long-term solutions. Most displaced people wish to be in towns and cities where they expect to find opportunities to be self-reliant. Displacement and migration are recognized as a significant force for urbanization. Due to the protracted nature of displacement, there is a growing discourse on turning camps into self-sustaining cities. This helps avoid the need for continuous aid reliance and aims to provide opportunities for self reliance. However this approach may provide for self-reliance, it should be discussed within in a broader conversation that considers several types of urban solutions. The core of this discourse must consider the sustainability of the urban economy and its elasticity in overcoming population surges and slumps as displaced communities arrive, stay or leave. Moreover the discourse must consider the relative merits of existing cities and new cities in providing solutions for displacement.

Existing cities tend to be sited in strategic locations that offer economic opportunities. Their location may be guided for example by infrastructure, such as an intersection of trade routes positioning the city for market and logistic activities; by natural resources, such agricultural land, water and minerals providing for food processing, industry and mines, and by geography, such as natural inlets providing for ports. Their core economic activity creates opportunities for feeder industries, which attract further population growth, and with that the demand for health, education and administrative systems, services, goods and local markets, which create conditions for economic diversification. This concentration of the factors of production – land, labor, capital, and entrepreneurship – along with knowledge and innovation, generate economies of agglomeration and creativity, which enable cities to grow and thrive, often beyond the existence of their economic origins. Consequently, while accommodating 56% of the world's population, cities generate 80% of global wealth.[1]

Camps however are often located on land that has almost no value. Given the urgency to provide refuge, land is provided in areas that are free of competing interests, ie without significant agricultural value, strategic urban potential, and sometimes without a water source. Despite the human capital of encamped populations, camps that are poorly located, with limited access to natural resources, services and markets, may struggle to sustain economic activity as cities. To account for this,

territorial infrastructure investment and/or disruptive instruments such as special economic zones are needed. These solutions most likely fall outside the host governments' budgetary plans since displacement tends not to be planned for. They thus require external financing and lack the benefit of fiscal transfers which are often the main source of finance for cities. Their donors and financers need therefore to meet their full development costs while also dealing with the uncompetitiveness of their siting. Moreover, as displaced populations are supported to reach durable solutions – return, remain or resettle, or if future policy or changes in conflict dynamics result in refugee exodus, their financers face the risk of losing the resident work force upon which their economic model relies.

Other types of land that is availed during displacement crisis includes institutionally or privately owned land, such as in Iraq, which tends to be availed temporarily and eventually needs to be returned or compensated. Others include private lands, often on urban peripheries, such as in Somalia and Lebanon, where owners collect rent from displaced populations, or that is already earmarked for development within territorial or city development plans, such was the case in Oromia Region, Ethiopia in 2017. Land falling within already planned development zones and associated with existing cities have the advantage of leveraging existing local economies and reducing population flux risks by attracting 'host' populations to live alongside displaced populations. Such land should be planned to urban standards from the outset. Their development as sustainable urban communities can often be kick-started through humanitarian and development support that may exist during early stages of displacement.

While new urban communities for displaced communities may be a feasible – increasingly when connected to existing urban and territorial economies – the possibility of integrating displaced populations within the existing urban fabric should not be ignored. Their already diverse economies and societies, institutions, and histories of integrating migrant communities, equip them as landing pads for displaced populations. Glaeser and Cutler in "Survival of the City"[2], describe how cities over centuries have coped with population surges and slumps, have weathered storms of economic downturn and pandemic, yet they not only soldier on, but continue to thrive and grow. Within the existing urban fabric, displaced populations find multiple opportunities to integrate economically, socially and culturally.[3] Throughout the history of cities, refugees, internally displaced persons and migrants have brought with them innovation, new perspectives and capital, and have created new markets and new demands that have shaped the vibrancy, economy, society and culture of cities. Moreover, since the lion's share of IDPs and refugees already come to existing cities, it is difficult to imagine that new refugee cities will significantly disrupt flows into existing towns and cities.

Yet, the experience of integrating displaced populations in cities has not always been positive. For example in Somalia, internally displaced populations, considered as "guests" not residents in cities even after decades, are often denied equal rights to own land and to access basic services and employment; many remain vulnerable to forced eviction and extorsion by "gatekeepers" and landlords.[4] Urban communities worldwide affected by significant surges of displaced people frequently face rental increases, strains in the provision of basic services and perceived competition for jobs, which can cause tension with host communities.

Consequently, integrating displaced populations within existing cities, or new cities, must be planned and managed within a robust sustainable urban development framework. The New Urban Agenda, endorsed in 2016 by 193 UN Member States is a blueprint that guides environmentally, socially and economically sustainable urban development. It recognizes that migration in all its forms, including forced displacement, can and should be harnessed as a positive force for development. It calls on member states to "ensur(e) full respect for the human rights of refugees, internally displaced persons and migrants, regardless of their migration status, and support their host cities," and to harness their "social, economic and cultural contributions to urban life."

The New Urban Agenda underscores the need for:

- "Legal and policy frameworks that uphold principles of equality and non-discrimination...at national, subnational and local levels;"
- "Effective metropolitan and local governance frameworks that ensure the involvement of subnational and local governate in decision making;"
- "Integrated planning that aims to balance short term needs with long term desired outcomes;" and,
- "Integrated financing frameworks, including fiscal decentralization processes where available."[5]

These components – effective policies, governance frameworks, urban and territorial planning and finance – are core to making cities function effectively. Policies set the overall objectives to harness the potential of urbanization at national and territorial levels to meet development priorities. Multi-level governance supports effective, equitable service delivery and inclusion. Integrated planning ensures that spatial development is organized in a way that meet policy objectives; interestingly, planning principles of compactness, density, mixed land use, social mix, connectivity, multimodal mobility and generous public space allocation, jointly promote all three sustainable development domains – environment, society and economy. Plans are then implemented through infrastructure investment, which, when governance is good, is equitably distributed. Infrastructure development in turn requires revenue and finance. Revenue can continually increase when these above enablers work effectively to promote local economic development. These enablers generate a virtuous cycle that continually improves cities and the built environment for all.

This is the framework that can enable cities to provide refuge and opportunities for migrants, refugees and IDPs, starting with the existing urban fabric, and expan-

ding as needed into planned city extensions and satellite settlements. Urban policies need to proactively promote the responsiveness of cities to change. For example, in an age where climate induced movement is a frequent reality, fiscal transfers to cities should not be determined by outdated census information, but by dynamic data, that enables cities to be better empowered to deal with population change as and when it happens. Planning needs to be forward thinking. It should put in place densification strategies and plan for growth, so that population surges can contribute positively to the city's strategic development instead of proliferating slums. Governance must be participatory and inclusive and provide a forum for constructive dialogue on migration and displacement, instead of fueling distrust and disinformation. Finance mechanisms need to promote a transition from humanitarian grant support to development finance so that strains in the provision of basic services can be overcome. More effective mechanisms are needed to channel development finance to cities, but this should over time give way to an improved local finance system and to strengthened own source revenue. This in turn can leverage blended capital, and so further strengthen public assets and services in displacement affected communities at the scale needed. This way, immediate and longer-term needs of displaced populations can be better met, and their economic contribution to the life of the city facilitated.

Cities can and will provide refuge and solutions to migrants, refugees and internally displaced communities. Despite some governments wishing to restrict freedom of movement, and thus may be more comfortable encamping refugees, IDPs and migrants in 'refugee cities', it is worth noting that the UN Refugee Agency promotes freedom of movement,[6] and restricting this may simply force displaced communities into the urban informal sector in existing cities, where they are less able to be supported or repatriated. The potential of cities should not be undermined due to international partners' perception of intrinsic challenges. Cities are dynamic and can change. The humanitarian and development community and finance partners need a deeper understanding of the way cities and their multi-leveled institutions and systems work, and this should inform their assistance models. They should better understand how city leaders can be supported and empowered at moments of crisis. Development assistance models must also be adaptable and able to reinforce the efforts and goodwill of cities and their host communities when faced with displacement crisis, and should incentivize good governance. Cities, in turn, must ensure inclusive, accountable governance, and thus facilitate effective partnerships that can help turn displacement situations into opportunities.

[1] OECD (2016), *OECD Regional Outlook 2016: Productive Regions for Inclusive Societies*, OECD Publishing, Paris, https://doi.org/10.1787/9789264260245-en.

[2] Glaeser E & Cutler D (2021). *Survival of the city: living and thriving in an age of isolation*. Basic Books London – 2021

[3] United Nations, *The New Urban Agenda*, October 2016, para 28, https://habitat3.org/the-new-urban-agenda/

[4] Bryld E et al (2017) *Engaging the Gatekeepers, Using informal governance resources in Mogadishu. Somalia*. Accountability Programme, https://www.idc.co.ke/wp-content/uploads/2016/10/FinalGatekeeper-paper_26.08.16PDF.pdf

[5] United Nations, The New Urban Agenda, October 2016, https://habitat3.org/the-new-urban-agenda/

[6] UNHCR (2012) *The implementation of UNHCR's policy on Refugee Protection …* (n.d.), http://urban-refugees.org/wp-content/uploads/2015/08/The-implementation-of-UNHCRs-policy-on-refugee-protection-and-solutions-in-urban-areas.pdf "UNHCR will strive to ensure that refugees who travel to urban areas are provided with adequate documents and will advocate with the authorities and security services to ensure that they are not penalized for travelling and that they are allowed to remain in an urban area for as long as necessary."

SUSTAINABLE DEVELOPMENT ZONES

Sustainable Development Zones (SDZs) as a Response to Informality that Masters the Challenges of Desperate Migration and Rapid Urbanization

by Joachim Rücker & Michael R. Castle-Miller (for the SDZ Alliance[1])

Migration today encompasses hundreds of millions of people who have left their homes to look for better livelihoods in big cities, driving rapid urbanization, especially in the Global South. At the same time, tens of millions of people, refugees and internally displaced persons (IDPs), who have left their homes for reasons of extreme poverty, violent conflicts and climate change, are also drawn to the big cities, especially in the Global South, adding to the dynamics of rapid urbanization. In most cases, return is not realistic, so local integration becomes the only option. However, local integration has proven to be very difficult and migrants have become trapped in slums or more generally in the "informal sector" in the big cities or, mutatis mutandis, in camps, the latter ideally run by humanitarian agencies.

Addressing migration for all these people means accepting a new threefold paradigm:

1. They should be perceived as citizens, consumers, and producers rather than as objects of care.
2. They need to be well connected with existing cities for mutual benefit, while, inversely, isolated camps should become cities.
3. They must have special legal and administrative institutions that allow for a qualitative leap in residents' access to the formal sector (housing, work and business permits, financing, IDs etc.).

Why are special institutions that allow for a qualitative leap in residents' access to the formal sector so important? First, urbanization is predicted to continue and grow and consequently the world will see more megaslums. In these slums informality poses economic, but also social and security risks. Second, informality is mostly a regulatory artifact – sub-optimal regulations actually create the informal economy. Most of the activity that takes place informally – whether it is informal settlements, informal business, or even informal society – is a natural response to regulatory barriers that prevent low-income people from legally building homes, working, or operating businesses.

And this is where Sustainable Development Zones (SDZs) come in. SDZs are a unique response to informality that enables cities and countries to cope with, and even benefit from, rapid urbanization and desperate migration.

THE PROPOSAL

In line with the UN's Global Compacts on Migration, the program of Sustainable Development Zones localizes the UN Sustainable Development Goals (SDGs). The primary mechanism for achieving these goals is to introduce new institutions within a limited geographical area. As such, an SDZ is a type of Special Economic Zone (SEZ), but with a distinct social and SDG aim, and (therefore) usually a brownfield as opposed to a greenfield development in a peri-urban area with a rapidly growing informal settlement. It introduces new regulations and practices for land use, development, business regulation, and public services that are currently most responsible for informality.

THE PRIMARY INSTITUTIONAL FRAMEWORK OF AN SDZ

SDZ governance adheres to the principles of good governance and good local governance. In particular, it adheres to the key principles of accountability, transparency, and (inclusive) participation. For instance, SDZ residents are shareholders in the SDZ, have voting rights in addition to supervisory and policy setting responsibilities for the SDZ through a Citizens' Assembly. Another example is an Oversight Commission overseeing the SDZ Administration and including all relevant stakeholders.

SDZs will work within the country's legal framework. As decentralized innovations in governance, they necessarily require exceptions to the legal and administrative status quo within their boundaries. The country brings the SDZs into existence as its tool for innovating new approaches to management and implementing best practices in pilot areas of its territory.

An SDZ would address several important issues for developing countries in fields such as the housing market, labor market and finance. Furthermore, SDZs could

provide durable solutions for migration, sustainable urban expansion and help foster more ethnically inclusive societies. States/regions would tend to compete for economic development rather than for scarce resources.

The governance of a fully formed SDZ primarily rests upon the following institutions:

- An *SDZ Company* structured as a social enterprise corporation with blended finance, including social impact investments. This organization includes an *SDZ Development Company (DevCo)* leasing land and developing the basic infrastructure, and an *SDZ Administration* performing responsibilities ordinarily performed by the national/regional/local governments. Over time, residents of the SDZ take up a larger and larger proportion of the equity of the SDZ Company. As shareholders, the residents receive dividends from the SDZ Company, which help supplement their incomes.
- An *Administrative Concession Agreement (ACA)* consisting of:
  - A temporary assignment of responsibilities from government to the SDZ Administration.
  - A revenue-sharing arrangement between the SDZ and the different layers of government over the SDZ.
- A *Land Development Lease and Concession Agreement (DLCA)* between the SDZ DevCo and government, which allows the DevCo to develop and collect rent from subleases. This agreement could be set to expire after, for instance, 25 years unless renewed by the government under a buy-operate-transfer (BOT) or similar arrangement.
- An *Oversight Commission*, which offers high-level oversight of the SDZ via an Inspector General, and consists of representatives of UN, government, civil society, and donor organizations. The *Inspector General*, which is an organization contracted by the Oversight Commission, monitors the SDZ institutions and holds the SDZ Company accountable for violations through legal proceedings and fines if need be.
- A *Citizens' Assembly*, which helps integrate residents' input and adds another layer of accountability by having advisory and decision-making responsibilities. It consists of SDZ residents, at least some of which are chosen by *sortition* (random selection) in order to avoid ethnic- or ideology-based political power struggles. Some decisions might also be placed with all residents participating through a blockchain-based e-voting application or as a decentralized autonomous organization.
- *Service Providers*, which are NGOs, government agencies, and private organizations that deliver public services accessible to residents via a one-stop shop. Examples include public safety and security, job training and skills development, education, healthcare, SME support, architects, legal aid, need-based services, and utilities providers.

Figure 1: SDZ Institutional Framework
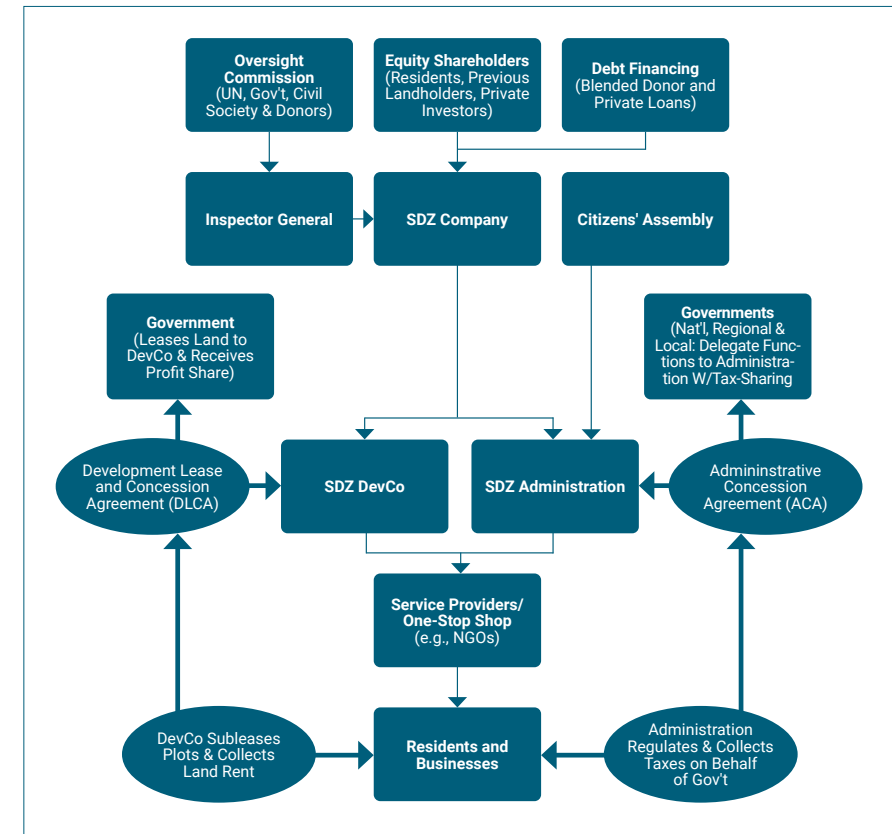
These institutions come into existence once the SDZ has a significant resident population. Once that happens, residents will own a significant portion of the shares in the SDZ Company.

The ACA temporarily delegates the administrative functions most relevant to ease of doing business to the SDZ Administration to carry out on the government agencies' behalf. This includes:

- Adopting special regulations and procedures for starting and operating a business within the SDZ
- Handling business registration, licensing, certificates, and all other procedures necessary for starting and operating a business
- Adopting special zoning and building regulations for constructing homes and businesses within the SDZ

• Issuing construction permits under the special zoning and building regulations
• Issuing identity cards and work authorizations
• Improving access to finance through institutional streamlining and digital finance applications
• Administering tax collection, processing, and enforcement on behalf of the government
• Sharing tax revenue collected from the SDZ with the government
• Providing access to justice and optional channels for dispute resolution for businesses and individuals
• Addressing other remaining major barriers to doing business in the country
• Providing social services including needs-based humanitarian aid

The central goal of the SDZ Administration is to reduce the difficulties that low-income people have in operating a business, finding employment, and building housing in the formal sector. In some cases, this may mean removing the ordinary requirements to obtain certain licenses or permits altogether, and in other cases, to make the procedures much more streamlined.

Overall, the SDZ Company has a direct financial incentive to promote the social, environmental, and economic wellbeing of the SDZ through better governance. Better governance stimulates both the economy and demand for land within the SDZ, which increase the SDZ Administration's tax revenue and the SDZ DevCo's rental income, respectively. These financial returns will be shared with government, with SDZ residents, and with private investors. Therefore, the SDZ Company aspires to meet the ESG (Ecological, Social, Governance) criteria for investment.

LAND FAIRNESS

Land rights is often a highly sensitive political and cultural issue that an SDZ must handle carefully. Therefore, it is critical that the land arrangement for the SDZ clearly benefits all stakeholders involved – including all levels of government, existing farmers and other formal residents, and informal settlers.

The SDZ DevCo builds basic infrastructure and subleases plots of land to SDZ businesses and individuals to build homes and business facilities. At first it issues subleases to all informal settlers for the plots they already occupy and forms service agreements with existing formal residents.

The legal interests in the plots are divided between land and the buildings and other improvements on top of the land. People own title to the homes and other buildings, but have a sublease to the underlying land. The SDZ DevCo retains the primary lease on the land. Land value will naturally appreciate as the SDZ DevCo invests in infrastructure and services, and therefore making the SDZ more attractive.

PHYSICAL DEVELOPMENT

The SDZ's masterplan is integrated with regional plans but allows the urban form within the zone to evolve organically. Other than an obligation to pay rent and abide by all zoning and building regulations established for the zone, SDZ subleases are very flexible (e.g. transfer of subleases, sale of homes…). Residents can build on the plots they lease and can sell or rent out space in their buildings to help them afford increasing rents as the land value rises over time. The SDZ Administration will also provide rental subsidies to people who cannot afford housing in the SDZ.

The SDZ developer provides for a basic road grid that is integrated with major highways outside the zone. Within the grid, there are areas for public spaces. This includes space for parks, utilities, SDZ Administration offices, a one-stop-shop public service center, police, hospitals, schools, etc. Plazas are built in a few areas with frontage for businesses and restaurants.

The majority of land consists of small, flexible-use plots of around 60sq. meters each. These plots are available for sublease to residents for any of a variety of uses – including commercial, residential, or light industrial. Most plots are undeveloped, allowing the residents who lease them to build their own facilities.

The master plan may include an industrial park in one part of the SDZ. The industrial park includes pre-built, fully serviced factory sheds catering to larger businesses, especially foreign investors. The SDZ might seek to have the park designated under the country's existing free trade zone or special economic zone legislation if such legislation exists and is not already applied to the entire SDZ.

The building code allows low-income residents to start by building homes not too different (or more expensive) than the type of construction that typically takes place in informal settlements, except to the extent necessary to ensure basic public health and safety and to ensure development doesn't interfere with public utilities or transportation. The masterplan encourages residents to incrementally improve their homes over time, such as by building stronger foundations, using better materials, and adding additional stories above the ground level as they acquire the resources to do so. The SDZ Administration ensures that professional architects are available to assist residents and construction crews.

Generally, all plots are leased with direct electricity connections. The SDZ DevCo builds an electric substation and distribution network to service these plots, with power generated in or near the SDZ in a decentralized context using renewable sources. Some plots have their own direct water and sewage connections, while others have access to water, sewage, and garbage collection via designated points that service clusters of around 4-5 plots each. As residents earn money, they begin to pay for water and sewage connections directly to their homes.

Just as the residents incrementally improve their homes, so does the SDZ DevCo and SDZ Administration incrementally improve their infrastructure and services as the SDZ fills up. Roads are go from gravel to cobblestone or asphalt. Pit latrines are

replaced with a sewer system. Public transportation improves and becomes more regularized. The SDZ DevCo tends to rely on local labor and local contractors to carry out much of this work in order to boost the SDZ's internal economy.

WAY FORWARD

As regards the new threefold paradigm as described above, it should be recognized that national and international humanitarian and development cooperation actors have made significant progress on perceiving especially refugees as citizens, consumers and producers rather than as objects of care. In the same vein, there is also progress on connecting especially refugees to the host cities surrounding them or, vice versa, turning camps somewhat more into cities. There is, however, still a "humanitarian – development divide", as without a qualitative leap in the institutional framework many people remain trapped in the informal sector, and private sector investment remains limited.

The paramount role of good governance, of good institutional frameworks for sustainable development, is well understood by policy makers who follow the tradition of institutional economics. It is, for instance, at the heart of the G 20's "Compact with Africa".

However, while the role of institutions has informed interventions at the national level, it has been insufficiently applied to policy making at the sub-national, de-centralized, local level, which is where SDZs come in. SDZs should be seen as a decentralized innovation in the field of public policy and administration, similar to the decentralized innovations in other fields, such as renewable energy, finance, communication, circular economy and even currency.

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[1] Online available at: https://sdzalliance.org

From Refugee Storage to Living Spaces – Why it is Imperative to Move Away from the Aid Paradigm

by Kilian Kleinschmidt

Aid Agencies report a record number of people forcibly displaced since WWII with 84 million (including 48 million Internally Displaced People). Contrary to common belief most of those are not living in designated spaces such as camps or refugee reception centers.

Ninety percent of displaced people are on their own and either unable or unwilling to join those spaces labelled "refugee" or "displaced camps" and mostly end up living in slums and informal settlements near or in urban centers where they mix with rural-urban movers and other migrants seeking new opportunities.

Formal refugee camps are spaces mostly allocated by governments and often situated in remote and hostile environments – managed by the UN or NGOs together with the security forces and civil administration of the country. They are considered temporary holding spaces for people seen as a burden and so destitute that they will require free assistance for the years to come until they leave and ideally return home.

Probably some ten million refugees and displaced people are accommodated in more or less formally established camps mostly in tents or containers or simple huts. If lucky they are supported by humanitarian assistance until the money and international attention fades away and the place degrades into a dump and lastly a slum. Seventeen years will be the average stay for a refugee in a camp as that is the time protracted crises last in average according to UNHCR. In reality it takes longer and longer until a solution is found and most of the time people will not return. At least one generation will grow up in each camp, reason enough to invest in its people and their future.

The reality, proven by history and statistics, is that only few will ever voluntarily return to the place of origin. The erroneous narrative that a "good" refugee should

return home is driven by the post WWII context and the refugee convention of 1951. While that concept enshrined in the refugee convention and other frameworks may sound right from a human rights and emotional perspective, it holds the forcibly displaced and their hosts defacto hostage to the status ante, preventing their personal evolution and transformation while in displacement.

Cities throughout human history have formed and evolved as places of refuge, protection and safety, better services and new perspectives for populations evading war, persecution and poverty. Cities have grown in influence, power and wealth with growing populations arriving from elsewhere, often driven out of their lands. New urban settlements have evolved with new arrivals and newcomers integrated into the economy. The fact that cities are ultimately an accelerator for change and societal transformation if managed and maintained sustainably can not be denied.

This is a call to move away from looking at displaced populations as a burden based on temporariness and to look at camps and slums and their inhabitants as places of doom and gloom which must disappear as soon as possible. Shifting the paradigm is imperative and requires to refrain from labelling populations as "beneficiaries" or "victims" rather than ensuring their integration as "citizens" or "producers and consumers" which prevents to take advantage of the human capital the potential as an incubator for development and innovation, lastly benefitting the economy and society as a whole. Classic immigration countries such as Canada, USA and Australia have all built wealth on early inclusion and integration.

Paradoxically exile will become a part of that access to change. Women and girls for instance are directly benefiting from a different social contract and opportunities prevailing in such large settlements. They can access better health, education and can socially interact more freely. Youth will gain knowledge and access to governance, technology and modern life concepts. Diaspora and networks induce change through knowledge and other resources returning to their communities beyond the remittances.

A logic of creating ecologically, socially, economically sustainable systems should take over and guide the interventions of local and international institutions when dealing with new population centers, settlements, urban centers and their inhabitants.

To illustrate the above the example of the Zaatari refugee camp in Jordan comes to mind with some 80.000 inhabitants and which has been one of the fastest growing markets in the Middle East in 2012/2013. Its people have demonstrated an extra-ordinary energy and initiative to transform what was designed according to humanitarian emergency standards into a settlement and thriving business center within months after its establishment in 2012.

The residents defeated humanitarian designs of communal toilets, showers and kitchens, used the materials to create their own facilities, disregarded the camp spatial planning and repurposed shelters into homes with individual designs and facili-

ties. Inhabitants rebelled against all known concepts and standards for a temporary storage facility, assistance and built their city.

Zaatari has become the showcase for the necessary disruptive approach to camps, their management and future planning. The challenges emanating from free service delivery such as water, sewerage and energy for instance have clearly demonstrated that running a settlement with close to 100.000 people cannot be performed sustainably by humanitarian actors who are simply not equipped and skilled for the purpose.

Similarly, Afghan refugee camps in Pakistan and even many of the Palestinian camps over time have become urban centers and settlements instead of tented camps. The fact that thousands of human beings live on a limited space gives such settlements gives their inhabitants an urban identity whether it is politically desired or not.

As Wikipedia says: "Cities generally have complex systems for sanitation, utilities, land usage, housing, and transportation. The concentration of development greatly facilitates interaction between people and businesses, benefiting both parties in the process, but it also presents challenges to managing urban growth."

This also means that the right expertise to accompany this transformation from a tented "camp" to a functioning city must be available. Camps need to integrate into the environment and be accompanied in that transformation. Humanitarians who have saved lives and helped to fix the crisis, need to ensure early handover the formal camps to city managers, experts in municipal services, economists and social designers. The same applies for informal settlements hosting a blend of very diverse populations including. Refugees and IDPs

A city development team is needed to be put in charge – not a camp coordination and administration run by humanitarian agencies. Entrepreneurs and investors need to be attracted – and incentives for such investments and local business creation are to be developed and. That includes services and utilities. Training and educational programs must help to sharpen the skills of the inhabitants and social institutions need to be set up .

Therefore models of special jurisdiction zones (Sustainable Development Zones – Rücker/Castle/Miller/Kleinschmidt) make sense to induce such a transformation from camps and slums to cities in an evolutionary modus possibly under a Build-Operate-Transfer (BOT) agreement. This concept of managing camps and slums as special jurisdiction zones as social enterprise is harnessing the entrepreneurial energy, the desire to rebuild lives and is ultimately contributing to common good. A functioning space developed with good services, infrastructure and growth through formal inclusion of its residents into the economy, regardless of their status, will ensure a win-win for all. The narrative of burden and charity caused by the hosting of displaced populations must and can shift to a logic of inclusion and opportunity.

The Nature and Possible Evolutions of Refugee Cities

by Michael R. Castle-Miller

INTRODUCTION

As many people predicted, the "surge of migration" beginning in 2015 is instead revealing itself to be an era of migration, with no return in sight. More and more people are making perilous cross-border journeys because of political instability, increased mobility, global inequality, and climate change. Meanwhile, countries are increasingly resisting their entry. National leaders must reconcile these conflicting trends and craft a long-term, comprehensive strategy for migration that aligns political ideals with political realities.

The international community promotes three "durable solutions" for forcibly displaced people, which include voluntary repatriation to the refugee's home country, resettlement to a third country, or integration into the host country. While refugees wait for a durable solution, the UN provides humanitarian aid through emergency shelters, food, water, and medical care.

However, resettlement is an option for less than 1% of the world's refugees.[1] Temporary humanitarian aid and repatriation are rarely financially or socially sustainable, given that two-thirds of the world's refugees are in "protracted refugee situations" generally lasting five years or more.[2] Refugees could, in theory, be integrated into the economies of their hosts, but few of the major refugee-hosting countries are willing to do this on a nationwide basis. Countries like Uganda and Jordan that have opened up their economies are praiseworthy, but rare and often have problems with their business environments that inhibit job creation.

Despite a growing number of studies indicating that refugees can be an asset more than a burden[3] global politics resists large-scale refugee inclusion, and probably will for a long time. Convincing nations to welcome more of the world's refugees as workers is a long-term prospect that is simply not realistic in the current geo-political climate. We need a more immediate alternative before millions of migrants live the rest of their lives without opportunities. Refugee cities offer such an alternative.

WHAT IS A REFUGEE CITY?

A refugee city is a concept for a special-status community for forcibly displaced people. In a refugee city, refugees, who would ordinarily be prohibited from working, can find legal employment, operate their own businesses, or train in new skills. Rather than asking countries to admit all of the world's refugees, or even to allow those already at or within their borders to work anywhere in the country – requests that are not politically feasible in the near term – a refugee city provides a more immediate solution: let refugees work in a designated area with good infrastructure, connections to markets, and a streamlined administrative system.

Refugee cities operate under a legal and institutional framework that prioritizes both the investment climate and livelihoods of residents. In addition to the right to work, ideally, refugee cities include diverse, multi-use urban areas, an effective and efficient regulatory system, support for entrepreneurs and small-and medium-sized enterprises (SMEs), large-scale private-sector investment, trade facilitation, healthcare, trauma counseling, education, financial assistance and other support in collaboration with international organizations and non-governmental organizations (NGOs).

RELATIONSHIP OF REFUGEE CITIES TO SPECIAL ECONOMIC ZONES

A refugee city can be thought of as a type of special economic zone (SEZ). An SEZ can be generally understood as a designated geographic area designed to promote economic development through a policy and administrative framework that is somehow different from the typical policy and administrative frameworks surrounding it.[4]

In recent years, new attention is being placed on the role of SEZs as vehicles for policy and structural transformation, such as by helping catalyze growth in new industry sectors or overcoming political roadblocks to beneficial legal reforms. SEZs often also serve as industrial parks, however, an increasing number are mixed-use, or urban, in character.

Modern SEZs emerged out of several historical precedents. The island of Delos functioned as a free zone during the Greek and Roman empires by serving as place where goods could be stored and exchanged free of local prohibitions and taxes. Medieval and Renaissance-era city-states, such as those in the Hanseatic League, had almost complete autonomy from the ruling powers around them and provided spaces for free trade and commerce. Colonial-era chartered territories and trading posts were independently administered by state-backed private companies. Some of these trading posts emerged in the modern era as prosperous autonomous or semi-autonomous city-states and freeports, including Singapore, Hong Kong, and Macau.

In the early 20th Century, SEZs have taken the form first of free trade zones and export processing zones, which have extraterritoriality from the host country from the standpoint of customs. However, in the early 1980s, China took a monumental step in shaping the nature of SEZs. The country designated four "special economic zones" (perhaps the first use of the term now used generically) which spanned large city-sized areas and established a wide range of free market policies affecting finance, labor, foreign investment, and trade. Many of these SEZs, especially Shenzhen, experienced explosive growth in investment, wages, population, and living standards relative to the rest of the country.

SEZs are becoming increasingly important vehicles for a wide range of reforms. Previously, their primary function was to reduce tariff barriers between countries and grant tax incentives. Today, with overall effective tariff rates very low worldwide and heightened global tax competition, their primary value is in easing other constraints in the investment climate through reducing unnecessary regulatory barriers and piloting innovative policy reforms.

The refugee cities concept is an evolution of these models. Whereas traditional SEZs have prioritized tax reductions, customs exemptions, business registration and licensing, and similar measures, refugee cities prioritize the integration of, expansion of opportunities for, forcibly displaced people.

WHO BENEFITS FROM A REFUGEE CITY?

Refugee cities benefit multiple groups, reconciling interests that typically conflict in mass migration contexts. For the international community, refugee cities are more cost-effective than traditional camps because they enable refugees to provide for themselves and rely on private investors to develop infrastructure and finance enterprises. For host countries, the cities provide a politically feasible way of turning migration from a perceived problem into an economic asset, generating business opportunities and work for the local population as well as for migrants. For businesses, the cities provide access to skilled and enterprising workers. And for the millions of displaced people now excluded from meaningful work, the cities could provide the difference between a life of waiting and a life of found purpose.

Refugee cities also offer a pathway for countries to come into closer alignment with international law. Under the Convention and Protocol Relating to the Status of Refugees, refugees are entitled to relatively strong rights regarding property, employment, and entrepreneurship. However, most countries' domestic legislation falls well short of these rights through either de jure or de facto barriers to economic and social participation. A refugee city can bring them much closer to compliance.

POSSIBLE EVOLUTIONARY PATHWAYS FOR A REFUGEE CITY

While the refugee cities concept can initially take the form of just a single community offering greater freedoms for refugees to improve their livelihoods, it can evolve in at least three ways:

- It can replicate, by forming other refugee cities throughout the country, region, and world.
- It can expand to include a broader set of new institutions than those directly concerned with immigration, in order to support a more holistic expansion of economic and social opportunities for residents.
- It can evolve into an international city open to migrants generally.

1) Replication

The financial model and political rationale for a refugee city make the concept easy to replicate. Well structured refugee cities will be financially self supporting, and even profitable, social enterprises. They are established by a community-owned development company operating under a concession agreement with the government. The development company recoups its upfront capital costs in infrastructure and facilities through the rise in land value created by its investments. Eventually, the development company should generate enough profits to ensure investors receive a reasonable return on investment and to be shared with the population as income support. The return on investment will prove the model to investors, mobilizing them to invest more in refugee cities. Thus, rather than relying on aid or grants, refugee cities can access the enormous volume of private-sector investment capital and concessional finance to fund their development and operation in multiple locations.

Moreover, a refugee city should attract strong support from its host government once its economic benefits become apparent. If the city is developed near an existing refugee settlement, those residents will immediately benefit from job opportunities in the city. The surrounding host country population will also have new work opportunities in the city created by the new attracted investment. As the city grows, it will also attract refugees currently living and working informally in other parts of the host country, since the city will allow them to work legally, with greater access to social services, higher pay, and better working conditions. Businesses outside the city will also indirectly benefit from the opportunity to transact with the businesses and residents of the refugee city. Thus, the refugee city will become an attractive political tool that government leaders in many countries can use to address their economic and migrant challenges.

2) New Institutions

A refugee city can expand its scope to focus on developing new institutions, or rules, in areas of social and economic policy not directly related to immigration. The refugee city's goal with these institutions would be to maximize residents' freedom to pursue a range of life possibilities through education; health; business, labor, and environmental regulation; trade; building and inclusive zoning; dispute resolution; access to credit; and infrastructure.

The degree to which separate rules for these policy areas is necessary depends largely on the existing quality of the host country's generally applicable institutions. If the country already provides an efficient regulatory environment and performs well on economic, environmental, and social indicators, there is less need for the refugee city to have its own rules. New refugee-city-specific institutions are only necessary if the host country does not have institutions that adequately facilitate the realization of residents' potential.

This type of refugee city would be similar to a sustainable development zone (SDZ). SDZs are aimed at broadly improving the ability of low-income people to operate businesses, find work, build homes, and access finance legally, by lowering the regulatory burdens barring access to the formal sector. An SDZ that specifically responds to forcibly displaced people is effectively a type of refugee city.

3) International City

The refugee city concept could also take the form of an international city – a community that welcomes in all people, especially refugees, but also other migrants. To create this, a country would set aside an area of its territory as a home for people moving due to economic, religious, cultural, family, natural disaster, persecution, or any other reason.

Because of its roots as a refugee city, an international city might proactively provide for the voluntary evacuation of people in other areas of the world who are facing serious threats. The city would pay for these repatriations out of its budget and/or through the support of international partners who have committed to financially assist with the response to global crises. The city would be also open generally to other migrants who are able to reach its borders on their own and do not pose a clear threat to public health and safety.

The international city concept is an extension of historical examples including the United States (especially in the 19th and early 20th centuries, prior to the rise of Federal immigration restrictions), Israel, (a country that has formed a homeland for and proactively repatriated persecuted Jews from many parts of the world), and the many other countries who actively participate in the International Organization for Migration by resettling refugees into their societies.

To avoid the problem of an entrenched population closing the door to migrants coming after them, the city's founding charter and the host country's constitution would forbid the city from restricting access to future migrants, except under defined circumstances. These constitutional protections should be further abetted by an enforceable treaty or international agreement among nations agreeing that the city will be a home for the world's migrants. If the city were to take actions that effectively restricted access beyond certain defined limits, the actions would be struck down as unconstitutional. Failing that, other countries could enforce the treaty, perhaps through sanctions and international arbitration claims in a tribunal having the power to impose a monetary award against the city.

The host country would have no obligation to financially support the international city, other than to extend the reach of some of its basic institutions to cover it. The city might be established as a partially autonomous area, with a similar constitutional status as an overseas territory or an independent polity under the protection of a larger nation state. Dozens of such areas already exist, including Åland (Finland); South Tyrol (Italy); Hong Kong and Macao (PRC); Svalbard (Norway); the many overseas territories and possessions of France, USA, Australia, New Zealand, and the United Kingdom throughout the Pacific Ocean and elsewhere; as well as many other examples.

As with the refugee city discussed in the previous section, however, the need for independent economic and social policies for the international city would be lessened if the host country's ordinary laws already adequately facilitate inclusion and opportunity. In such a case, the international city could rely on the same laws and other institutions as the rest of the host country other than those concerning the power and obligation to admit migrants. However, if the host country is illiberal or otherwise lacks institutions that adequately facilitate the development of residents' potential – including with regard to health, education, social and cultural participation, religion, and economic freedoms – the international city would need additional autonomy.

If it is concerned with the entry of people from the international city to the rest of the country, the host country could ensure that the permits or identification issued to residents of the international city do not apply to the rest of the country. Enforcement of these rules would be significantly easier if the international city is geographically isolated, such as on an island.

With regard to security, the international city might conduct a basic screening and exclude potential migrants based on clear threats to public health and safety. Generally, however, security should be a function of internal, rather than border, policy and addressed through evidence-based methods of reducing crime in a society, such as institutions that ensure inclusive access to economic opportunities and other forms of social participation, police, community monitoring and intervention, and a criminal justice system that favors restoration over incarceration. In societies that are relatively inclusive of newcomers, criminal activity by immigrants is often more of a perception than a statistical reality – immigrants on average are less likely to

commit crimes than ordinary citizens.[5] Thus, if the international city is functioning well in other ways, crime should not be a major problem.

It may seem like an international city would see a rush of migrants, given that there are an estimated 750 million people in the world who wish to move to another country,[6] including approximately 82.5 million who are forcibly displaced.[7] However, the proportion of this group that would come to the international city depends largely on its success. If the city were a developing economy, it would naturally attract fewer voluntary migrants. A highly successful international city, on the other hand, would likely attract millions of migrants. Such a city would be better equipped to integrate these people and mitigate short-term disruptions caused by their entry. Evidence indicates that societies that effectively integrate large immigrant populations tend to develop thriving economies and cultures over the long term, possibly because the interaction of new perspectives with an existing population yields dynamic, innovative ideas.[8]

Other countries should not use an international city, or any form of refugee city, as a "pressure valve" releasing them from their commitments to welcome refugees and other migrants. It is important for people to have as many options of where to settle as possible. But, holding countries to their responsibilities is as much for the countries' good as it is for the migrants' good. Without sizable immigrant populations, they will lack the economic prosperity and cultural richness that emerges from a diverse society of immigrants.

[1] https://www.unhcr.org/pages/4a16b1676.html

[2] http://www.unhcr.org/5943e8a34.pdf

[3] https://www.nytimes.com/2015/09/19/opinion/europe-should-see-refugees-as-a-boon-not-a-burden.html?_r=1

[4] Material from this section derived from author's article at https://digitalcommons.chapman.edu/chapman-law-review/vol21/iss2/3/

[5] https://www.americanimmigrationcouncil.org/research/criminalization-immigration-united-states

[6] https://news.gallup.com/poll/245255/750-million-worldwide-migrate.aspx

[7] https://www.loc.gov/item/global-legal-monitor/2021-06-28/international-record-number-of-people-forcibly-displaced-in-2020/#:~:text=(June%2028%2C%202021)%20According,forcibly%20displaced%20a%20decade%20ago

[8] https://www.cato.org/cato-journal/fall-2021/effects-immigration-entrepreneurship-innovation

Green Metropolises & Green Economic Zones – A New Approach for Establishing Green Economic Ecosystems in the African Continent

by Bertram Lohmüller & Thomas Wu

THE WORLD IS ON THE EDGE TOWARDS SUSTAINABILITY

Challenges for a sustainable world

The world has to turn. Climate change is the key challenge of human mankind. Like in no other challenge, it is essential to survival that the world must revolutionize its energy supply and industrialization efforts. It is clear and without any doubt, that the West will not be able to feed the future energy demand by own resources and capacities. Steel, chemical and construction material producers will require such huge energy resources, carbon free energy suppliers will not be able to meet with resources from Europe and or US. And this evaluation does not even consider the large volumes of energy required for the future E-mobility in Europe. The Western world faces additional challenges, each one of them with significant impact.

- The demographic shift towards aging population will result in a significant slow down in economic growth in the West and China due to missing human capacity and qualified workforce. Germany's growth already is suffering 0.5−0.7% GDP growth because several hundred thousand of qualified workers and engineers are missing to support economic development.
- Implementation of digitalization by replacing current infrastructure is another key challenge for the West. Having to replace current analog systems and environ-

ments require huge efforts in terms of change management and reaching buy in of users into the new technology along all levels of society.

- Reconsidering current supply chains and adopting to the new framework of globalization impacted by climate change will be another key challenge for corporates in the West. Considering the CO2 footprint, global logistic bottlenecks, dependencies to single suppliers, limitations of raw materials and rising energy costs will lead to revaluations of current suppliers. Old and proven supply relations are no guarantee for success anymore.

- Falling back to protectionism and increasing political instability will lead to enormous burden on free trade and multipolar economic development. China-US trade war, Russian political isolation, UKs economic collapse after Brexit, increasing Nationalism in e.g., Brazil, Hungary, and Turkey, and running out of traditional business models based on fossil fuels with harsh consequences on the petroleum producing countries in the world are just some of the daily risks and challenges for sustainable industrialization and development.

- Water crisis, natural disasters and endangered food security will be additional challenges in the coming years – and it is starting today. The climate is shifting fast already – by the end of the decade the world temperature will increase by 1.5° Celsius already with major consequences for water resources and supply, significant increase of natural disasters and many countries and regions, which will not be able to produce sufficient food volumes for its population. This will be an additional significant burden for the global stability, its economy, and its member states. Building up additional food production resources now, will be essential.

- Missing global environmental awareness and expertise within governing bodies as well as neglected enforcement of protective measures lead to increasing deforestation, micro plastic pollution of all global oceans, dramatic ground water pollution, desertification, and a gradual extinction of biodiversity. All these effects will lead to instability, migration, and disasters on a global scale.

Africa is becoming the true beneficiary of the transition towards sustainability

Looking just purely at the facts it becomes obvious, that the African continent is elemental and essential for the global transition towards decarbonization, sustainable economic growth and stability in this multipolar world. Like now other region in the world, the continent has the resources, the population, and the strategic location to be the global enabler for the much-needed transition and change.

Africa having by far the youngest population will be best positioned to create human capacity for the future. Africa's youth is hungry for technology and determined to build up a stronger and modern continent. The new generation is not connected to old paradigms and can enter the latest technology development without being blocked or slowed down. For example: Today Africa is by far the biggest and most ex-

perienced region for mobile payment. Nobody did it earlier, nobody has more transactions per day. The true strength of the continent is reflected also by the number of start-ups in the high tech and sustainability sector. Africa's impressive growth rates in these new innovative segments show the true future capacity and opportunity the continent has to offer.

Africa has the resources – not only the raw material resources – but the essential carbon free energy resources. The potential in respect of photovoltaic and hydro energy are unmatched worldwide. Africa can be and will be the dominant energy source in a world of tomorrow. And the world depends on it. But Africa has also the fundamental preconditions to become the key producer of green hydrogen, green methanol as well as green LNG. Looking at the natural resources it becomes very clear that the continent is essential for the future global industrial development and growth. From energy storage to green chemicals – from E-mobility to green fabrics – the world needs Africa. More than ever before.

It will be of the essence for global prosperity and stability to define and develop industrial and cooperation models, that these resources will be utilized on a fast track, but with mutual benefits for the Western off-takers as well as the African providers. Creating value adding industries and building up processing capacity on the continent must be a precondition in a global cooperation model between Africa and the rest of world.

INVESTING IN AFRICAN GREEN METROPOLISES IS INVESTING IN SUSTAINABLE SOLUTIONS AND SUPPLY SECURITY

Urbanization in Africa

According to a study of the EU Commission (Atlas of the Human Planet written by Pesaresi et al, 2016) the degree of urbanization on the African continent is 81.3 percent. Moreover, Africa is the continent where the degree of urbanization has grown fastest since 1990. The study pointed out that Africa's population has quadrupled in the last 40 years and the density of built-up areas has tripled tripled. Further, it is stated that "between 2000 and 2015 alone, the built-up area doubled. This growth is mainly due to Burundi, Malawi and Niger (built-up area of urban areas tripled from 1990 to 2015), as well as Angola, Ethiopia, Benin, Burkina Faso, Côte d'Ivoire, Democratic Republic of Congo, Gambia, Ghana, Guinea, Mali, Mozambique, Nigeria, Rwanda, Senegal, Sierra Leone, South Sudan, Tanzania, Togo, Chad and Uganda (area doubled) attributed. attributable. Of 74 countries worldwide where both building density and population growth are above the global average, more than half are in Africa, half of which are low-income countries (LICs)."

Based on the results of the Atlas of the Human Planet, the Scientific Service of the German Bundestag (Anonymous 2020) analysed the advantages and disadvan-

tages of urbanization. Because of shorter communication routes and the higher concentration of capital, knowledge and connections to national and international flows of, cities can be seen as engines of the economy. In developing countries in particular, factors such as the availability of electricity, medical care, and drinking water and sanitation also play a role, medical care, and the supply of drinking water and sanitation. However, there are also fundamental problems which are in line with the lack the political and financial capacities to solve problems early and efficiently. The study concludes: "In particular, the emergence of unregulated or informal slums and the slow expansion of the necessary infrastructure (roads, electricity, water, sewage, garbage disposal) infrastructure (roads, electricity, water and sewage, waste disposal, etc.) are general etc.) are general characteristics of cities in developing countries. In slums, people often live illegally or unregistered, so they often have no legal claim to their housing or to benefits from the state or municipality. If they become victims by violence or robbery, they often do not turn to the police. Apart from this, there are problematic aspects that go beyond the impact on residents and their quality of life: cities consume more energy and resources than rural areas and produce than rural areas and produce significantly more pollution in the process."

Foreign Investments into Africa

The inflow of foreign direct investment (FDI) to Africa showed a clear dichotomy in the past decade: In the relatively economically strong countries of North Africa and in the Republic of South Africa, the funds came predominantly from the Western industrialized nations. In the nearly 50 other sub-Saharan countries, however, China and India led the way in terms of total inflows from 2010 to 2019. This is according to an analysis of data from the United Nations Conference on Trade and Development (UNCTAD). These are "mirror data," i.e., data from the FDI source countries.[1]

With regard on the overall investments, the private capital flow from European countries into Africa is still low. Especially, German companies play only a comparatively minor role in Africa. The reasons why Africa is not lucrative as an investment location for many foreign companies are complex. The main factors are (Martens, 2022):

• The humanitarian disasters and political conflicts of recent years (Somalia, Rwanda, Congo, Sierra Leone, Sudan, etc.)
• Small markets and correspondingly low domestic and regional demand
• Inadequate infrastructure, especially in the communications and transportation sectors
• Low level of education
• High inflation and volatility of exchange rates
• Negative terms of trade
• Extremely unequal income distribution and related political instability

• Lack of reliable incentive systems (interest rates, taxes, etc.)
• High foreign debt and related lack of hard foreign exchange

The political and structural problems are probably the main reason why the African elites themselves do not invest a large part of their capital in their own country. It is estimated that about 40% of their funds end up as flight capital in safe havens outside the African continent. Conversely, capital flight, corruption and mismanagement by these elites are partly responsible for the political and structural problems of many African countries.

However, because of the actual crisis with Russia and the dependence from Chinese economy, Western companies see Africa as the market of the future. Especially with regard on investments into green technologies and sustainable projects the African continent is becoming an interesting. With regard on the limitation factors given ahead new ways are required for making investments in metropolises more secure. In other words, the sustainable development of the African continent can be only accelerated with secure investment conditions. For this it is required to come up with new special economic zones on the continent.

The Role of Special Economic Zones in Africa

Special Economic Zones (SEZs) go by many different names (including free zones, export processing zones and industrial parks), and come in many varieties. Overall, there is no universal definition. The most commonly used definition of SEZs, is based on the three key criteria: (1) A clearly demarcated geographical area; (2) a regulatory regime distinct from the rest of the economy (most often customs and fiscal rules, but potentially covering other relevant regulations, such as foreign ownership rules, access to land or employment rules and (3) infrastructure support.

Based on the definition given ahead, a Comparative Study on Special Economic Zones in Africa and China was made by UNDP United Nations Development Programme China (Anonymous, 2016). For African counties they came to the conclusion that high-level political commitment and support for effective inter-ministerial collaboration is necessary. Also, the sufficient funding for infrastructure development, joint ventures between foreign SEZ companies and local companies. Futrther, thrlinking up with universities and Technical Vocational Education and Training (TVET) institutions and high environmental standards is recommended. The recommendation for the Chinese Government to support SEZ are the conduction of training and exchange programme for African government representatives and SEZ managers and to that sets out various models of SEZ legislation, incentives, job creation agreements and procurement agreements for linkages with the local economy. Also, the support of technical education and training for industries targeted by SEZs and the use of energy efficient and renewable energy technologies in SEZs is recommended.

Another study from United Nations Conference on Trade and Development (UNCTAD) has the focus Special Economic Zones (The World Investment Report 2019, Anonymous, 2019). With regard on regulatory framework and governance the study concludes that "numerous governance models exist and the choice depends on the objectives and desired strategic focus of individual SEZs. Also, it is concluded that the "legal framework for SEZs – mostly national SEZ laws or provisions in customs or other legal frameworks – often sets the parameters for these zones' governance and institutional set-up". Taking the results of UNDP and UNCTAD into account, it is getting clear that with regard on the sustainable development of African countries the definition of a SEZ must be defined in another way. In the line of fact-finding journeys to Africa, participation at African conferences and many discussions with African stakeholders from politics, business science and finance, the concept for Green Special Economic Zones (GSEZ) for Africa has been developed by the authors and their partners. Additionally, a global benchmarking with three leading zones was conducted to identify the best model for African Green Special Economic Zones. The benchmarks were Dubai International Financial Center, Lithuania and Suzhou International Park. As a result, the integrated approach for the development of Green Special Economic Zones for Africa was developed (Figure 1). The new definition of a GSEZ is as follows:

- A clearly demarcated geographical area inked to a metropolis
- A regulatory regime distinct from the national laws and of the national economy
- Regulatories led by an independent steering board.
- Clear focus on green industry sectors using green technologies and digitisation
- Centres of excellence for research, education and training with linkage to international partners
- Sustainable business strategy where profits are re-invested in the country.
- GSEZ regulations based on a carbon zero strategy

With the establishment of new special economic zones on the continent, Africa will present global benchmarks in terms of transparency, rule of law, ease of business and administrative efficiency. Africa will be one of the most attractive and secure investment destinations for Multinational corporations. Utilizing digital processes, artificial intelligence and blockchain tools will maximize investor's security as well as enforce proper compliance procedures.

A new Framework for Green Technology Management in Green Economic Zones

Innovation in green technologies and digitisation are the key to successfully mastering the challenges of the future. With new green and digital technologies new solutions and ways can be created to slow down climate change and to raise living standards in

Figure 1: Green IMLead®-Heptathlon for Innovation & Sustainable Development (Copyright 1984–2021, Rolf Pfeiffer & Bertram Lohmüller)
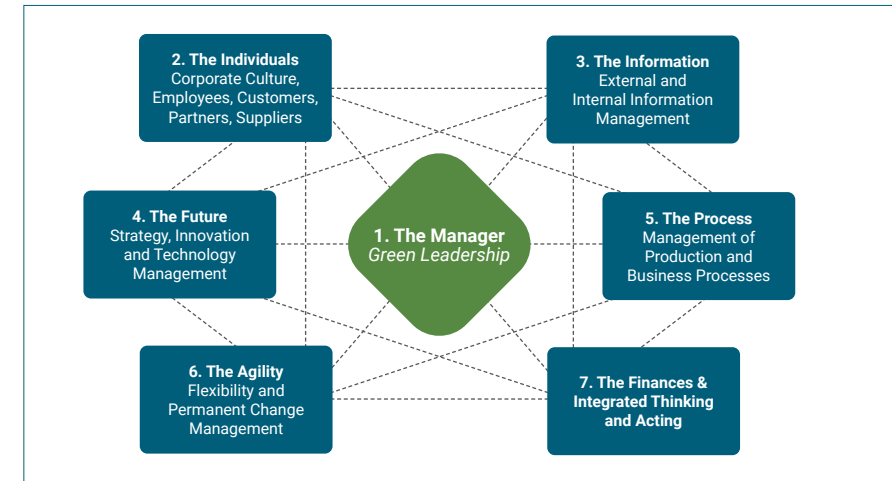
emerging countries. In order to bring green technologies into emerging markets the methodical framework Green Management & Leadership was developed by Lohmueller and Pfeiffer (2020).

Green IMLead®, stands for integrated management and leadership with focus on the implementation of digital applications and green technologies (Figure 1). The idea is to pool different approaches to technology and management with a focus on managers and project leaders responsible for spearheading specific green projects. Managers are equipped with "green" leadership skills for managing individuals such as staff, suppliers, and customers. Managers can be defined as relevant persons from both companies investing into GESZs and persons involved in the management of GSEZs. They also bear responsibility for managing external (market and business environment) and internal information (data gathered from processes, product data, data derived from infrastructures). These days, managing information has strong overlaps with digital solutions, artificial intelligence, and Industry 4.0 solutions (connected factories). Innovations with a bearing on emerging technologies and business models are an important prerequisite for dealing with current and future market requirements. Suitable production and business processes are required to manage integrated waste management systems, but they tend to be overhauled in faster and faster development cycles. As a result, it's important for managers to be agile and possess the right change management expertise. Ultimately, all of these activities need to be financed and all fields need to be connected and integrated into one another. This should also be reflected in the know-how offered by managers and scientists in adopting integrated action and thought.

The Green IMlead® model is used a framework to integrate green technologies and digital applications into GSEZs.

PILOT "SPECIAL BATTERY ECONOMIC ZONE IN DRC" – A MODEL FOR DEVOPLING GREEN METROPOLISES

One of the key drivers for the new definition of GSEZ in African counties was the interest of African governments in investments into green technologies. The discussions with leading African and European companies have shown that they see a great potential in Africa. But because of instability, corruption and political risks the concerns for investments are very high. In the discussions with CEOs from leading technology companies it got clear, that investments are only possible when economic zones with an independent legal framework are existing.

Also, it was realised, that there is a change in the strategy of African governments for developing their countries. In the discussion with leading politicians as presidents and ministers of more than 20 countries at the DRC-Africa Business Forum in Kinshasa (24–25 November 2021) it got clear that they are willing to support the green transformation of their countries. Also, it was seen that they are willing to develop new rand independent regulation for the GSEZs in their countries.

A first result its was agreed with the Government of Democratic Republic of Congo to develop a pilot framework on Battery Green Special Economic Zone. The aim is to establish infrastructure and manufacturing for the whole value chain of battery production for delivering to both African and European markets. The new Green Special Economic Zone in DRC has following objectives:

- Developing a framework/best practice blueprint to establish and implement a transparent, efficient, and sustainable ecosystem
- The new unique structure of Congo Battery Special Economic Zone gives it a robust regulatory and legal framework that provides the Zone's clients and investors with a safe and secure ecosystem to conduct their business.
- All business registered at the Congo Battery Special Economic Zone are subject to the laws of the Congo Battery Special Economic Zone that will been enacted to administer day-to-day operations of the firms and individuals in the Zones.
- DRC's Battery Special Economic Zone's new unique legal and regulatory framework will be based on international standards and principles of common law that is tailored to the region's unique needs, creating the optimal environment for industries and services to grow.

With support of UNECA United Nations Economic Commission for Africa and African Export-Import Bank it was agreed to develop a framework including following aspects (Figure 2):

A) Reliable legal and IP protection system, efficient administration, Attractive and efficient tax system, Efficient Import Export procedures
B) Access to debt funding in $, € and local currency, Access to VC, equity and or cloud funding, Proper Entitlement of assets, Monetizing Carbon Credit
C) Security and safety concept for special economic zones, Cyber and data security system, Compliance System
D) Expanding Education to build up human capacity, Expanding local Research and Development Facilities, Building up Incubators and Start up centers

Figure 2: Integrated approach for the development of green special economic zones for Africa (figure developed by the authors)
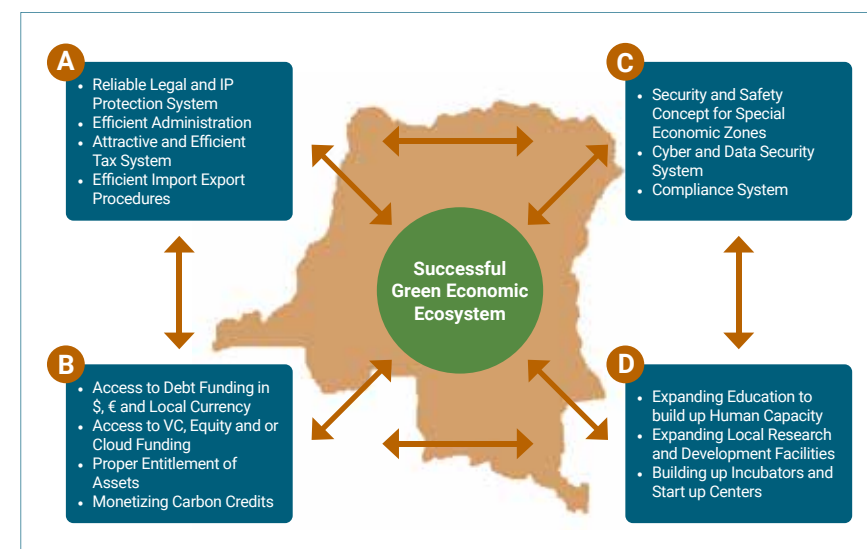
On important point for realizing a concept for a GSEZ is the deep involvement of key stakeholders from all areas. In the project Green (Battery) Economic Zone these are:

1. Government of the African Country. Democratic Republic of Congo (DRC)
2. Financial Institutions
3. Non-Governmental Organisations as UNECA
4. Congo Green Zones Joint Steering Council.
5. Experts & Advisors for a steering council Prominent and respectful international Council members will enhance investor's confidence and trust and will support the successful business development in the DRC.
6. Experts in following areas: Customs & Tax, Sustainability, Securty and Safety, Communication & PR

Figure 3: Structure of the green special economic zones – zones in the Democratic Republic of Congo (figure developed by the authors)

The structure of the Battery GESZ is shown in Figure 3.

Cross continental approach versus protective measures and single interests are shown in the current efforts to develop technology leadership in Africa. Best practice sample is the new Center of Excellence for battery technology in the Democratic Republic of Congo. The new research center with significant global relevance will be a joint venture between leading edge academic institutions from the DR Congo, Zambia, Japan and Germany. Some of the best and brightest scientists and researchers will cooperate on a global scale to develop the latest technology in the battery space for the continent and will enable Africa to expand its production capacity by qualifying and educating Africa's best talents in this technology segment.

And these battery developments show the true strength of the continent – Africa has the minerals and materials to produce Batteries, it created an optimal and stable eco-system for investors, has access to technology, research and builds up highly qualified human resources, has beneficial free trade agreements with the European Union and the United States and has clearly a huge cost advantage against any competitor from Asia and or the West. – and has the capital to implement it fast track.

CREATING INVESTMENT CAPACITY FOR SUSTAINABLE LOCAL PROJECTS

The world's responsibility: Protecting the Rain Forests in Africa

It is of the essence that the world protects its existing rain forests.

Rainforests are sanctuaries of Biodiversity. Experts estimates that we are losing 137 plant, animal, and insect species every single day due to rainforest deforestation. That equates to 50,000 species a year. The Congo Basin is the second-largest tropical rainforest on Earth. The Congo Basin is a mosaic of forests, swamps, and savannas twice the size of Alaska. It is home to some of the world's most endangered species, like African Forest Elephant, Okapi, Grauer's Gorilla, Bonobo and Congo Peacock. Rainforests store billions of tons of carbon - Protecting tropical forests is one of the best ways the world can fight climate change right now.

In close cooperation with the Steinbeis University, rainforest conservation projects are getting developed in order to protect Africa's biodiversity, to remain the CO2 storage capacity and to monetize carbon credits resulting from the rainforest protection measures.

These projects are truly win-win projects, for the world, for Africa, and its people living in the forests. The forests are protected, green funds are generated and can be invested in sustainable industrialization, education, and healthcare in the local communities.

Africa is leading the way again. By establishing one of the first digital carbon credit trading platforms, Africa is on the way to become the leading global supplier of sustainable and valuable CO2 certificates. Utilizing blockchain security and transparency features, it will revolutionize the trade with carbon credits. Another example of Africa's fast track development towards digitalization and leading-edge technologies.

Africa as a Key Location for Renewable Energy

Large scale bio-gas production, organic fertilizer, prefabricated sustainable social housing, plastic recycling, smart and vertical farming, digitalization and utilization of Artificial Intelligence, green hydrogen and methanol, hydrogen locomotives, bio-

gas hybrid tractors and bio-LNG hybrid container ships, green construction steel and large-scale sustainable fabrics and textiles, and stratospheric drones delivering high resolution earth data for climate change research – just to list some of the opportunities for international companies to participate.

Like no other region Africa offers technology and engineering companies ample room to grow for the next decade to come. To show the significant demand: Africa needs urgently proper waste management. Over 90% of the waste is not recycled and disposed without adding value to its economy. Even worse Africa's waste is a major contributor to groundwater pollution and uncontrolled CO_2 emissions.

On the other hand, hardly any other region offers such volumes and good quality of organic waste. According to initial data and on the ground research, the continent has enough organic waste to produce sufficiently Bio-CH_4 to run over 28m passenger cars all year long and to produce about 17m tons of organic fertilizer and 11.6 m tons of Green Methanol. Utilizing these resources will be a game changer in terms of energy supply, independency of diesel imports, sustainability and high-quality fertilizer for Africa's agricultural sector. Therefore, it is a huge market for international technology and engineering companies, specialized in waste separation processing, biogas treatment and fertilizer production.

Preliminary feasibility reviews and studies have shown that the payback period after start of production is less than 5 years.

Africa has a tremendous need for sustainable social housing with decentralized power solutions. Prefabricated housing units, utilizing natural building materials such as hemp, will have a great future on the continent. With green funding mechanisms in place this industry can expect above average GDP growth. Technology is known and proven for years in Europe. Localizing the technology will enhance the cost competitiveness, will support sustainability and decentralized power solutions will relieve national grids and reduce consumer power spendings.

Again, a major opportunity for international engineering and renewable power companies to localize the technology and to form long term partnerships with key local players. With regard on the world's green future is can be stated that no other region in the world can create such an outstanding environment for sustainable industrialization.

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PRIVATE CITIES AND PROSPERITY ZONES

Free Private Cities as Migrant Cities

by Titus Gebel

According to surveys, about 700 million people currently want to leave their homes, mostly from African and Arab countries.[1] By 2050, the number is expected to rise to over 1 billion people who want to migrate, due to population growth in these countries. Their preferred destinations are wealthy Western states. On the one hand, this is understandable from a human point of view, but on the other hand, the sheer number of people willing to emigrate is so high that, if it were to happen, would threaten to put even stable, industrialized countries in a precarious position. Conflicts are unavoidable.

Migrant Cities based on the model of Free Private Cities are a potential solution. They offer a reliable legal framework and the possibility of acquiring real estate, importing and exporting goods and setting up companies in an uncomplicated manner. These are precisely the conditions that are usually lacking in emigration countries and hinder economic development.

WHAT EXACTLY IS A FREE PRIVATE CITY?

A Free Private City is a semi-autonomous "Special Economic Zone Plus", technically a Special Administrative Region (SAR). It is run by a private company, which would operate the city as a "public service provider". Since the Free Private City has the right to create much of the legal framework, best practices in sustainability and governance can be introduced from around the world. By employing judges, arbitrators, administrative and security personnel from internationally recognized countries, the city will build trust for its residents, investors and businesses from day one.

All residents receive a written "Citizens Contract" from the operating company, which guarantees the mutual rights and obligations. This includes the services to be provided by the operator and the modest fee to be paid, as well as the applicable rules and the inalienable rights of the residents. Newcomers with no financial means could be subsidized by the city for an initial period. Disputes over the content and interpretation of the Citizens Contract can be taken before independent courts or arbitration. Participation is purely voluntary and can be terminated by the resident at any time.

WHY PRIVATE?

The private structure of the city avoids the danger that, in the event of an election victory, the winner will favor his cronies or install a regime that endangers stability or drives away companies and investors. The very nature of the system precludes the emergence of political or religious conflicts in the first place. The same is true for the absence of "family obligations" that put often pressure to public officers in cases of applications of relatives. And because the operating company is an international endeavor with employees and owners from all over the world, the accusation of neo-colonialism goes nowhere.

Moreover, the model has considerable advantages with regard to incentives. Firstly, the operator as the owner of the project has a direct economic interest in the success of the Migrant City. Secondly, he can be held responsible for errors, just like any other contract supplier. He cannot hide his responsibility or pass it on to third parties. He bears a personal financial and reputational risk. Thirdly, he cannot force customers to accept his product, but must find residents by the attractiveness of his product.

HOST NATION

The establishment of a Migrant City requires a contractual agreement between the operating company and the state. In this agreement, the *Host State* grants the operator the right to establish the city in a defined territory in accordance with the country's specific political and legal requirements including compliance with international agreements. In many cases, the existing legal basis need to be adapted before such a contract can be concluded. This usually requires a parliamentary law or even a constitutional amendment.

Due to their private form of organization, the city can eventually become listed at a stock exchange and get a rating! It is only fair that the host country receives a share of the project and profits. In this way, incentives for all are coordinated: The nation in general benefits from the revenues of this new economic engine, not to mention the jobs and innovations that can be created there. The revenues can be used to improve infrastructure and for social projects in other parts of the country.

FINANCING

Putting in place basic infrastructure, security forces, administration and a judicial organization requires significant funding. Given the political component of the project, it is obvious that potential immigration countries would provide financial support, such as giving loans to the operating company. This would not be a bad deal, as it is

estimated that the cost of mass immigration to Germany since 2015 amounts to at least € 30 billion per year. With this amount one could set up several Migrant Cities in the areas most in need of reform, which – after a start-up period – would financially sustain themselves and, if successful, could even repay the initial investment.

The operating company will certainly have to pre-finance the first few years. But this is normal venture capital business and if the project is successful, the increase in land value alone might pay back the investment.

HUMAN RIGHTS

Under the private structure, the contractual rights and the human rights of the inhabitants are guaranteed. This is because all actions of the private administration are subject to the contractual agreements and can therefore also be reviewed in the courts. In addition, it is conceivable that the host state, other protective powers and the residents send delegates to a public inspection commission, which ensures that the operator also complies with the rights guaranteed by the citizens' contract. In addition to respecting fundamental human rights, it is important that the legal position guaranteed under the Citizens Contract and the corresponding obligations are not unilaterally changed to the detriment of the residents.

Due to the system itself, economic development, security and stability take precedence over political participation. The latter can be introduced in a second phase, say after ten years, with the residents then being able to choose the city manager or mayor or refuse measures or rule changes through a referendum.

It is further conceivable that the inhabitants themselves become co-owners through allocation of shares in the operating company. This would bring about an alignment of interests, as the residents would then not only have the right of participation and co-decision at the shareholders' meetings of the operator, but also an economic interest in the prosperity of the city. The allocation of shares may, for example, be linked to a minimum length of stay in the city, to the punctual payment of contributions or similar criteria that create incentives for good conduct.

There is every reason to believe that such communities will grow and flourish by guaranteeing security, committing themselves to the vigorous enforcement of law and contract, allowing personal and economic freedom and keeping political and religious conflicts at bay. They can offer many people a perspective they cannot find anywhere else. In the event of success, the idea will spread. If they spread enough, Migrant Cities could make a significant contribution to mitigating the refugee and migration crisis.

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For an Impact-Oriented Debate on Micro Jurisdictions – Lessons Learned from the Honduras Project

by Armin Rothemann

The neoliberal narrative of free cities as incubators for economic growth has not only culminated in various concepts of micro-jurisdictions in recent years but has also entered an additional field of discourse. Originally considered an object of economic cooperation, the concepts of micro-jurisdictions have increasingly been debated as a potential tool for migration management.[1] In Germany, the politically widely advocated desire to combat so-called causes of migration has lent new weight to this initial secondary level. While the theoretical discourse on micro-jurisdictions has evolved vividly within the last few years – from the concept of Paul Romer's Charter Cities to Free Private Cities and SDZs to further modified forms – the first *practical effects* of the years-long debates have also become noticeable. In May 2021, the party AfD, which belongs to the German political right, introduced a non-adopted motion in parliament calling for Germany to establish a Charter City with a partner state.[2] At the same time, against the expectations of most international observers, a pilot project on the establishment of micro-jurisdictions running in Honduras started to gain momentum after having stalled for years.[3]

Based on these developments, it must be noted that micro-jurisdictions have left the framework of purely academic debates and have become the subject of political and economic practice: expert opinions are commissioned, and feasibility studies carried out – in some cases even laws have been amended or adopted to enable the establishment of micro-jurisdictions. Potential states where implementation is being attempted include Honduras, Ethiopia, Vanuatu and, most recently, Sao Tomé. All these projects are united by the abstinence of previously debated partnership support from third states. They are run entirely under the aegis of private companies.

However, nowhere else is the establishment of the world's first micro-jurisdiction as much progressed as in Honduras. When we think about what micro-jurisdictions are, what they can be or what they should be, we cannot avoid looking at the case

of Honduras. Theoretical concepts must always be measured against their practical effects. In Honduras, it was clear from the outset that not the best of all solutions for economic growth should be applied here, but an implementable and, in case of doubt, only second-best solution. *Christopher Freiman* once illustrated this sobriety in combination with the theory of the second best.[4] The fact that we all do not live in a perfect world should be clear and is probably undisputed. Nevertheless, the case of Honduras gives us cause to reflect on what is generally bearable for us apart from the perfect and, in particular, what is and should be bearable as the so-called second best. The fact that the implementation of micro-jurisdiction concepts is fraught with risks has been known since the experience in Honduras. However, the question of whether it might be worth taking such a risk again in the future has received little attention up to this point. The answer to this question is closely linked to whether one understands the Honduras project as an individual case or as a concept-related failure. As will be argued subsequently, there are good reasons for assuming the latter.

Originally started in Honduras as a Charter City project called RED with the participation of Paul Romer, the project now continues under the name ZEDE in the concrete appearance of ZEDE de North Bay (or Próspera[5]) on the island of Roatán.[6] From the approach pursued at the time of establishing special designated areas with good governance, strengthened human rights and an economy-boosting effect, not much has remained. According to its statutes, ZEDE de North Bay has a non-legitimized government led by investor interests, the right to vote and stand for election within the jurisdiction is massively restricted, and it is often disputed who actually owns the land needed for the project implementation. Neither the inhabitants of the required territory nor the rest of the population of Honduras have been properly consulted in the preliminary stages of project implementation. In particular, the rights of indigenous groups have been disregarded. Due to these circumstances, the project understandably lacks support among the Honduran population and faces increasing resistance.[7]

The result of the pilot project conducted in Honduras is not only questionable from a human and moral point of view. It is also evidently illegal under Honduran and international law. Especially with regard to human rights, the project causes serious violations. The numerous legal provisions violated include the Honduran Constitution, the American Convention on Human Rights, the International Covenant on Civil and Political Rights, ILO 169 and the right of peoples to self-determination.[8] A legally correct implementation would have had to take at least the following aspects into account:

1. Protection of democratic participatory rights of the Honduran population;
2. Protection of property rights and ownership of land;
3. Protection of indigenous groups;
4. Conduct of a referendum.[9]

The fact that none of these aspects was even partially taken into account is on the one hand due to the non-transparent approach of the investors active in Honduras and on the other hand due to the corrupt former governments. It should be remembered at this point that the entire ZEDE project is based on a judicial scandal that is unparalleled. In order to pass the ZEDE law despite massive opposition, 4 out of 5 judges of the Constitutional Chamber of the Corte Suprema de Justicia, which had previously spoken out against the ZEDE law, were removed from office by decree in 2012.[10] It must be logically admitted that the breeding ground from which the Honduras project emerged was characterized particularly by a lack of rule of law and an abusive collaboration between the ruling elite and unscrupulous investors. Against this background, it is only fortunate that Xiomara Castro, the new Honduran president, has announced her intention to repeal the ZEDE law within her first 100 days in office. The change expressed by the new government regarding the attitude towards the ZEDE project gives reason to hope that the nightmare in Honduras will soon come to an end.

The Honduras case not only leaves most international observers speechless, but also raises the question of whether micro-jurisdictions should continue to be promoted. Advocates of micro-jurisdictions will now argue that the Honduras case is a singular case and that such a type of project simply needs to be planned and implemented differently in order to work. In contrast, however, it must be emphasized that in the case of Honduras there was not only a confluence of unfortunate circumstances. Instead, the case of Honduras has revealed the actual weakness of micro-jurisdiction concepts already inherent in their theoretical approach.

By their very nature, micro-jurisdictions would only be established where the power of the state and the rule of law are already severely limited. Otherwise, there would be no need for a radical (re-) construction of "functioning" structures if a state and regulatory vacuum did not already exist. In this environment, there are no reliable state institutions that can accompany a legally secure process of establishing micro-jurisdictions. Consequently, a particular risk of serious legal violations caused by micro-jurisdictions emanates not only from their final stage after establishment, but already from their establishment stage. The severely limited or non-existent possibilities of control of legal violations by the target states of micro-jurisdictions thus reveal the original scope of application of micro-jurisdiction concepts as a decisive theoretical design error. As described above, the establishment of micro-jurisdictions in conformity with the law (already in the establishment stage) requires the protection of democratic participatory rights, the protection of property and ownership of land rights, the protection of indigenous groups, and the conduct of a referendum. Even if the micro-jurisdiction established at the end of the process were the most legally secure place in the world: in the foundation phase, the project would remain dependent on the (non-existent) structures of the target state. This means de facto that investors can act completely freely in establishing micro-jurisdictions and are not subject to any or sufficient state control function. The Honduras project, howe-

ver, shows that the necessary leap of faith in favor of investors cannot be justified by clear common sense.

The case of Honduras has taught us that the most significant risk in implementing micro-jurisdictions lies in their scope of application. In contrast, the Honduras project has not been able to show us the political and economic positive effects that can be achieved through micro-jurisdiction projects. It therefore remains to be seen to what extent this one-sided cost-benefit relationship will affect the future discourse on micro-jurisdictions. Regardless of how individual observers may position themselves in this regard, the theoretical debate on micro-jurisdictions can only continue with consideration of the devastating effects of the Honduras project.

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Examples of Planned Cities: A Ghanaian Work in Progress

by Martin Read & Peter Hedlund & HRH Togbe Afede XIV

LAND GIFTING AND COMPETITIVE DEVELOPMENT

Having accepted the merits of combining cross-sector aid into a single city project, where does one begin? One idea is to open up the project to a select group of private inward investors, and let them decide the directions in which the city should develop. As an incentive, free plots would be gifted to these potential sponsors, for their 'invisible hands' then to build homes and businesses.

Land gifting as an incentive for inward investment has been applied as a tool of development even in the United Kingdom: up to the 19th century Cornish mining villages would offer a plot of land on condition that the recipient built a mine or dwelling on it within a stated period. Small mines and cottages would be developed within the requisite timeframe in order to secure the gift, and later these might be extended.

As well as spreading the development cost and risk across many participants, land gifting could create an exceptionally cosmopolitan environment, attracting entrepreneurs with trade connections across the globe. Initial land recipients may just decide to do nothing, or sell the plot to another developer. In order to accelerate such decisions, a gifting period of two years maximum should be considered. Furthermore, plots lost by inactive recipients would be reallocated to those investors making the most rapid and significant investments: those at the top of the table. This introduces a competitive element of commerciality into the roll-out of the city, with land values rising exponentially as a result.

ATTRACTING EXPATRIATES

Saudi Arabia's incredible city project, Neom, is seeking to attract expatriates for permanent relocation as well as short-stay tourists. The expertise that expatriates have brought to Dubai, Singapore and cities of the 'old world' – especially St Petersburg[1] – is a cornerstone of their success. Some ideas for tourist attractions are mentioned

Three Continents, Three Clubs
Three Continents, Three Cities?

While many of Ghana's citizens have prospered, the majority continue to wallow in poverty, ignorance and disease. In the Volta Region in particular, ambitions are limited by inadequate education facilities, a lack of job opportunities and other issues. I do not accept this!

I would welcome the opportunity to work together with expert partners to overturn this. As climate change, neighbouring terrorism and inflation unravel regional progress, speed is of the essence. That is why I believe that a city-scale project makes sense: unlike country-wide changes, it is easier to control the multiplicity of factors affecting the success – or otherwise – of a project.

As Chairman of Ghana's leading football club, we have already put partnership into practice: Hearts of Oak is part of a 'Three Continents, Three Clubs' alliance with Hoffenheim (German Bundesliga) and FC Cincinnati (USA's Major League Soccer). These clubs share our values and we expect to gain enormously by sharing management knowledge and playing talent.

Football is important, however it is not 'life and death'! Many of the issues facing my citizens in the Volta Region – particularly sanitation - are, however, in this higher league of consequence. And so it is with anticipation that I hope also to announce a 'Three Continents, Three Cities' alliance with Europe and America, which share Ghana's democratic values. We have earmarked over 260 square kilometres of land, free of historical planning and infrastructure errors, in the Volta Region to make this possible. Let history be history, and let us move forwards together in building a new world city, one that both Ghanaians and expatriates are proud to call home!

HRH Togbe Afede XIV, President of Asogli Traditional Area (Volta Region), former President of Ghana's National House of Chiefs and Chairman of Accra Hearts of Oak FC

later in this article, however let us first consider what a Ghanaian city might require to attract expatriates. High salaries are presently unlikely, given Ghana's minimum wage of USD2 per day, although the city could support high wages if it were to become a regional hub.

The Institute for Health Metrics and Evaluation forecasts that Ghana's population will grow to around 52 million in 2100 from 32 million at present, whilst Nigeria, Ghana's near neighbour, is forecast to become the second[3] most populous country on

earth by 2100, reaching 791 million from 211 million today. Having a manufacturing base and expatriate community on the doorstep of such a large market, accessible without tariffs as a result of the African Continental Free Trade Area, presents a compelling opportunity for business revenues and staff seeking responsibility.

Lifestyle is the main prerequisite for attracting expatriates: is the city safe, hygienic, entertaining and beautiful enough to warrant the upheaval of relocating. Ensuring safety in West Africa is likely to require both army and police assistance from a sponsoring nation. Securing hygiene would require a potable water supply and waste water pipes, instead of the cholera-causing open ditches of Accra.

Ghana's laws and culture are a better fit for western expatriates than Dubai. Like Dubai, however, a new city would need to make sports, cultural and nightlife facilities a priority rather than an optional extra, in order to meet expatriate expectations for downtime activities. As for beauty, this facet is addressed by some of the master planning ideas mentioned later, but first we must consider the important issue of proof of land title, especially if we expect plots to be traded.

LAND REGISTRATION

At present it is difficult even to give land away effectively in parts of Ghana, owing to a lack of accurate mapping and registration management. The funding of land registration by Ghana's government has been slow, with donations allocated for this purpose not reaching survey teams. A prioritization exercise carried out by the Copenhagen Consensus in 2020 ranked land titling in fourth place out of 79 projects. They estimated titling to have a cost-benefit ratio of ~100 times its estimated cost of USD 270 million, owing to improved access to credit, reduced land transaction costs and increased investment certainty.[4] Two thirds of the cost is for surveying the 170,657 km² of untitled 'customary' land, however this undertaking has a 'non-trivial risk of implementation failure' and abortive costs.

GOVERNANCE, LEAD SPONSOR AND OTHER PARTNERS

Located on customary land, the head of the city's governance structure would be one of Volta Region's traditional monarchies, the Agbogbomefia. Heading up the city's Executive, however, would be a 'Lead Public Sponsor'. The ambition is that this role might be filled by a D10 nation state that has personnel already located in Ghana, particularly Germany (EU), the USA or the United Kingdom.

The key value addition of the Lead Public Sponsor and its 'general management concession' is to give global partners and expatriates confidence that public administration and personal security will be of Western standards. The role offers scope for a Western nation to realise many of its development targets, experiment with

The Geospatial Revolution

The concept of the 'map' has completely changed in recent years and continues rapidly to evolve. It used to be a simple visual reproduction of the world, but now – with the application of geospatial location data – it provides many critical insights needed for national prosperity and wellbeing. Governments, societies and industries now rely heavily on geospatial data. It underpins essential functions of government, such as land ownership management, infrastructure and transport planning, disaster recovery, statistics, refuse collection and more.

In the developed world geospatial data has been proven to increase GDP by 0.2% to 1.2%.[2] This uplift will almost certainly be greater in developing nations such as Ghana, as the bank financing that the data makes possible leverages growth. 70% of the world's population occupies property without the benefit of a secure title, excluding them from mortgage finance. This also explains why most African nations collect only 0.01% of their total tax revenues from land transactions, compared to nearly 10% in the UK.

Ghana's Ministry of Lands and Natural Resources has recognized the critical importance of digital mapping and land administration systems in growing the domestic economy. It encourages international investment and builds more sustainable, inclusive and resilient communities. In order to accelerate mapping efforts for Volta City State, and reduce the burden on the Ministry, finance is in the process of being raised for Volta Mapping Company, a private company which will have a commission to establish and maintain the city's land registry. When high resolution imagery and lidar data for the full 260 km² site have been obtained, and loaded into proven land management software, following industry methodologies and processes, we can move ahead confidently with gifting land to Western, Eastern and African partners.

Peter Hedlund, former CEO of Ordnance Survey International

new approaches to aid or internal affairs (such as relocating migrant processing), and also provides their companies with opportunities to export goods and services.

Other partners invited to participate via land gifting would be smaller countries such as Norway, Taiwan, Singapore and Israel, sovereign wealth funds, world-leading companies such as Macquarie Group (Australia), Brookfield Asset Management (Canada) and Mace (UK), and manufacturers of building materials and fittings. The chiefs, led by the Agbogbomefia, would retain at least 35% of the city's plots for future sale at uplifted values, with the proceeds then invested in other parts of the region.

Togbe Afede XIV, the head of the traditional council in Ghana's Volta Region, has identified a 260 km^2 parcel of land for 'Volta City State', as per the adjacent site outline. Although the area has already been assessed for flood risk, which is absent, there is still the need to map the area at a level of detail that is required for land registration purposes. There is then the task of creating and maintaining an accurate land registration database. To speed up this undertaking, raise funds quicker and mitigate the risk of project failure, a private company is proposed: Volta Mapping Company Ltd, which will be headed up by identified industry expertise.

Location of Initial Zone

As part of the project's roadmap, Togbe Afede XIV has commissioned a detailed urban plan, example renders and a scale model for a 4 km^2 'Initial Zone' of Volta City State, located towards the north east of the 260 km^2 site. It connects with Ghana's N2 highway via Juapong, providing good road links for inward and outward transport of goods with Accra and northern areas as far as Burkina Faso. The site is close to the route of Ghana's burgeoning rail network, which will run to Ho, Volta's regional capital. A major electrical transmission line from the Akosombo hydro plant runs near the site.

Draft plan: 4 km^2 initial zone, with example renders

MASTER PLANNING

A high density, yet relatively low rise, layout has been devised. This will prevent urban sprawl, accelerate land value growth and allow residents to walk anywhere within five minutes in low-traffic, mixed-use neighbourhoods. One of the 1km^2 quadrants has been reserved for tourist and resident leisure attractions, to include sports facilities, theatre and concert venues and a pan-African indigenous village. Within the central gyratory a miniature game park with watering hole would connect via a sunken channel to a larger wildlife area to the east of the city, providing a unique opportunity for tourists and residents to have doorstep access to African wildlife viewing.

Building design would be controlled within the Initial Zone. A limited range of different buildings will ensure both harmony of style and efficiency of build out. The most common format would allow for usage as either retail and offices (Image A), or as residential apartments (Image B) Luxury villas (Image C) would be designed to maximise expatriate enjoyment of the Ghanaian winter sunshine! Land for warehouses, film studios and industrial use would be made available just outside the Initial Zone.

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[1] 'A history of Future Cities', Daniel Brook, chapter 1.

[2] Indecon, 2014: 0.33% estimated impact on Irish GDP; Hickling Arthurs Low et al, 2015: 1.1% estimated impact on Canadian GDP.

[3] The same set of forecasts predict China's population will nearly halve to 732 million by 2100, putting China third behind Nigeria.

[4] 'Cost-benefit Analysis of Land Title Reforms in Ghana: An Order of Magnitude Estimate', Charles Adjasi & Stanislaus Adiaba, Copenhagen Consensus Center.

CONCEPTS AND THEIR COMPARISON

Concepts for Planned Cities

by Christiane Kraus

Concepts for Planned Cities and Cities of Refuge date back to biblical times. However, most concepts were developed in the last 50 years, when migration led to rapid urbanization and when refugees needed shelter for a longer period than previously experienced. This paper provides an overview of the concepts. At the end, we summarize a few concepts of free or planned cities that actually exist in Asia and Africa.

1. Biblical Cities of Refuge provided shelter for believers in distress. Based on an old-testament command (4 Moses 35:6), unintentional felons could seek refuge from vigilantes in appointed cities until an official judgment had been passed. This tradition was continued in the 16th century: Persecuted Christians were granted land to build their own cities, some of which prospered economically.[1]

2. Egypt's New Urban Communities (NUC) fail to deliver expected economic growth and population since four decades. Initiated as an answer to overcrowded Cairo, over 20 NUC were founded since the late 1970s and have attracted some businesses with economic incentives (e.g. tax breaks).[2] However, only a fraction of the target population has actually moved to these cities because of

- insufficient public services (transportation, education, health)
- poor planning regarding housing (wrong target group, too little density)
- harmful regulations preventing small and micro-businesses (which represent 45 per cent of employment)
- uncalculated economic dependence on the capital.[3]

3. The Global Compact on safe, orderly and regular Migration (GOM)[4] and the Global Compact on Refugees (GOR)[5] provide reference points for free cities. Both compacts have been adopted by the international community in 2018. They represent a consensus of a wide majority of UN members. Several paragraphs support the same objectives as the concept of free cities and can be referred to in the realization process of free cities. Those are, inter alia, objectives (2), (16), (18) and (19), that recognize the potential of migrants to contribute to positive development outco-

mes and highlight the need to enable people to build sustainable livelihoods in their countries of origin or elsewhere and to invest in sustainable development at local and national levels, and para. 12, 13, 15 of the Global Compact on Migration. The latter promotes a whole-of-society approach and multi-stakeholder-partnerships that include the private sector and other relevant stakeholders in migration governance. Similarly, para. 100 of the Compact for Refugees envisages that 'states and relevant stakeholders will contribute resources and expertise, including technical guidance on legal and institutional frameworks that foster the peaceful and productive inclusion of refugees and the well-being of local communities' in order to find other local solutions to refugees.

4. UNHCR: Policy on alternatives to camps:[6] Furthermore, the UNHCR's policy on alternatives to camps and urban refugee policy (2014) should be taken into account. The policy responds to the reality that more than half of all refugees are already living in urban areas and marks a shift away from giving primary attention to refugees accommodated in camps. It calls for UNHCR to work decisively toward the removal of obstacles to the exercise of rights of refugees and achieving self-reliance. Harnessing the potential of refugees and enabling them to access employment and self-employment opportunities are considered crucial.

5. Paul Romer, winner of the Nobel Prize in economics in 2018, has advocated "free cities"[7] stimulating endogenous growth since 2009. He proposed newly founded cities to trigger economic growth, governed by a foreign power. They would be open for immigration and attracting foreign investment with low taxes, low tariffs and an attractive location.

In order to realize his concept, Romer capitalizes on three aspects: (1) good rules captured in a city charter, (2) the provision of uninhabited land where the city will be build, and (3) choices of leaders and their decision upon cooperation between states and, subsequently, the delegation of administrative responsibilities to foreign authorities.

Romer's proposal was critiqued as "neo-colonial" and attempts to implement his idea in Madagascar and Honduras have not been successful.[8] However, with the refugee crisis in Europe, it has had a come-back.[9] One of his most famous theses is "Poor people have always built their own homes".

6. Sustainable Development Zones (SDZ), as proposed by a consortium of consultancies and NGOs[10], promise economic growth in areas with high refugee population. Combining the concepts of Special Economic Zones[11] and displacement economies, zones allowing free migration are envisioned.

A concept of so-called refugee cities[12] would comprise special-status settlements in which refugees would be legally allowed to engage in meaningful, dignifying, and rewarding work. The aim is that residents have opportunities to support themselves

and build their futures while foreign aid or other assistance would only contribute to achieving this aim. As a benefit to host governments, refugee cities turn refugees "from being a burden to a benefit". They, furthermore, lead to increased investment and activity in the area; "spillover" benefits are expected.

- The cities would be governed by a dedicated regulatory authority that would most likely be administratively within the larger host-country government (alternatively, a regional, supranational entity, such as the EU or a collection of representatives from the host country and neighboring nations, could establish the regulatory authority).[13]
- Another conceptualization envisages that the SDZ shall be governed by an administrator who in turn is accountable to an oversight board. The national government provides solely a legal framework without legislative, judicative or executive powers inside the SDZ.[14]
- As of January 2019, Kilian Kleinschmidt, Joachim Rücker and Michael Castle-Miller have concluded a feasibility study for UNHABITAT in Ethiopia.

7. British Economist Paul Collier recommends bringing economic opportunities to poorer countries to avoid migration to Europe. Instead of spending money to accommodate economic refugees in Europe, this money should be allocated to promote economic growth in their countries of origin.[15] This idea was Paul Collier's inspiration for the conceptualization of the Jordan Compact and the Compact with Africa, which was initiated under the German G20 Presidency.

8. Titus Gebel – Free Private Cities:[16] The German jurist and entrepreneur Titus Gebel is the founder and CEO of Free Private Cities Inc. In his book "Free Private Cities – Making Governments Compete for you" (2018), Gebel sets up a liberal model of a city that promises (solely) security and liberty to its citizens and is understood as giving a framework in which prosperity can be achieved.

According to Gebel's concept, the city is run by a private company that offers the basic services of a state, the "protection of life, liberty and property", in a defined territory within a host nation. The residents pay an expenditure-based fee for the services and an independent arbitration is provided in the case of conflict. He, thus, assumes that no regulatory state monopoly and further democratic structures are needed when striving for a peaceful cohabitation and prosperity of all residents.

In the development of his concept, he referred to examples such as the Greek city states of the antiquity, free cities in the Middle Ages in Central Europe, the Hanseatic League, Hong Kong and Singapore.

9. Martin Read – City State for Africa Movement: Martin Read, a Zimbabwean based in London, takes up the very same idea of free cities of Paul Romer, calling it an African city state. He has already presented the concept of an EU-managed

city-state to the ambassadors of the Ivory Coast and Burkina Faso, who have stressed the importance of a governance structure that allows the host nation and tribal chiefs to participate. Read, however, points out that the EU must control the city state's law and order, including its military, with total authority in order to ensure effectiveness. Furthermore, a leasing period of 150 years is foreseen.

He envisages EU governments, the UK and Singapore participating in the project, too. Read highlights. Benefits for the host country are expected to be the and rent, paid as a percentage of the city state's GDP, second salaries paid to politicians, a huge increase in trade and tourism as well as better transport infrastructure in order to connect the city state with its neighbours.

Read is working on the project together with Syed Kamall, Oumar Doumbouya and Alex Amoyaw.

10. Settlement Project by Christina Recker: Recker has produced a project proposal that envisages the establishment of a city in e.g. Southern Kenya that hosts refugee populations. It shall provide a home to 10,000–25,000 inhabitants consisting in Arabic refugees, who currently live in Germany, African refugees and Europeans as well as locals who are in charge of the administration of the city and the provision of services. Self-sufficient supply will be guaranteed through the provision of land and, crucially, the city shall attract international businesses in order to boost economic development.

11. Numerous New Cities[17] have been built across Asia and Africa since the early 2000s. Those new cities are urban mega-projects that are intended to be largely independent from existing cities and have their own industries. Thus, they are supposed to be long-term engines of economic growth.

Critics, however, warn that in many cases highly developed and luxury urban centres are contructed that target only the upper class. Thus, social inequality in public spaces and the city as a whole might increase. Examples are the following:

- "Modderfontein New City" in South Africa:[18] A Chinese firm, Shanghai Zendai Property, has acquired a 1,600 ha land parcel 20 km away from the Johannesburg Central Business District and 8 km away from OR Tambo International Airport, and has started to build an $8 billion city, which shall be completed within the next 15 years. The "Modderfontein New City" will include offices, a light industry park, housing for 100,000 people, schools and entertainment centres. In part, it may attract Chinese nationals residing in South Africa but local residents shall equally benefit from jobs and housing.
- Diamniadio[19] in Senegal: Forming part of president Macky Sall's "Emerging Senegal Plan", which aims at "getting Senegal onto the road to development by 2035" the modern urban center should have risen by 2035. It is ideally located 30 km east east of Dakar between the city and the airport. A "ministerial city", a university,

an international industrial park, a "smart city" and housing for 350,000 people seeking to ease the population pressure on Dakar are planned.

- Eko Atlantic[20], Lagos, Nigeria: Built on an artificial island, the planned city of Eko Atlantic is anticipated to host at least 250,000 residents and receive a daily flow of 150,000 commuters. It is assumed that the project holds enormous economic opportunities through attracting investments and satisfying needs for financial, commercial, residential and tourist accommodations. Furthermore, the project is supposed to help stopping the erosion of Lagos State's coastline and has been promoted as a sustainable, eco-friendly city.
- Project(s) by Samih Sawiris[21] in Senegal: Samih Sawiris, the President and principal shareholder of Orascom Development Holding (ODH) from Egypt, is working on several projects in Senegal. One major project is an envisaged construction program of 35,000 low cost dwellings (houses and apartments) in 400 hectares granted by the Senegalese state in the continental pole of the new urban center of Lac Rose (7500 hectares), thirty kilometers from Dakar. The concept comprises 60% social housing and 40% residential housing. The new housing community project is worth $ 300 million and will be similar to the company's previous project Haram City, located close to Cairo, Egypt. Recently, the Directorate General of the urban centers of Diamniado and Lac Rose have signed the lease agreement.
- Another project by Sawiris, also supported by Dr. Ute Ohoven, Honorary Consul of the Republic of Senegal, is to rebuild the shantytown of Baraka in Dakar with more than 200 apartments and overall infrastructure.
- Tatu City in Kenya[22] is being built an a former coffee plantation (50,000ha), which hs been purchased by an investor group in 2008. The city is to host 150,000 inhabitants, for whom infrastructure is being provided including schools, hospitals, shopping and recreational facilities. Since 2018, Tatu City has been designated as a Special Economic Zone. Target groups are low and middle income people ; migrants generally accepted.
- Nkwashi in Sambia has been founded in 2013 on 1,200ha for 100,000 inhabitants, target group middle income. Infrastructure provided ; concept fully private with an independent, private city administration but part of Zambian state. Nkwashi includes a commercial business district, where businesses are expected to settle.

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[1] Bjelland (2017) City of Refuge: Separatists and Utopian Town Planning, The AAG Review of Books, 5:4, 241

[2] Cf. NUCA (2018) New Cities, http://www.newcities.gov.eg/english/New_Communities/default.aspx

[3] Cf. Sims (2015) Egypt's Desert Dreams: Development or Disaster? American University, Cairo, 155; Tadamun (2015) Egypt's New Cities: Neither Just nor Efficient, http://www.tadamun.co/2015/12/31/egypts-new-cities-neither-just-efficient/?lang=en#.W6EICvUyW71

[4] https://reliefweb.int/sites/reliefweb.int/files/resources/migration.pdf

[5] http://www.unhcr.org/5b3295167

[6] Online available at: https://www.unhcr.org/5422b8f09.html

[7] Online available at: https://www.ted.com/talks/paul_romer/transcript

[8] Online available at: https://marginalrevolution.com/marginalrevolution/2012/09/paul-romer-on-what-happened-in-honduras.html

[9] https://www.tagesspiegel.de/politik/paul-romer-ueber-migration-star-oekonom-will-migranten-in-freistaedten-unterbringen/22795906.html

[10] Dr. Joachim Rücker Consultancy (http://www.joachim-ruecker.de/); Michael Castle-Miller – founder and CEO of Politas Consulting (https://www.politasconsulting.com/; https://www.youtube.com/watch?v=OLoKSWrUNUs; https://www.youtube.com/watch?v=sRdKOQZesU4), Kilian Kleinschmidt – founder and CEO of switxboard (http://switxboard.org/); for the concept paper see: https://refugeecities.files.wordpress.com/2018/07/sdz-concept-proposal-071118-final.pdf

[11] For further reading on SEZs in Africa: Farole, Thomas 2011: Special Economic Zones in Africa. Comparing Performance and Learning from Global Experience. World Bank. https://openknowledge.worldbank.org/bitstream/handle/10986/2268/600590PUB0ID181onomic09780821386385.pdf?sequence=1&isAllowed=y

[12] The project "refugee cities" elaborates on the concept more in detail on https://refugeecities.org/

[13] Ibid.

[14] Online available at: https://refugeecities.files.wordpress.com/2018/07/sdz-concept-proposal-071118-final.pdf

[15] Online available at: https://www.socialeurope.eu/the-migration-challenge-and-reform-capitalism-through-mutual-solidarity, https://www.nzz.ch/international/die-armen-laender-werden-nicht-aufholen-koennen-wenn-ihre-kluegsten-und-besten-leute-das-land-verlassen-ld.1410537

[16] https://freeprivatecities.com/; Gebel, Titus (2018): Free Private Cities – Making Governments Compete for you, Aquils Urbis.

[17] Online available at: https://www.forbes.com/sites/wadeshepard/2017/12/12/why-hundreds-of-completely-new-cities-are-being-built-around-the-world/#488aa53c14bf; see also Waterfall City in South Africa, Gracefield Island in Nigeria, etc.

[18] Online available at: http://www.heartland.co.za/1_zendai_development_sa.php; https://www.reuters.com/article/us-myanmar-suukyi-history-special-report/special-report-fading-icon-what-happened-to-aung-san-suu-kyi-idUSKBN1OI1ET

[19] https://qz.com/africa/1352926/will-senegals-diamniadio-city-solve-dakars-problems/; https://www.thenational.ae/business/senegal-to-build-new-city-in-bid-to-become-major-hub-1.123772; https://www.jeuneafrique.com/mag/540999/economie/senegal-diamniadio-seleve-lentement-mais-surement/

[20] https://www.ekoatlantic.com; https://www.nzz.ch/international/nahost-und-afrika/eko-atlantic-city-bei-lagos-das-manhattan-afrikas-ld.114354; https://www.dw.com/de/eko-atlantic-city-megaprojekt-auf-abwegen/a-43223787; https://www.boell.de/de/2015/06/11/auf-sand-gebaut-eko-atlantic-city

[21] https://www.jeuneafrique.com/305573/economie/orascom-development-prevoit-dinvestir-500-millions-de-dollars-au-senegal/; https://www.cp-africa.com/2016/04/14/senegal-orascom-to-build-300m-housing-community-project/; http://foceconsultora.com/orascom-development-plans-to-invest-500-million-dollars-in-senegal/?lang=en; Baraka: http://www.hope87.at/news/cite-baraka-slum-new-district-senegal; https://www.dw.com/de/modellversuch-slum-wird-moderne-siedlung/a-19036831; Haram City, Egypt: https://www.youtube.com/watch?v=L0tuG0rs6tQ

[22] See https://www.tatucity.com/

Different Concepts for Planned Cities and Criteria of Comparison

by Günter Nooke

The future will see an increase in urbanisation worldwide. Since 2006, more than 50% of the world's population has lived in cities. By 2050, we expect this share to increase to 67%, with Africa seeing the most significant increase in the number of cities and megacities.

We can learn much from the past. Economic development in Central and Eastern Europe over centuries beginning at the end of the 12th century was closely connected to the so-called Magdeburger (Stadt) Recht, i.e. the Magdeburg (Municipal) Law.[1] Loosely speaking, the core of this new way of establishing cities (town or municipal charters) was a devolution of power by a member of the clergy or the Archbishop, which granted the inhabitants within the then existing city walls autonomy to develop. The opportunity given to them to freely pursue their trades in their own interest led to the production of and free trading in goods, as well as the founding of guilds by artisans, tradesmen or manual laborers and merchants. Ensuring that everyone followed the law within the city limits was the responsibility of the religious authority. The Magdeburg Law was initially transmitted orally and not as a codified body of law. Since it contained a collection of norms and legal ideas which where variable and adaptable to the particular situation at hand, the citizens were able to live their lives in freedom and self-determination. The influence of the Magdeburg Law continued into the 19th century, long after the time of walled cities.

The attractiveness of the Magdeburg Law and the success of the founding of such cities that connected (directly) with endogenous economic growth was based, above all, on three aspects: security, the freedom to engage in economic activity, and the equality of all citizens before the law.

Such developments in countries of the global South are currently taking place in an uncontrolled and haphazard way. A planned urban development could be attractive to heads of state and government and especially to present and future "citizens" of these cities.

WHERE INHABITANTS FOR PLANNED CITIES COULD COME FROM AND WHAT THOSE CITIES WOULD NEED TO OFFER THEM

The establishment of such cities does not deal with "desired aspects" of such an undertaking but rather with "necessary aspects" for their future citizens. Cities should be founded which allow individuals and their families who would have otherwise been left without prospects for the future the opportunity to lead a better life. This does not mean cities with luxury dwellings which are unaffordable to migrants, but rather cities which ensure basic aspects of daily life: the possibility to work and earn a living, security for people, property and investments, economic freedom, as well as a largely free pursuit of self-actualization according to clear and enforceable rules.

An effort to subject possible alternative concepts to a very simplified categorization should contribute to a better evaluation and structuring of the discussion with regard to their respective opportunities and risks when realized. The categorization provided here is based on our own assessment; the chosen quantification is more or less speculative since it deals more with theoretical concepts and less with the realization of such concepts.

The complexity involved in undertaking the "founding of a city" or the "further expansion of a city" appears to be absolutely self-evident when varying approaches and implementation strategies are followed and these exist, in a sense, in a competition of supply and demand. Many of the authors represented in this publication agree on the necessity for new cities and special development zones. They represent in an exemplary way relevant but, at the same time, more or less different concepts. On the other hand, other authors have specifically described the indisputable problems which are engendered by considerations for categorization and quantification.

Still open in this debate is whether the inhabitants of the city already live in the region, or whether they come as migrants to the said place due to a lack of economic prospects in their home region or as refugees as a result of conflicts, civil war or natural disasters. Many individuals and their families could come to such planned cities under the auspices of resettlement schemes. This would certainly be a welcome alternative to forcing them to return to their homes of origin, a process which is normally advocated when asylum is sought and not granted or refugee status is not recognized. They then cannot remain indefinitely in a transit or target country.

One should not be surprised that the European Union plan from 2018, which called for the establishment of arrival and disembarkation centers directly in (North) Africa to combat human trafficking,[2] was doomed from the start since it did not involve the governments of the intended countries. However, one should not rule out planned cities as a possible compromise and a general solution to the problem for the EU, the states of origin and, especially, those who are fleeing or in search of employment and opportunity for earning income.

It would be equally desirable that all those who see planned cities as neo-colonial protectorates remain open-minded and unbiased with regard to the various concepts, remove their ideological blinders and recognize the lack of alternatives.

Securing the external borders of the EU may be necessary but, in the long run, it may not be sufficient and does not correspond to the set of values for which the EU stands. Therefore, it is not a matter of providing development aid but rather ensuring economic growth. Private sector investment necessary for such economic growth will only be forthcoming when the risks and opportunities in many African countries are sufficiently calculated. This is currently not yet the case.

The key question is the following: Can planned cities provide a more secure environment, meaning more security, prospects and opportunities for citizens inside the city, and under what conditions? Kraus and Rothemann give a good overview of the various approaches and the main actors in the areas of planned cities or city districts in their article.[3]

In addition to the classic Special Economic Zone, I have constructed four other groups based on the various concepts and models to be realized. I have done this, as stated above, without any claim of using scientific research methods and also without the consent of the authors or initiators of the concepts. I have also added, for more clarity, the names of such initiators and promoters in parentheses. Due to the broad spectrum of realization options and the various approaches to the topic, such an attempt has to be regarded as incomplete. In the process of implementation, any of the preferred model can and must be adjusted to meet the requirements of a concrete implementation. It, therefore, makes sense to correlate them with each other.

NEW CITIES AND SPECIAL ZONES: CATEGORIZATION AND CHARACTERISTICS

I. Special Economic Zones (SEZ), various models and their realization: The usual goal of such zones is an increase in state revenues, the creation of jobs, and the production and exportation of goods.

Special Economic Zones (SEZ), also known as Free Trade Zones or Free Ports, have their own legal framework with incentives for investors duly negotiated and guaranteed by the respective government and, in some cases, other stakeholders. Well-functioning SEZs are found in most countries with a relatively reliable national legal framework. Should this not exist, SEZs are not a way out of the strategic dilemma. The Automotive City in Morocco, close to the port of Tangiers,[4] guaranteed by the Moroccan King, Mohamed VI, and organized by "the private sector for the private sector", is a good example of a solution to this dilemma.[5]

II. Affordable Housing (Samih Sawiris): The improvement of housing and living conditions, financed by blending financially strong residents with less financially strong

ones as well as new arrivals from both categories in a relatively attractive location-current projects are the upgrading of slums in Dakar, Senegal, and Haram City, Egypt, which already exists.[6]

With this concept, the negotiation of a new or individual legal framework is waived since a similar or adequate framework exists in almost every country where this is implemented and enforced. The basic idea is as follows: Those who have a safe and secure roof over their head will then take care of themselves and their children. When at the same time the police also do their work and ensure a safe environment to live in, positive urban development in the city will naturally follow. Positive model cities, like Haram City on the outskirts of Cairo, and concrete vested interests will be needed to convince heads of state and government to sell hundreds of square kilometers of land to private investors. Providing a permanent residence to migrants in a ratio of 60% nationals from the host country to 40% migrants can also be a further part of this concept. Presenting residents and voters with a success story is in the self-interest of the respective government.

III. Sustainable Development Zones (SDZ) (Joachim Rücker/Kilian Kleinschmidt/Michael Castle Miller): Making adequate housing and employment possible, resulting in people who are seen as those who themselves act and are not passively taken care of or receive aid.

This model was developed as an alternative to the UNHCR-administered refugee camps and avoids the extraterritorial approach of Charter Cities. However, the relationship between the role of the dedicated regulatory authority and the host country in this model remains unclear but negotiable. The role of the dedicated regulatory authority also depends on the degree of autonomy granted at the sub-national level. The SDZ incorporates elements from the "Jordan Compact" from Alexander Betts and Paul Collier and is not limited to refugees and migrants. It can be implemented in particularly fragile countries and initiated in a "bottom up" approach at the municipal level in urban centers if the corresponding national government agrees.

IV. New Cities (Paul Romer): Today, this concept has evolved from the original "Charter Cities" idea advocated in 2009,[7] which had extraterritoriality as its main characteristic, to one which guarantees clear and equitable rules for a structured urban development in the city. Paul Romer's contribution to this book impressively shows why New Cities can be a solution and overcome democratic deficits for which the older proposal was criticized.[8] The security resulting from the given circumstances in this concept can be an answer to the issues related to migration and, at the same time, attract investments.

Establishing the necessary trust on the part of investors is not only an issue for fragile countries but also for most LDCs. This makes it necessary to specify a guarantee power in more detail. The New Cities concept is most clearly tied to the previously cited Magdeburg Law and, in the most recent past, cities such as Hong Kong

or Shenzhen. What critics call the "privatization of governance", an aspect which has been negatively labelled by many as neo-colonial ideology, would be negotiable and able to be satisfactorily configured.

V. Free Private Cities (Titus Gebel): The city as a private, liberal investment project on private land within the borders of an existing state. Essential services in such cities are offered by private service providers.

Its remoteness from politics and its strong orientation on market-determined supply and demand with market pricing makes this concept very clear-cut and "predictable". Currently, many plans to create such cities are being undertaken. In addition to Titus Gebel's 2018 book[9], Marc Lutter's Charter Cities Institute has been the driving force behind this model. For a comment by Paul Romer on his current position on the subject, which is that the phrase "charter city" has been used in inconsistent ways, and for his suggestions about alternative phrases that would be more precise, see the box insert.

A COMPARISON OF THE PLANNED CITY CONCEPTS ACCORDING TO THE FOLLOWING SIX CRITERIA

Six relevant criteria will be defined and specified below to compare the five previous concepts which can influence the successful founding and development of planned cities. This is especially related to the political prerequisites which have to be created for the founding of a New City and --- in the spirit of Paul Romer --- the general framework for endogenous growth, which means the chances of success in developing a thriving economy in the city.[10] To this end, not only investors could contribute to this success, but also all others, including the residents of the host country in the region, the extremely poor who move to urban centers, well-educated or well-trained migrants and refugees or those resettled from other countries who for various reasons also come to the planned city.

A scale of one to ten (1−10) will be used, where 10 stands for "very positive and all the criteria have been fully met", and 1 stands for "extremely negative, the criteria have not been fully met or considered".

1. **National sovereignty of the legal framework of a host country**: The degree to which the host country relinquishes its sovereignty can range from independence under international law to a certain degree of autonomy, to complete introduction into the existing legal situation. This is the politically most sensitive criterion in the founding of new cities.
2. **Security and freedom of the residents in the city**: The trust of the citizens in the planned city that they are safe and personally free to live their lives fundamentally

influences the scope of their personal activities and contributions, and the manner in which they do so.

3. **The prevention of parallel structures**: Ever since SEZs have existed, the main argument against them has been that parallel structures with their own institutions are established, which then lead to conflicts with the surrounding areas and negatively impact or influence them.
4. **The reception of migrants to the city**: As a concept, one can conceive of and build new cities without migrants. However, a great political interest in providing humane living conditions for families who live in illegal settlements and, above all, adequate employment for labor migrants, exists. Therefore, the attraction of migrants is of particular importance and carries special weight in this concept.
5. **Investment security, attractiveness for FDIs**: These are the decisive criteria for the economic success of a planned city. Prosperity at the outset of the development of a city is not created through FDIs but rather, in a far broader manner, when people feel safe and secure and are able to build their own houses on their own pieces of land. "Poor people have always built their own homes." (Paul Romer).
6. **Cost avoidance in public budgets**: This criterion is often left out of the discussion. From a Western perspective, High End models for cities based on the digitalization of so-called Smart Cities or the climate neutrality of so-called Green Cities are propagated. This concept, in light of the limited financial resources and the goal of replicating it as a development model elsewhere, is less sensible. The New Cities Concept focuses on absorbing and remunerating an already existing labor force and not on offering high-end services which the poor cannot afford. This does not represent a refusal of sustainable development models but rather the conceivable use of especially low-cost social and ecological models instead.

This last cost criterion makes clear that wherever models for cities and investments are possible and can be financed, which are carbon-neutral, environmentally friendly and socially just, the attractiveness of a city and its future appreciation in value will rise.

We have not included a separate criterion for democracy here, since an evaluation based on factors such as private cities or other negotiated contractual agreements seems to be of little use.

ATTRACTIVENESS AND COMPARISON OF THE FIVE CITY CONCEPTS ON THE BASIS OF THE SIX CRITERIA

The mesh diagram in figure 1 below compares how well the different city concepts score according to the rough division into five categories, using the six criteria. At the end of the day, the score will depend on the weighting of individual parameters in a

Paul Romer on the Ambiguity of the Phrase "Charter City"

I now try to avoid using the phrase "charter city" because it is not precise about the underlying system of governance.

Under the interpretation that I emphasized when I introduced the idea, a charter city operates inside of the existing system of governance by the Westphalian nation-states recognized by international law. Under that system, it uses familiar legal arrangements to transfer administrative responsibility for part of its territory to another nation or multinational organization. A treaty would formalize this allocation of administrative responsibilities. An arrangement of this type between two nations is the legal basis for many existing military bases. The agreement between the United States and the United Nations, which gives the UN responsibility for its headquarters site in New York, is an example of an agreement between a nation and a multinational organization. Hong Kong under British rule exemplifies the possibility of a new city that grew up under this arrangement.

There is a second way that a new city could be created. It could be located in a new legal jurisdiction that is established under the legal framework of a single nation, which retains ultimate responsibility for administration in this jurisdiction. Shenzhen is a parallel example of a new city created under this alternative. From the legal perspective, this amounts to a scaled-up version of the special zones that many nations have created.

As an aside, the name "charter city" was inspired by the charter that William Penn wrote for his new dominion of Pennsylvania. I used the name to suggest that a new city established under either of these two approaches should rely on a charter or constitution that specifies in advance the system of governance that would prevail in any jurisdiction.

I contributed to the confusion about the meaning of the phrase by using it to refer to any city that operates under a new charter or constitution and including under this umbrella both arrangements like Hong Kong and arrangements like Shenzhen. Nevertheless, in both cases, there was no ambiguity about either the nation that is ultimately responsible for administration of any new jurisdiction or the nation to which the territory belongs.

After I introduced the concept of a charter city, a third very different interpretation emerged, one that allows for the concept of a free city as described in the contribution to this volume by Titus Gebel. Under this third interpretation, a new city would not be subject to the laws or powers of enforcement of any existing nation. Advocates for this alternative seem to have in mind a de facto system of governance that is akin to the administrative system used by a large corporation. They suggest this by using such

terms as "private" and "corporation" but typically do not provide the details. They do not explain where any new jurisdiction of this type would fit in the existing system of international law. They provide no answer to such basic questions as to how such an entity would defend itself from invasion; who would appoint the person who administers the police force; or what system of accountability, if any, would constrain the executive in charge of this private jurisdiction.

My sense is that most reasonable people would not object in principle to an internal decision by some nation to create a city-scale special zone along the lines of Shenzhen. But in practice, most internal special zones are not used as "reform zones"; they are used instead as "concession zones" that grant special advantages to favored individuals and firms.

As a result, for many nations, an arrangement like Hong Kong may be a more credible way to undertake true reform and may, therefore, deserve consideration. By taking the first Hong Kong type of option seriously, I believe that the nations of the world might be able to improve on the deeply flawed status quo of camps and frustrated emigrants. If the desire for migration reveals that the quality of governance in some nations is better than in others, it is worth considering the possibility that there is some way to offer the advantages of better administrative systems from successful nations other than immigration into those nations. The alternative is not perfect. Neither is the status quo.

I am less optimistic about the insight that could emerge from discussions about "private cities" because they evade the intellectual challenge of describing how to put in place an effective system of governance by assuming that there is no system of governance.

To move the discussion forward, scholars should be clear about the differences between these three alternatives. They should highlight the practical advantages and disadvantages of each without hiding the disadvantages behind a cloud of obfuscation. In these discussions, it might be best for scholars to avoid the imprecision associated with the current vague usage of the phrase "charter city," especially in the context of private cities. Any proposal for creating a new city should clearly specify whether it is located in a new multinational jurisdiction like Hong Kong, a city-scale special zone like Shenzhen, or is a private city that lies outside of the system of governance by existing Westphalian nation-states. Moreover, anyone who proposes a private city should be ready to answer such simple questions as "Who hires and fires the chief of police?"

concrete situation, time or surrounding, since this diagram does not claim to have quantitative validity. It should rather serve as the impetus for discussion about the individual models in order to compare notes or exchange ideas and information based on existing experience in a structured way. The various changes in shape will be made visible through this. The mesh diagram can not only be altered or supplemented in the urban concepts but also in the evaluation criteria, the attributive numerical values being, of course, my personal values – a somewhat "cheeky" contribution if you will, to the intentional conversation to be organized at a networking meeting.

Figure 1: Six criteria for comparison of city concepts and their estimated scores as input for structured discussions (Nooke)

for new environments and perspectives for themselves and their families, new approaches must be developed in the field of development economics that address the problems at hand without negating or making excuses for them. Even if the amount of funding in the amount of 0.7% of the GNP demanded by NGOs and promised by governments were available, little would be achieved when compared to what the 1,000 billion Euros from possible private investors could do.

The question modern development economics must find an answer for is not how ODA money can be meaningfully spent but rather how, with government funding, such conditions can be created whereby public pension funds and private capital can be safely invested in countries of the global South with acceptable returns. In this respect, all the cities models being proposd must be viewed as a contribution to Good Governance and as "islands of good governance" or, perhaps also, "islands of good administration" with predictable and reliable frameworks.

Even if some of the models from a national government demand a certain temporally and spatially limited renunciation of sovereignty, the decision remains in the hands of the respective state host country, which knows how to negotiate its own advantages. As a suitable example, imagine a coal mine of similar size in terms of area which was approved under stipulated conditions and a state legal framework for fifty or more years, and the influence of the host country is likewise minimal. To refuse from the very beginning that a partner make an offer to another partner does not belong to a Western understanding of freedom and the freedom of contract. Moreover, it is nothing more than paternalism at the meta level: We in the West always know better what is good and right for you; in this case Africa is meant. It could be that people and governments in Africa or elsewhere assess things totally differently than we in Germany and Europe do, with our often openly recognized ideologically driven debates.

CRITICISM AND LACK OF ALTERNATIVES

Although there are strong objections to the founding of planned cities, there are two reasons for a general interest in them. Firstly, basically no alternative has been presented up to now that could in the next thirty years absorb 200 million people in a meaningful way. Secondly, due to the immense number of people who are searching

[1] Online available at https://magdeburg-law.com/magdeburg-law/

[2] See e.g.: https://ec.europa.eu/info/sites/default/files/migration-disembarkation-june2018_en.pdf

[3] See article by Kraus in this volume.

[4] See e.g. https://en.wikipedia.org/wiki/Automotive_industry_in_Morocco

[5] Frische, Myriel 2017, "Employment Effects of Foreign Direct Investment: The Case of Morocco", Humboldt Universität zu Berlin, mimeo (Masterarbeit) HUB, Wolf, Nicolaus

[6] See article by Sawiris in this volume.

[7] Romer, Paul: Why the world needs charter cities, TEDGlobal July 2009, https://www.ted.com/talks/paul_romer_why_the_world_needs_charter_cities

[8] See article by Romer in this volume.

[9] Gebel, Titus, Free Private Cities: Making Governments Compete For You. Aquila Urbis, Walldorf 2018. Deutsche Ausgabe: Gebel, Titus, Freie Privatstädte, Mehr Wettbewerb im wichtigsten Markt der Welt, Walldorf 2018.

[10] See article by Schepers in this volume.

STRENGTHENING EXISTING CITIES, URBAN INFRA-STRUCTURE AND URBAN POLICIES

Cities, Not Camps: Practical Perspectives and Obstacles

by Victoria Delbridge & Astrid R.N. Haas

Rapid urbanisation in resource constrained environments presents a critical problem: investment in the infrastructure and services that will make these cities productive, liveable, and sustainable rather than sites of overcrowding and congestion is not happening at the speed and scale required. In Africa particularly, two-thirds of the population living in cities by 2050 is yet to come – with an increasingly small window to act before mass settlement takes place. Reinforcing this urgency to act are concerns around accommodating the increasing levels of migrants, as people move in search of a better life – while over 70% are movements are within Africa itself, 18% are in Europe.[1]

A strong interest in new cities has resurfaced as more stakeholders feel that the traditional approach to development cooperation of transferring money, goods and knowledge has underperformed. The conceptualisation of charter cities or new cities has evolved over time – creating a spectrum of rules and approaches. While the various iterations developed have different nuances, at their core, charter cities are proposed as 'islands of prosperity' that could eliminate structural dysfunctions that inhibit economic growth and stability of a country. Most prominently: (1) overcoming challenges around state capacity, and the legal and governance framework – a rapid way to leapfrog existing institutional inertia and increase investor confidence, (2) enabling planners and investors to escape the financially and politically costly exercise of retrofitting infrastructure where mass settlement has already occurred in existing cities, in order to build more productive, liveable and sustainable cities, and (3) enabling economic opportunity nearby, reducing migration abroad.

Although this brief will not go further into details around migratory patterns, it is important to lay out one key fact that challenges the premise of this discussion overall. Migrants are far from a homogenous group and do not always leave their countries solely for economic reasons. The search for economic opportunities is certainly one key driver, however, cities, particularly the most successful ones, are about more than just infrastructure and firms. Migration due to conflict, climate change and food security, access to services or to re-establish social networks with family and friends are equally important reasons as to why people move. The intangible networks created by people in existing cities are difficult to replicate – evidenced by the low numbers of residents living in and moving to existing planned cities (see Brasilia, Dodoma, Yamassokouro, Cyberjaya as contemporary examples). This heterogeneity of migratory patterns as well as the fact that there are benefits to migration too, means that there will never be one 'solution' nor, importantly, is it even desirable to stem migration overall.

Nonetheless, the rest of this article will focus primarily on the arguments relating to economic opportunity, exploring the practical challenges that might be faced in the implementation of new cities, focussing on the risk of rising inequality and provision of public goods, the link between connectivity and economic prosperity, and the importance of building local institutions.

PRIVATE CAPITAL WILL REINFORCE INEQUALITY, AND IGNORE PUBLIC GOODS

The simple truth is that building a city from scratch, particularly in new areas which are less well connected, is expensive. Given the already constrained resources, which have been further affected by the COVID-19 and associated economic crisis, it is inconceivable that public sector resources of African countries can be used to build these new cities.

As such, attracting private sector resources will be key in building any charter cities, and ensuring there is sufficient connecting infrastructure to attract firms and support agglomeration economies. However, as such greenfield investments can be a risky financial bet, these resources will come at a cost (as will be elaborated in the next section). In order to ensure that the investments can be recouped, the infrastructure and assets that are ultimately constructed with them will need to be priced accordingly, raising the question whether the average African migrant would be able to afford to live in such a city at all?

Answering this question comprehensively is challenging, as to date, no charter city in the world has actually been completed.[2] However, planned cities, the notion of building cities from scratch, to help avoid the political and financial cost of retrofitting and to decongest already overcrowded cities, has taken off in Africa in the past years. Even though these do not yet have autonomous legal and governance systems, they provide a useful guide. Leading this charge is Nigeria, which is planning over 25 million square meters of new cities.[3] Others like Kenya[4], Mauritius[5], and Senegal[6] also have similarly ambitious plans.

One thing all these cities have in common is that they have already priced out the average local resident, before their construction has even been completed. Speculation on land and housing has significantly inflated property prices rendering them unaffordable to the average resident. For example, in Eko Atlantic in Nigeria, the

current buying price for a 2–3 bedroom apartment is between 800,000 USD and 1 million USD.[7] In Senegal's Diamniadio City, although the housing developments are yet to be built, land prices have increased so substantially that it is already clear the average Senegalese citizen will not be able to live there.[8] This rise in prices due to speculation will be compounded by the prices investors will want to charge to cover their costs and make a profit.

This is not to mention the fact that not everything in a city can be packaged neatly into a 'bankable project' that will attract private investors. Linking to the next section on connectivity infrastructure, there are critical public goods and services whose benefits, and therefore profits, are far greater at the collective level than to the individual. These include things like dams, roads, public open space, and community centres, all of which are not investments with a good return for a private company unless they are recouping the broader economic growth benefits from connectivity, public health, or a happier and more educated workforce. It is not yet clear how this will be addressed in charter cities.

A large and cheap labour force is another aspect that attracts commercial investment, and often a central policy in economically successful Special Economic Zones (SEZs). The Hawassa industrial park in Ethiopia, for example, has used low wage policies to break into the clothing and textile industry.[9] While the zone has successfully created over 33,000 jobs, there are also incredibly high levels of turnover because of poor living conditions. In addition, over 90% of residents are coming from outside the city, placing strain on housing in the city which is becoming too expensive to afford – most workers have therefore settled on the outskirts of the city. One could imagine that something similar might occur in charter cities.

As such, rather than fulfilling their intended role to provide economic prosperity and therefore an alternative solution to mass migration, charter cities are likely to cater only to the economic elite. As such, charter cities are very likely to widen the poverty and inequality divide between those who can afford to benefit from the improved infrastructure and services, and the average citizen who is unlikely ever to step foot in these cities.

WITHOUT CONNECTIVITY, CHARTER CITIES CANNOT DELIVER ECONOMIC PROSPERITY

Cities, at their core, are about connection. Connection between firms and workers forming hubs of agglomeration, and connection between residents – to each other and to essential goods and services. This is what drives their productivity and liveability. However, it is not just about connections within, cities are also fundamentally reliant on connections to other cities, and to rural areas, which is one of the key determinants of investment.[10]

The geographic location of charter cities will therefore be likely to be a large indicator of their future success in attracting investment. The examples of Singapore and Hong Kong, which are widely cited and promoted in the charter cities literature, are both island city-states and thus automatically well-connected to different trade routes. Notwithstanding that there are also many arguments against why these two city-states are different from what the charter city model advocates for, they have significantly different and more conducive geographies to most of sub-Saharan Africa, as many of the continent's countries are actually land locked.

These geographic constraints are exacerbated by growing infrastructure deficits in road and rail, which significantly impacts the cost of doing business in African cities. It is also the reason why it is cheaper to import food by air in most African cities, rather than sourcing it from geographically more proximate rural areas. This is just one example, but it applies to many other sectors as well. Charter cities alone would not be able to solve this issue, and moreover, would suffer the consequences just the same as existing urban areas. In fact, given that areas where land remains available are more likely to be remote and less well-connected, it may well be worse. As such, in conceptualising charter cities there are important questions around how new firms locate and economies grow in these cities when they have limited access to markets and trade beyond the city itself. Will those responsible for charter city development have rights to building this essential transport infrastructure outside the charter city borders? How will they make a return on such a public good, and how will it be maintained?

Given that, as already noted, no charter city has ever been completed, the closest model that we can look at to find insights SEZs, like the one in Hawassa. From the literature on SEZ's[11], we know that a key predictor of their success are their proximity to existing markets, re-affirming the arguments related to connectivity. In addition, an important finding related to the more successful SEZs, are their dynamic spillover impacts which contribute to wider transformation of the economy. As such, unlike what is advocated for by charter cities, the success of SEZ's is predicated on the fact that they do not remain isolated islands. Rather, they should be used as labs for new policy experimentation, which can be refined, adapted, and integrated throughout. Without their further institutional integration with the rest of the country, these cities, unlike other cities across history, are unlikely to contribute to national structural transformation at scale, which is needed to reduce the poverty and unemployment crisis.

Furthermore, although East Asian countries have seen great success, evidence shows that, on average, SEZ's do not outperform the rest of the economy. Even where they do, there seems to be no link to the specific policies in place,[12] and therefore not something we can design. We also know that SEZ's are extremely costly to implement, often far outweighing the benefits derived.

Charter cities are posed as a solution to create economic opportunity and investment. While their design may solve some aspects of what *deters* investors, such as

lack of trust and accountability in governments and safety concerns, what about things that *attract* investors? Aspects like proximity to markets and access to widespread natural resources are unlikely to be solved through the existing charter cities approach. Without knowing the true benefits, this is a risk that many African countries simply cannot afford.

LOCAL INSTITUTIONS ARE VITAL – THERE ARE NO BLANK SLATES

"Just as purpose-built cities promise to bypass the hard, unglamorous work of urban maintenance, efforts to borrow institutions attempt to avoid the tedious and often volatile work of real political change. Both promises should be viewed with scepticism."[13] *Dafe Oputu*

In Honduras, Paul Romer was appointed as an expert to advise on what were meant to be the construction of the first proper charter cities in the world. These *ZEDEs* (Economic Development and Employment Zones) were to be developed with separate institutional and legal identities to what was prevailing in Honduras at the time. As such, in 2013, a law was passed that defined the *ZEDEs* as economic and legal units distinctly separate from the state structures, a more radical notion than the SEZ concept described previously. Perhaps even more interestingly, these charter cities were also conceived with the underlying aim to provide a counterincentive for migration, in this case, targeted at prospective Honduran migrants seeking to move to the US. The attraction of *ZEDEs* were that they were meant to be zones of relative safety, security, and economic opportunity, some of the primary reasons for outmigration in Honduras. Like with all other proposed charter cities to date, these *ZEDEs*, however, did not materialise as envisaged. Rather than circumventing the entrenched challenges of corruption and institutional dysfunction, already the award of the contracts to construct these cities succumbed to them.

The example of the *ZEDEs*, whilst perhaps unique in what it was trying to achieve, is not different from the political nature that all cities embody. A city is made up of people, and as such is inherently tied to culture, identity, and history. Externally, cities are shaped and impacted by interactions with other local, national, regional, and international systems. The potential for reforming any city, therefore, is shaped by its political context and, in particular, the prevailing political settlement, namely the distribution of power between contending formal and informal groups. As such, there are no blank slates. Any effort to build new institutional structures will need to contend with the existing local political context.

Even in the unlikely event that a settlement can be found within the context of one regime or political structure, to enforce the agreed tenets of charter cities across political regime changes, which would be expected in more democratic societies, pose further threats to the continuity of rules and regulations. In institutional con-

texts where contract enforcement is weak, it is unclear how to ensure the charter city rules remain protected from such changes, such that agreements made with previous governments will be maintained. Therefore, circumventing politics and institutional development when constructing a city, as charter cities intend to do, is simply not possible. Failing to recognise this, by assuming that it can be ignored or resolved through technocratic solutions, such as copying the 'right' institutions from elsewhere, will inevitably run up against the local political and institutional realities.[14] This is exactly why, to date, no charter city has succeeded in its intended fashion.

A further consideration is who approves of the charter city to be built. In the way that Paul Romer has conceived of charter cities, he was very clear that it has to be done with the host country's approval, to avoid perceptions, or actual ventures into neo-colonialism.[15] However, if it is the dysfunctionalities of the host government's institution that the charter city is seeking to avoid, then it is also unclear what weight attaining the host government's approval, particularly for the citizens it purportedly represents, carries. It also begs the question of what this means in terms of the overall social contract and whether again, charter cities are only likely to exacerbate challenges of poverty and inequality, both within their boundaries as well as more broadly elsewhere in the country.

A separate, but perhaps even more important question is whether circumventing and creating new institutional contexts is, in fact, desirable. The idea behind charter cities is that people can 'vote with their feet,' in other words they can decide whether they want to be part of the new institutional context or not. However, as already highlighted, given the cost of living that many of these cities may have, charter cities are going to likely be exclusionary by their very nature. Furthermore, in many ways, intervening in a political context, by building what is deemed to be a 'better' structure, without any further change in the overarching institutional context, inherently legitimises any dysfunctionalities elsewhere in the country that one is trying to avoid. Charter cities do not, therefore, solve the underlying cause but rather, at best, treat a symptom – if they can get off the ground.

FOCUSING ON THE CITIES WE HAVE

Getting urbanisation right is critical for our future. If well planned and managed, cities can be engines of growth and prosperity, but if left to haphazard development, they can also foster the spread of disease, congestion, and pollution. Cities are the stages upon which the global goals of climate action and sustainable migration will play out. While charter cities may seem like an attractive option in terms of leapfrogging institutional failures and avoiding costly retrofitting of infrastructure, they also come with several practical challenges, including limited connectivity and integration with the rest of the economy, high costs of construction and risk of increased inequality, and the infeasibility of truly achieving a 'blank slate' in governance. Above

all of this, is the issue that economic prosperity is not the only driver of migration, and therefore will not be the only solution.

Given the resource constrained environment in which rapid urbanisation is happening, we need to carefully consider the opportunity cost of our investment choices. The kind of spend involved in developing a charter city given (a) they are untested, and (b) the urgency of the problem, is a highly risky bet – with dire consequences if it doesn't work. The alternative, and more cost-effective option, is to double down on investing where we know people are going to settle – existing cities.

We still need cities – not camps – but let's us rather place our efforts, resources, and ideas to making the existing ones, and ones we know are yet to come in the next decades, work. Yes, current approached to development are far from perfect, but what we need is new ways of collaborating and buiding trust. We need simple and fit-for-context solutions, as are being innovated across Africa. Progress is being made, and we need to invest in understanding and document these solutions, replicating them, scaling them, and building on them – all the while incrementally transforming the vital local institutions and rules that govern.

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[1] Online available at: https://www.economist.com/briefing/2021/10/30/many-more-africans-are-migrating-within-africa-than-to-europe

[2] Online available at: https://republic.com.ng/april-may-2021/promise-pitfalls-charter-cities/

[3] Online available at: https://qz.com/africa/1461626/eko-atlantic-diomniadio-tatu-africas-new-billion-dollar-cities/

[4] Online available at: https://www.reuters.com/article/us-kenya-china/kenya-secures-666-million-from-china-for-tech-city-highway-idUSKCN1S21KG

[5] Online available at: https://www.theguardian.com/cities/2016/may/23/story-cities-48-ebene-cybercity-mauritius-vision-africa-smart-future

[6] Online available at: https://qz.com/africa/1352926/will-senegals-diamniadio-city-solve-dakars-problems/

[7] Online available at: https://olatorera.com/how-much-is-eko-atlantic/

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[9] Online available at: https://www.theigc.org/blog/housing-in-hawassa-how-to-accommodate-migrant-labour-in-industrialising-cities/

[10] Online available at: https://unhabitat.org/sites/default/files/download-manager-files/The%20State%20of%20African%20Cities.pdf

[11] Online available at: https://www.theigc.org/publication/doing-special-economic-zones-right-a-policy-framework/

[12] Online available at: https://rethinkpriorities.org/publications/intervention-report-charter-cities

[13] Online available at: https://republic.com.ng/april-may-2021/promise-pitfalls-charter-cities/

[14] Online available at: https://devpolicy.org/why-charter-cities-have-failed-20190716/

[15] Online available at: https://www.globalpolicyjournal.com/blog/06/11/2020/charter-cities-moment-here

Enclave Planning is a Dead-end

by Edgar Pieterse

The most prolific form of planning across Africa during the last decade has been driven by an obsession with new towns. Figure 1 is an extract from a book that map and analyse new town development across the African continent between 1960–2017. It documents a notable acceleration of both planned and instantiated forms of enclave planning that seeks to create a digitally enabled operating environment for globalized businesses, whilst fulfilling a symbolic function to project the host city (and country) as open for business to international investors. The emphasis varies from new capital cities to smart cities, private cities, eco-cities and industrial cities and many of these forms are linked to exceptional regulatory systems that seek to create a safe haven for foreign investors and insulate them from the host cities' propensity for physical, infrastructural and administrative gridlock. It is a given that countries and cities need to position themselves to attract investment to enhance the economy. However, in 2022, it is important to ask pointed questions about the nature of economic growth and performance – how inclusive, sustainable and durable are the investments?

In this sense, the core ideas behind charter cities or free cities have already found considerable traction in Africa, but with very little evidence that it is contributing in aggregate terms to more sustainable or inclusive outcomes.[1] To be fair, charter cities have not been attempted in its pure institutional form. Instead, various attempts have been undertaken to create streamlined planning processes for special mega projects like the ones reflected in figure 1. A thorough engagement with the appropriateness or viability of enclave planning and real estate development should start with a close reading of this highly uneven investment landscape with clear evaluative criteria in mind. However, in this essay I want to focus on the kinds of planning called for amidst robust urbanisation, high levels of economic informality linked to makeshift housing, and the inevitably disruptive impacts of climate change and digitalisation. In my reading various forms of elite exceptions will simply reinforce the worst parts of existing dysfunctional planning cultures and frustrate the formulation of a new generation of planning and regulation needed to ensure the achievement of green industrialization, democratic decentralization and effective multi-level governance that can mediate the inevitable trade-offs between inclusion, growth and sustainability imperatives.

Figure 1: New town plans and projects, 2010–2017[2]

POLICY
- Decentralization city
- Capital city
- Private city
- Eco-city
- Smart city
- Industrial city
- Apartheid city
- Resort city

SIZE
- · < 30.000
- • 30.000 < > 100.000
- • 100.000 < > 1.000.000
- • > 1.000.000

UNDERSTANDING PLANNING CULTURE LEGACIES

Planning remains decidedly neocolonial in most sub-Saharan African countries. This means that contemporary planning laws and associated land-use regulations are like the ones that governed the functioning of the white quarters of the colonial city, but simply "extended" to cover the entire urban administrative area during the

postcolonial era. Thus, planning remains primarily a tool to facilitate functional (and sometimes racial) separation and control of land-uses to ensure conformity and homogeneity within a modernist Eurocentric tradition of thought. This approach to planning has been a recipe for irrelevance and opportunism. Since most urban dwellers eke out their livelihoods in the informal economy, their very survival depends on transgressing official land-uses. Given the sheer scale and complexity of the informal economy, it is futile for public authorities to enforce planning prescripts, not that they have the capacity to do so. Thus, official plans and associated regulatory provisions are practically irrelevant. However, they do create an incentive for law enforcement officers and other petty bureaucrats to make a profit off the informal regulatory and licensing systems that emerge to organize informal enterprises, markets and residential areas, often referred to as slums. These systems of rent-seeking become baked into local governance and regulatory dynamics, creating a disincentive for effective planning. Importantly, it is not just territories that are predominantly informal where these dynamics apply, but also formal business districts and middle-class suburbs are replete with all kinds of circumventions of official planning regulations, linked to similar dynamics of petty corruption and rent-seeking.[3]

It is precisely these dynamics that lead a number of scholars to conclude that the existing African city is just too big a mess to tackle as a whole.[4] Instead, it is more viable to explore the establishment of enclaves of planning effectiveness and consistency in order to create a predictable environment for investors. This position is totally understandable, but fundamentally misplaced because the existing system is already geared towards external investors, typically large ones that have a stake in the primary commodity sectors that dominate local economies. If one does a quick survey of the large capital investment projects in cities as diverse as Addis Ababa, Luanda, Dar es Salaam and Lagos, there is undeniable evidence of capital inflow, but the suburbs, commercial districts and related real estate projects that flow from these deals tend to undermine the viability and inclusivity of the city. It deepens class barriers and often serve to reinforce unviable structurally skewed economies that remain firmly in a neocolonial mode.

Planning that will facilitate more enclave development, no matter how noble the intentions, will not support Africa's stated policy ambitions to advance structural transformation through green industrialization, combined with extensive human capital development to equip the labour force for the knowledge economy. City-level planning must be cast within a fresh vision of nested planning that starts at the national level but linked to a political commitment to make democratic decentralisation substantive. In the next section I will summarise the planning imperatives that arise from commitments to economic diversification, climate change mitigation and adaptation and community empowerment.

PLANNING FOR NEW TIMES

There have been dramatic shifts in the macro development policy environment over the last decade since the unveiling of *Agenda 2063* in 2013. The political-policy processes that fed into the formulation of *Agenda 2063* – an outcome of the African Renaissance discourse aired first in 1998, made African states prepared for the formulation of the SDGs in 2015. Africa was the only world region with a common position going into the Summit, and the same dynamic was in evidence in the run up to Habitat III in 2016. One of outcomes of this coherence is that most African government have initiated policy processes to formulate National Urban Policies (NUPs), which is remarkable because just five years prior, scholars were reporting the widespread political denial of urbanization, and rampant anti-urban policies.

Furthermore, most African governments are reporting on progress made towards the SDGs on an annual basis, reflecting a significant measure of buy-in.[5] Building on policy shifts presaged by the Millennium Development Goals of 2000, there is evidence of dramatic levels of improvement of access to education and reproductive health for girls and women, albeit off a low base. The point is that SDG compliance or alignment is not unexpected since there has been improvement in social policies since the early 2000s. Most African governments are also working on Nationally Determined Contributions (NDCs) on CO_2 emissions reduction to comply with the Paris Climate Agreement provisions. This is creating a mechanism to potentially mainstream low-carbon transitions into the various economic, trade and environmental policies of African governments. These policy actions come in the wake of a broader discourse, sparked by *Agenda 2063*, to pursue structural transformation of economies to make them more diverse, inclusive and sustainable. A new generation of industrial and trade policies are emerging to reflect these political orientations and to simultaneously advance the objectives of the African Continental Free Trade Area (AfCFTA). We are amid an incredibly dynamic development policy landscape.

At the core of these various macro streams and orientation is a policy belief that the most powerful macro policy lever is infrastructure investment. It is essential to address binding constraints on the economy such as access to electricity and safe water, alongside efficient mobility, alongside increased investment in human capital development. Infrastructure also holds the key to ensure a low-carbon transition and more inclusive patterns of development to reverse the entrenched dynamics of class and spatial inequality. During the formulation of Covid recovery plans, it has yet again emerged as the critical intervention to potentially leapfrog across several intractable development problems. The key difference Covid has made is that it reinforced the importance of getting infrastructure and land-use planning right in cities because the pandemic was predominantly urban. Covid revealed the profound risk that human settlements without basic services represent in terms of vulnerability to unexpected exogenous shocks. Covid also drew attention to the vulnerability of extensive, globalized value chains and raised questions about how best to interna-

lize value chains to the scale of the city-region. Thus, the importance of productive, sustainable and inclusive urban settlements is now firmly on the political radar of African governments, even if there remains considerable uncertainty about how exactly to respond.

This emerging policy landscape gives a qualitatively different and urgent purpose to planning. At the apex, African governments should formulate a national sustainable development strategy that spells out how the SDGs will be achieved within the parameters established by a national climate mitigation and adaptation strategy, as well as a national economic development strategy that addresses the imperatives of structural transformation through green industrialization. These aligned macro plans establish a set of strategic development goals that must inform an integrated infrastructure strategy (including a digitisation component), which in turn requires a national spatial development perspective that sets out the differential implications for different parts of a country to ensure that competitive and comparative advantages are optimized, and rural-urban linkages are pursued through a bio-regional perspective. It is amidst these parameters that urban and regional planning come into its own.

POSTCOLONIAL URBAN PLANNING AND ADAPTIVE REGULATION

The most important paradigm shift that is needed to achieve effective planning in African cities is to move away from the obsession with making cities 'bankable' and investor friendly. Instead, the most valuable asset of African cities are its ordinary citizens who demonstrate an extraordinary capacity for innovation and resilience as they hustle to access basic services and economic opportunity. African city governments need to figure out how best to understand the practices of its citizens and identify appropriate support and regulatory measures to facilitate a transition from mere survival to economic flourishing. Achieving such an understanding cannot be a technocratic exercise, but requires meaningful co-design processes of asset mapping and identification of priorities. A good example of the kinds of community-driven mapping and priority identification is visible in the work of C-MAP in Port Harcourt, Nigeria.[6] It is hard to imagine a more tough and neglected urban context, yet citizens organised and demonstrated their capacity for meticulous diagnostic and planning, creating a basis for a World Bank project to upgrade the sanitation system at a city-wide scale.

Once city or county governments have an appreciation for the workings of the real economy, so to speak, the next step is to develop an integrated sustainable infrastructure strategy. In most African countries this will require close engagement with various national Ministries and Utility companies because of the limited substantive devolution that has taken place. Nonetheless, even if city governments do

not have substantive powers and resources, they can still establish a deliberative planning framework that brings together government actors across all levels, as well as civil society organisations, the media and universities to address the massive infrastructure deficits, including housing. Appreciating the difference between infrastructure and sustainable infrastructure is critical, especially in the African context because it creates a practical mechanism to link public investments to a deliberate strategy to enhance the livelihoods and collective power of urban citizens. To fully land this point, it is necessary to define sustainable infrastructure and the planning criteria it gives rise to.

Elsewhere, it was argued that "… infrastructure is defined as the stuff that make a country, city or settlement function optimally. It includes operating systems and equipment to conduct energy, the movement of people, goods, data and services, as well as water, sewage and waste. Modern life is impossible without it. Sustainable infrastructure fulfils the same functions but deploys technological systems that are low or zero carbon intensive, resource efficient, employment-rich and generative of diverse social and ecological systems."[7] Practically, this means that it is imperative for African city governments to prioritise modular infrastructure approaches that are relatively inexpensive, distributed at a smaller scale to the extent that it can be operated and maintained by social enterprises within popular neighbourhoods. Examples of off-grid renewable energy systems, sanitation circular economy approaches, and digitized motorcycle taxis are sprouting in many African cities. In this sense, labour-intensive (as opposed to capital-intensive) low-carbon modalities create the possibility of a vibrant social economy where youth can learn basic enterprise skills, installation and repair skills, and organisational skills pertaining to management, accounting, communications and conflict mediation. These are transferable skills that can support urban residents to improve their existing enterprises. Such investments will drive productivity improvements, not enclaves designed for impatient capital.

These distributed approaches will only work if city and country governments develop much stronger (city)regional planning frameworks that seek to optimise environmental management and economic development at those scales. For example, sustainable water management strategies must be developed at the scale of the catchment. Similar logics apply to mobility systems and labour market catchments. In other words, a postcolonial planning outlook prioritises two complementary scales: the city-region and the neighbourhood where distributed modalities are best deployed and lend themselves to systems of community management underpinned by the principles of social enterprises. At both scales digital platforms and knowledge systems will be enormously important.

IN CONCLUSION

The true potential of African cities lie outside of the mainstream formal economy that supports a small elite. Thus, if one prioritises a planning approach that seeks to create a safe haven for international investors that seek to grow certain sectors of the formal economy, it will invariably undermine the potential of the real economy, and the real city. Policy tropes like bankability are simply not appropriate in a very different global moment where it is clear we have to all contribute to the establishment of a global economy that is characterised by sustainable production and consumption. This is especially important in the African context given that its extractive and narrow economic basis reproduces Africa's vulnerability to global economic volatility, and it undermines the formulation of contextual integrated development policies that can simultaneously diversify the economy, capitalize on its low-carbon profile as a source of competitiveness, and optimize its greatest resource – a youthful and growing labour force. Planning tools that chase the myth of enclave-based prosperity is not only a dead-end but also an expensive distraction from the real work to create a genuinely contextual model of inclusive urban development.

[1] In this essay I lean heavily on the persuasive analysis of Ash Milton on the substance and track record of the family of approaches connected to Charter Cities. I therefor do not get into definitional discussion on the concept and policy approaches. See: Milton, A. (2018) Why Charter Cities Won't Lead to Decentralized Government. https://palladiummag.com/2018/10/08/why-charter-cities-wont-lead-to-decentralized-government/

[2] Keeton, R. and Provoost, M. (eds.) (2019) *To Build a City in Africa. A History and a Manual.* Rotterdam: 010 Publishers, p.61.

[3] For a fuller analysis about the dynamics and dilemmas of planning reform in Africa, see: Berrisford, S. (2014) The challenge of urban planning law reform in African cities. In: Parnell, S. and Pieterse, E. (eds) *Africa's Urban Revolution.* London: Zed Books.

[4] Collier, P. (2015) Making African Cities More Productive. Why Scale, Specialisation and Internalisation Matter. Johannesburg: The Brenthurst Foundation.

[5] The Sustainable Development Goals Center for Africa and Sustainable Development Solutions Network (2020). *Africa SDG Index and Dashboards Report 2020.* Kigali and New York: SDG Center for Africa and Sustainable Development Solutions Network.

[6] Pieterse, E. (2018) Placemaking in dissonant times. In: Burdett, R. and Rode, P. (eds.) *Understanding the urban age.* London: Phaidon. For more detail, see, https://www.cmapping.net/

[7] Pieterse, E., Cirolia, L. and A. Cartwright (2020) *Reframing the Potential for Sustainable Urbanism in Africa.* Cape Town: African Centre for Cities, p. 4.

NEW CITIES –
NEW MONEY

City Coins

by Thomas Mayer

In the Middle Ages and the early Modern Age cities in central Europe issued money, which became popular beyond their borders. By following this example, Free Cities could benefit economically and financially from money issuance.[1] City Coins could also enhance their reputation. While cities in the past issued commodity money, Free Cities could issue asset-backed digital coins.

WHAT IS MONEY?

Money is a social instrument that is generally not very well understood. To get a better grasp of its social function, it may help to compare it to the function of language. Like language as a medium to exchange ideas we use money as medium to exchange goods. Language helps us to form thoughts as money helps us to value things. With written language we can store thoughts, and with money savings we can store wealth. Like language, money came into existence "spontaneously" – and not through social planning – to facilitate exchange in various social groupings. But as in the case of language, central authorities have tended to impose rules and norms from above.

Money as a measure and instrument of credit and debt has evolved like local, regional, and eventually national languages in local or regional communities. Money in the form of a suitable commodity as a means of exchange and store of value has evolved like a "lingua franca", which has been used by communities with different languages as a common means for communication. In Roman times, the "lingua franca" to exchange thoughts was Latin, today it is English, and tomorrow it may be Chinese. In the past, gold and silver were the "lingua franca" in the monetary domain. Tomorrow, crypto currencies could take on this role.

Language can be abused by governments and others for political purposes. George Orwell has invented the term "double speak" to describe the use of language as a tool to make lies look like truth. Likewise, governments can abuse money by diluting its purchasing power when they use it as an instrument to finance their expenses. In both cases, the abuse destroys the value of the medium. Consequently, it has served societies well to build firewalls between governments and money issuing bodies.

In a commodity money system, the firewall is established by upholding standards in the minting of coins as a means of exchange and store of value. In the fiat credit money system, where commercial banks produce money through credit extension under the guidance of central banks, independence of central banks from political interference has helped to preserve the purchasing power of money. More recently, however, the firewalls between central banks and governments have crumbled as central bankers have embraced the closer link between monetary and fiscal policy advocated by New-Keynesian economists.

The submission of central bankers under fiscal authorities has allowed governments to fund large parts of their expenses with new money created by banks. This is presently fueling inflation. The likely future demise of the fiat credit money system as a consequence of ingrained inflation due to the fiscal dominance of money creation opens the door for better alternatives.

CITY MONEY

When money has been used as a means of exchange among people who do not know each other, standards have helped to reduce frictions in the exchange. Unstandardized commodity money needs to be checked for quality and weight before it can be accepted for payments. This is cumbersome and offers opportunities for counterfeiting and fraud. Standardized commodity money can be accepted without additional checks when standards are sound and reliable.

In central Europe during the Middle Ages and the early Modern Age, cities emerged as standardizers of money. They were better known than local goldsmiths, who also acted as standard setters for money, and they were more trustworthy than the rulers of states, who often abused their role as standardizers to dilute the value of money for their benefit. In a paper written in 1356/57, the bishop Nicolas von Oresme complained: "It seems to me that the main and ultimate reason why princes usurp the power of monetary mutation is to derive the advantage and profit from it."[2]

The "Fiorino" (Florin), a gold coin issued as of 1262 by the city of Florence, was well regarded and used for several hundred years all over Europe. In Germany, the "Heller", issued by the city of Schwäbisch Hall, became a household name (and featured in folk songs). Other city coins included the "Scherf" issued by Erfurt,[3] and the "Albus" issued by Trier and Cologne.[4] To reinforce trade connections, cities also created currency unions by issuing their coins to the same standard. Examples include the currency union of Trier, Mainz and Cologne, which lasted from 1385 to 1515, and the currency union of Lübeck, Lüneburg and Hamburg created in the 16th century.

The cities profited from the issuance of money by collecting "seigniorage" as the nominal value tended to exceed the material value of their coins (albeit by less than of the coins of many rulers of states), and they used the money issuance to foster trade within and beyond their borders. As the demand for city coins was strong,

city coins appreciated against other money and the welfare of their owners rose. Moreover, issuance of valuable money increased the reputation of cities and their attractiveness as centers of commerce and finance. Thus, by increasing the tax base, money issuance also contributed indirectly to cities' prosperity.

The experience of cities in central Europe suggests that Free Cities could also benefit from issuing their own money. City coins could not only create economic benefits from "seigniorage" and trade creation, but also from fostering a city identity among their residents. The material and immaterial benefits would also create the ability to defend the cities against enemies. Coins would of course no longer be issued as standardized pieces of metal, but as virtual tokens that could be traded electronically. Distributed ledger technology could facility the administration of the payment systems.

City coins could be issued as digital "stable coins". In this form, they would trade at a fixed exchange rate against another established currency, including gold, or a basket of currencies. Like in the customary currency board, the coins would be fully backed by the equivalent funds of the currencies they are pegged to. A city coin as a stable coin could benefit from the reputation of the currency it is pegged to. It could also help to promote trade and foster the creation of a city identity. But it would offer little or no direct financial benefits.

Alternatively, a city coin could be designed as an asset-backed token, offering financial in addition to the economic and social benefits. In the following, I shall discuss this type of a city coin in more detail.

AN ASSET-BACKED FREE CITY COIN

In previous papers I have proposed a digital euro backed by claims on euro area governments (https://voxeu.org/article/digital-euro-save-emu), and a German parallel currency to the euro backed by state property (https://www.flossbachvonstorch-researchinstitute.com/de/kommentare/liraisierung-des-euro-und-dann/). An asset backed Free City Coin could follow the model for a German parallel currency.

According to Paul Romer, a Free City needs unoccupied land and a set of rules regulating the life in the city (https://www.ted.com/talks/paul_romer_why_the_world_needs_charter_cities). Good rules lay the ground for economic development and prosperity in the future. Thus, even if the land were initially without any commercial value and donated to the developer of the Free City for free, it would gain value as soon as it is assured that people taking residence there would be governed according to good rules. The value would reflect the present discounted value of the expected future cash flow to the landowner, initially measured in a major international currency.

The developer and initial landowner could issue a Free City Coin (FCC) backed by the asset value of the land (see Table 1). The Coin could be issued as a digital token

Table 1: Balance sheet of the developer issuing Free City Coins

Assets	Liabilities
Value of the Free City land (measured in FCCs)	Value of the Free City Coins issued (in FCCs)
Total Volume of FCCs	Total Volume of FCCs

in small denominations without carrying interest and be tradable, for the sake of administrative simplicity with Distributed Ledger Technology. It could be sold against existing convertible currencies at fully flexible exchange rates and paid out by the developer as compensation to its employees for their work and to suppliers for other goods and services.

Recipients could use the Coin to buy or rent land from the developer and pay taxes for the provision of public goods. The developer could keep the value of the sum of issued FCCs below that of the land to retain equity as a safeguard against downward revisions of the land value. Thus, the equity cushion would reinforce confidence in the inner value of the coin.

The developer could use the initial coin issuance to develop the infrastructure of the city, including the creation of police and defense forces. The future management of the FCC volume could be transferred to an independent body tasked with preserving the purchasing power of the coin. As development progresses the value of the land covering the coin volume would most likely increase above initial assumptions owing to productivity increases due to the development.[5] The increase in assets could be used to issue new FCCs without impairing the value and hence the purchasing power of the existing coins. The additional coins could be used for further infrastructure projects or distributed as a money dividend to existing FCC holders.[6]

Should the expected value of the land decline, the equity of the developer would shrink. In case the decline would be larger than the equity cushion of the developer, coins flowing back to the developer in the form of taxes, land rents or proceeds from the sale of land could be destroyed to preserve the value of the outstanding coins.

A MEANS TO EXCHANGE, STORE VALUE AND FUND

Classic commodity money like gold and silver emerged as a means of exchange among strangers, as a store of value, and as a unit of account. With the introduction of paper money and fractional reserve banking money assumed the additional function of an instrument of finance as paper money can be created through credit extension in addition to its issuance as a certificate of deposit of specie. A Free City Coin in the form of a stable coin would be akin to the certificate issued for the de-

posit of some other money, like in the modified commodity money system where a paper banknote is issued to represent commodity money deposited at a bank. Against this, an asset backed FCC could assume the additional function of a means to fund city development.

The rules in the pure commodity standard are simple and robust: Violation of the standards set for the minting of metal coins must be prosecuted as counterfeiting. But paper money and fractional reserve banking have created a slippery slope for the use and function of money. In the course of history, the function of money has regularly moved from a means of exchange and store of values towards an instrument for the financing of government expenses. Hence, an asset backed FCC that offers the opportunity of funding city development needs to be protected by strong rules.

In an environment where discretion trumps rules, money with the features of a financial instrument is inviting abuse and prone to lose purchasing power. But rules are at the core of Free Cities. Hence, in an environment of good rules it should be possible to prevent the abuse of an asset backed coin with the capacity to serve as a funding instrument for city development in addition to its narrower money functions. As explained above, the rule could ensure that each coin is backed by valuable assets.

The rule could be incorporated as a "smart contract" in the blockchain of the FCC. Thus, it would have the function of a digital watermark as it is embodied in physical form in paper banknotes. A coin would only be regarded as genuine when it was created according to the rule, which stipulates that it must be backed by existing or newly created assets of the city.

SUMMARY AND CONCLUSION

By following the example of central European cities in the past, Free Cities could benefit economically and financially from the issuance of Free City Coins. Direct economic benefits could evolve from facilitating trade and creating seigniorage. Indirect economy benefits could result from enhancing the reputation of the city, attracting more residents and taxpayers. Financial benefits could come from using coin issuance to finance city development. Distributed Ledger Technology could reduce costs for transactions and facilitate the administration of payments.

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[1] Free Cities is a concept originally developed by Paul Romer under the name of "Charter Cities".

[2] Nicolas von Oresme, De Mutatione Monetarum: Tractatus –Kulturverlag Kadmos (Berlin) 1999, p. 43.

[3] The name of the coin entered the German idiom "sein Scherflein beitragen".

[4] Since the coin was minted in bright silver, it received its name from the Latin word for white.

[5] A virtuous cycle of this kind has driven share prices of many new technology companies during their development.

[6] Akin to the use of profits by companies to increase assets or buy back stocks.

INNOVATIVE PUBLIC POLICY MAKING TO PILOT NEW CITIES

Turning Camps into Cities needs Innovative Public Policy Making

by Stefan Schepers

To turn camps into cities, the first step is to build appropriate housing estates offering decent living conditions for people. But one should seek also to turn these into thriving urban ecosystems, and this requires innovative public policy making and partnering with other actors.

Public-private cooperation is needed in order to achieve connectedness, dynamics and embedding in a wider context, in order to facilitate a complex interaction of actors and agents, factors of production, regions and countries, and to stimulate social inclusion, economic dynamism and entrepreneurship, and culture. This will turn a housing estate into a living sociological entity. Developing ecosystems demands strategic agility, creativity and serendipity, which comes best through the involvement of all stakeholders.[1] This approach creates more added value for the region and the country where the housing estate is established. Without innovation in public policy it is unlikely to happen.

Cities and their surrounding regions are a key component in every society since ancient times. They are centres of civilisational development because they bring together the economic, social and administrative functions which require concentration of people. Interactions between people from different backgrounds and from other regions and countries unleashes creativity and entrepreneurship, and makes them also centres of learning and culture. Favourable geographic conditions permitted their emergence and growth and they became knots of the great trade routes connecting Africa, Asia and Europe (long before the discovery of the Americas). They have always been connected to patterns of migration, mainly for economic reasons.[2]

Throughout history city structures have varied a lot, ever since the palaeolithic family communities settled in larger villages some of which developed into the first cities, only where all conditions for such growth were met, in particular the artisanal productions and trade which allowed a surplus to buy food from the surrounding lands. The diversity of naturally grown cities, whether along the Indus or the Nile, in ancient Greece or medieval Europe, or elsewhere, was very great in every respect of their activities and physical appearance; to this were added later the cities created in

the Americas, often, as in northern America, following rationalist planning. To thrive, cities always needed connectivity with their hinterland and further away.

It is often forgotten that the development of cities also requires proper government, of people's interactions inside the city, and of the wider context of supply and distribution chains in which they are necessarily embedded, depending on their principal economic activities.

Turning camps into cities is not only a humanistic objective, it is also an investment in transregional and global economic, social and cultural development, ultimately benefiting far more people than just those moving into a new city. The rapid population growth due to improved health of people, political instability, often a consequence of rising economic inequalities, themselves resulting from the neo-liberal and hyper globalised economic model since the late 20th century, have created more migration, more camps and precarious living conditions, than ever. This constitutes a massive policy failure, not least by the leading political and economic powers of the last half century.

INCLUSIVE POLICY MAKING FOR EMBEDDED CITIES

Government systems and methods often fail to receive enough attention when setting laudable goals. States and international organisations are legal constructions which are difficult to bring in tune with changing contexts, as a result they tend to operate with established structures and processes long after their expiration date. Vested interests and frozen cultures often prevent timely adaptation. This is the main reason of their failure to deliver the desired outcomes, undermining their credibility.

The technological and economic shifts of the past century and globalisation have intensified interdependencies but many countries and the international organisations which they set up still operate with governing systems dating from earlier times. They use computers sure enough but the concepts and systems have insufficiently evolved and this shows.

Systems theory explains that one is faced with paradigm shifts when too many anomalies and disfunctions occur simultaneously in a particular context and when these can no longer be explained within existing thinking frameworks. It then requires an equally radical shift of mindset and of operational modes. Instead of seeking to fit new policies into existing steering models designed for other objectives, the operational models need adaptation to the new objectives and contextual conditions. Both are required in order to use the system's leverage points and to push it in the direction of desired outcomes. This is certainly needed in order to design and implement a comprehensive policy to transfer camps into cities, or better, into urban ecosystems.[3]

In order to increase inclusiveness and efficacy and at the same time to achieve a much needed improvement in the balance between technocratic and democratic

governance, at a time of a decline of functionalist economic views in favour of more ecological, cultural and social needs, deep innovation in public policy making methods and public management are needed. If this can happen, then the new cities can become new knots in human societies' interconnectivity with mutual beneficiation for all involved, as happened in past centuries.

Orchestration, not simply hierarchical command, is required today to complement political-legalistic thinking about competence divisions within and between states and international organisations (such as the European Union and others) with innovative policy design and implementation management suited for the task concerned. Steering towards desired economic or social goals in a context of complexity and volatility requires different mindsets and skills than managing linear processes in a more stable environment. One organisation and management model to suit very different policy objectives and contexts does not work. Agility and experimentation instead will lead to more significant improvement in outcomes and reduction of costs than efforts made within path dependent thinking.[4]

This is even more so today because the combination of rapid scientific discovery and technological innovation, and their upsetting effects on economic and social conditions in more globalised markets, reduce the steering power of still national governments. International organisations at the other hand lack societal connectivity and democratic legitimacy.

It makes any policy rapidly less efficacious or even obsolete, if not in its goals, then in its application. This results not only from the fact that policy is mostly post-fact, lacking sufficient and comprehensive foresight (as shown clearly with the migration and the pandemic problems) but also because over time existing policy leads to adaptation by addressees and to multiple, unexpected and often unforeseeable feedback and collateral effects. However, one policy, regulation or funding program is often followed by others, based on the same concepts which meanwhile may have become (partly) bypassed by new contextual conditions. This, together with ill considered globalisation, is at the root of the failure of much so-called development policy since the 1960s.

Once a policy, regulatory or funding trajectory is opened up, new (public and private) interests grow upon it which prevent timely innovation, and usually avoid independent evaluation, pausing or termination. Rigidity of purpose is often linked to a public good, but it should not necessarily be accompanied by rigidity of methods, in particular not when dealing with such diverse and complex goals as for example realising the SDGs. Just continuing a particular trajectory without regular checks of its impact and costs, and without re-examination of the objectives themselves, is the main cause of unnecessary burdens on companies and citizens, financial waste, and policy failure. In the end, there is little or no benefit left, and citizens increasingly consider the system itself as illegitimate.

HOW TO DO BETTER?

Innovative thinking requires that the cognitive assumptions which have led to the introduction of the original policy, or its absence, must be externalised and compared with new contextual conditions. Foresight studies and independent impact assessments can expose inherent weakness and can help to promote improvements.

Never out of use is the concept of central mind of government and more varied steering and planning concepts.[5] The central mind of government means all those functions which together produce key decisions concerning policy and operations. Innovating these central functions with both eyes pointed at the future, is an important first step to adapting any governance to the new context. This requires looking at its principal components: cognitive inputs, values and vision, and decision-making authority, but also at its operational methods and culture.

Strategic foresight is but one tool in better policy planning, for it can "smoothen the peaks" of the unexpected, and of disruptive events and developments. It is an instrument to strengthen strategic sensitivity together with alertness and out-of-the-box thinking, recognition of patterns and long range processes, experimentation and scenario gaming, and real time analysis and reality checks, as well as holistic policy thinking. When turning camps into cities this is certainly needed if only to avoid that the cities become camps again due to the lack of embedding in their nearby and further away environment.

The new cities will need links to a myriad of economic and societal functions and networks. This needs to be experimented with and supported by policy makers in cooperation with companies, universities and research facilities and of course stakeholders. Specific talents needs to much more ambitiously attracted and supported with education and training, resources for enterprise development, and financing of social and cultural infrastructures.

Despite good individual intentions, traditional bureaucratic organisation and procedures are often too rigid to cope with the multiple challenges in a volatile, uncertain, complex and ambiguous (vuca) context. In national and international governance systems, slave-like adherence to outdated legalistic ideas of sovereignty which fail to capture new economic and societal realities as well as trans-national challenges and opportunities, can by no means be successful. If anything, systemic inertia, paralysis, and eventually decline will be the inevitable result.

The reality is intrinsically diverse and interconnected, hence a one-size-fits-all approach and blanket measures are unsuitable to achieve objectives. This requires governments to focus less on their role as regulator, and to fulfil a stronger role as manager, coach and facilitator; and by following a dual approach, so that all individual efforts together contribute to the common goals of a new city. They should learn and practice methods of collaborative government, crossing imaginary legal borders and letting their officials operate in trans-national teams, inter-active and real value creating, economically and socially and culturally.

There is often a fault line between strategy development and strategy execution. This can be attributed to a lack of political steering power and the weak capability of orchestrating and initiating change. It is closely linked to a structural lack of innovative thinking, as indicated above, and the absence of appropriate steering methods to deal with issues which are by definition multi-disciplinary and therefore span across different policy areas. Too often the political goals does not percolate through the hierarchy to the operational levels and joint thinking and horizontal coordination of execution falls between the different administrative departments concerned with the same issue from different policy-perspectives. In addition, institutional self-interests can dominate thinking and solution development, while evaluation and feedback mechanisms are distorted, often because of a hidden system's self-protection.

In fact, it can be seen that often, vested interests actively undermine cooperation and coherence. Instead of vertical control-type leadership, orchestration is necessary: parties and resources need to be brought together, and responsibilities channelled. This requires decentralisation of powers and flattening of organisations; co-creation; self-organisation; re-establishment of trust, experimentation and proto-typing. Too often one is hiding behind protocol and legalistic procedure. Key actors refuse to shift their positions, and block co-creation. This creates ego-systems, not ecosystems. It is necessary to acknowledge that there are multiple agendas and interests that are not aligned and perhaps, there is even a distinct lack of intention to align them. Alignment alone is unlikely to overcome this problem; active stewardship is necessary to walk through the fault lines and unlock the blockages that hinder the creation of ecosystems.

Truly independent advisors and actors can be helpful to identify the different interests to show which of these block the realisation of new ideas and why. These interests should be made public to allow stakeholders to discuss how to overcome the hurdles. Naturally, this must be evidence-based. Finally, ownership aversion needs to be overcome. One solution can be to encourage actors to "take off their formalities" and come together in informal arenas. In more flat and collaborative systems, the need to refer upwards is reduced, creating more opportunities for strategy and scenarios development. Self-organisation can then help to unlock system blockages, channel responsibilities and increase trust, but needs to be given space. Legislation tends towards static efficiency, the optimum use of existing solutions. As new technology, knowledge and business (start-ups becoming mainstream, digital platforms, societal initiatives) are emerging, this increasingly result in regulations becoming superfluous or ineffective.

Public governance systems are usually designed for predictable futures, turning a camp into an urban ecosystem is only predictable, not always fully, as far as physical infrastructure is concerned. Unpredictable futures must be met with different means and demand the creation of experimental arenas for innovation. Innovative social and economic growth cannot be ordered à la carte, but develops where it has the chance, and between many different actors. For this, open innovation ecosystems

are ideal, pulling different actors and resources, building more interdependence to increase the impact of instruments used, including financial. Experimentation and proto-typing will spur unexpected serendipity and increase the understanding of what needs to be regulated (if at all), or what possible other solutions may be.

Therefore playground thinking should be applied: support experimentation, create interference-free zones (innovation niches), where ideas can be tested and developed truly bottom-up free of control. Governments cannot control every aspect of life, and they should not. They must be facilitators of desirable societal initiatives which represent a form of self-organisation of societies to tackle challenges that the state cannot. New cities by definition need new public policy.

THE EU BETWEEN INTENTION AND FAILURE

The European Union (EU) and its member states are very important providers of support for the realisation of the SDGs in Africa, and elsewhere. They are generous donors of aid, but aid is only needed in emergency circumstances, otherwise, it creates dependency. They are equally providers of grand development programs and funding, but they have little to show for in results. They are facing precisely the challenges outlined briefly above, and renaming development policy as international cooperation will solve nothing if the basic concepts do not change.

Europe's development policies are in essence a continuation of their colonial undertakings, even by countries which never had colonies as such but which took part nevertheless in the unequal trade patterns established at the time. Moreover, the EU system was designed to develop a common and later a single market, and to set the standards to create a level playing field. It was not designed for more complex policy development such as structural transformations in former colonies, or migration, or climate change policy, to name but a few. Not for lack of good intentions or for trying, but because of systemic and operational inadaptation did it not succeed, contrary to its principal goals where it did very well.

There is an urgent need for Europeans to reduce, harmonise and update a bouillabaisse of strategies, policies, action plans, funding mechanisms and roadmaps for Africa and to design a clear vision and a single operational framework and a coherent roadmap with priorities. It will also be inevitable to amend existing agreements and bring coherence and priorities to EU-Africa relations, between Commission DGs and between Member States. This can lead to greater efficacy of the funds available. The joint Foreign Ministers conference in Kigali on 25-26 October 2021 seems to have made a prudent step in that direction.

To better respond to African needs, European programs should be seen as complementary only when needed and provided in a way that promotes endogenous economic growth and structural reform. The focus must be on investment and major capacity-building efforts in the public and private sectors. Investment and trade

relations will emerge if the right framework conditions are created. Close coope-ration, through consultation processes, with the private sector must therefore be encouraged, as the cognitive gap between the public and private sectors is per se an obstacle. New urban ecosystems can contribute a lot to joint development efforts, but they do not yet form part of such a vision. In fact, there has never been a clear vision about the Africa-Europe relationship, and certainly one of equal partners, as claimed since 2018 by the EU Commission, is still under construction, perhaps even has to start being constructed.[6]

For an optimal impact, funds could be pooled into one fund for investments and synergized with private investment. The EU Commission could offer negotiations with the AU on building a genuine continent-to-continent free trade agreement, ta-king the CFTA as a basis and temporarily allowing import tariff for European pro-ducts if trade barriers and tariff inside Africa will be continuously reduced. Talks must not be limited to pure 'trade', but broadened to include the SDGs alongside investments, competition, intellectual property, security, migration and development co-operation.

A network of thriving cities, existing and new ones, will be a new asset in the realisation of the objectives of Agenda 2063. Cities are hubs of creativity and innova-tion in all spheres of social life today. They were during the growth of European and American industrialisation in the 19th century, they are in China's and Asian count-ries' remarkable renaissance in the last fifty years. Africa's megacities, with all their infrastructure and management problems, nevertheless are starting to fulfil similar functions; medium sized and small cities, and new ones, camps turned into cities, can complete these multidimensional roles.[7]

The EU has already a number of dispersed programs with funding which can contribute to turn camps into cities into urban ecosystems. Some of its general in-vestment and job creation programs could have a potential impact on new cities, such as the Alliance for Sustainable Investments and Jobs, which has a focus on digital transformation; or the Africa Investment Platform, together with the European Investment Bank, which is available for transportation, communication and energy infrastructure.

The Convenant of Mayors in Sub-Sahara Africa supported cities to deal with cli-mate change and access to energy, but it runs out in 2022. Independent evaluation might be required before considering its renewal and innovation, also for building better synergy with ongoing programs of financing electrification or water distribu-tion. Another program, Resilient City Development, may merit upgrading because of its focus on public-private partnerships in lowering risk for financing urban infras-tructures.

Considering that migrants are often entrepreneurial people, several EU programs for supporting technology incubators and accelerators and for SMEs will also be helpful to build in new cities a comprehensive economic and social environment. All the more so, if this will be harmonised with its specific programs for deal with

the consequences of migration for children and vulnerable people; though designed from a humanistic perspective, they can fulfil a wider stimulating role in new cities.

These policies and funding programs were not aimed at turning camps into ci-ties, but they could and should be, given clairvoyant vision and necessary reforms in conception and execution. It would allow the EU and its member states to make a real difference for real people, who are among the most vulnerable today, but who can become among the most entrepreneurial once they can live a decent life in such new urban ecosystems, connected to their hinterland in many ways, and bringing sustainable economic growth and social welfare, creating a virtuous circle for all.

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CITIES, NOT CAMPS –
IT IS MORE
THAN JUST A
PERCEPTION

Imagine, Image, I – How To Overcome the Walls in Our Heads When it Comes to Migrants

by Roland Schatz

Imagine a typical mid-size company with major problems finding qualified workers. On Monday morning, 1,000 inventors, engineers, and IT practitioners knock on the door and ask to join the team. Imagine the head of HR at any hospital in Europe where there is a current shortage of over 5.000.000 nurses if 1,000 nurses apply. Imagine the restaurant owners who, during the COVID19 pandemic, lost large numbers of their staff to Amazon and similar companies. Imagine the senior citizen homes. The schools. Imagine they open their doors and all they see are people ready to work, but who look different from them. These images would somehow seem to be a challenge to the imagination.

In 2007 this dream was close to turning into a nightmare for Lawrence Gonzi the Prime Minister of Malta and his team. As the first Syrian crisis materialized, thousands decided to leave their country and search for hope and a future abroad. As they reached Malta, people there experienced the shock described above. Gonzi picked up his phone and called his colleagues in Europe and the United States asking for help in taking some of the refugees. But Angela Merkel said no. As did George W. Bush. And so did all the others.[1] Malta was forced to find a solution on its own. A few years later Malta was the sole country in Europe with economic growth of three per cent per year.

Having published the Integration Index[2] during the past decade and hosting Unlearning Intolerance masterclasses[3] together with UN Academic Impact, it seems fair to fall into the trap of blaming perception for almost everything when the discussion turns to migrants. Migration raises an essential question: How can we prepare cities for when the annual number of people being forced from their homes or deciding to move from their countries exceeds 100 million per year?

In 2007 we already knew what we know today. Any city would have loved to welcome Steve Jobs as taxpayer once he was successful. But when his family first de-

cided to give up on their country of origin, Syria, nobody would have offered a warm welcome. Even after the total collapse of the Western war against Afghanistan and Iraq with its final stage in the summer of 2021 causing additional trauma not only in Kabul but also in Berlin, Brussels, Paris, London, Madrid, Rome and Washington, the Sunday speeches of their leaders continued to sound hollow to a speechless world.

But today, in the spring of 2022, a change in the perception of migrants appears to be emerging as refugees from Ukraine (and Belarus, Russia and Moldavia) seek urgent shelter. And this time solutions are being "found" quickly. Why now and not in the past? Because now the will exists. No law had to be changed. No parliament in any of the EU member-states, in the United Kingdom or elsewhere needed convincing.

The question is: What needs to be done in order to bridge the gap between what is "similar" and "what is different"? The image of migrants and refugees on international TV news has been consistently negative for more than the last ten years.[4] The only question has been how negative. While there has been some rebound in the framing over the last three years, media negativity remains high. This is the result of a mix of factors including the practical dangers faced by migrants, political opposition to migrants, and – at times – crime (or speculation about potential crime) committed by migrants.

The result is often that television media audiences are encouraged to be both afraid for and afraid of migrants. The following graph shows the extent to which this fear defined the perception of people like you and me who happened to be forced to give up their homes, friends and neighborhoods to search for a chance to live self-determined lives.

Figure 1: Tone of coverage on migrants on international TV news, Jan 1, 2011 – March 31, 2022

THE IMAGE OF MIGRANTS
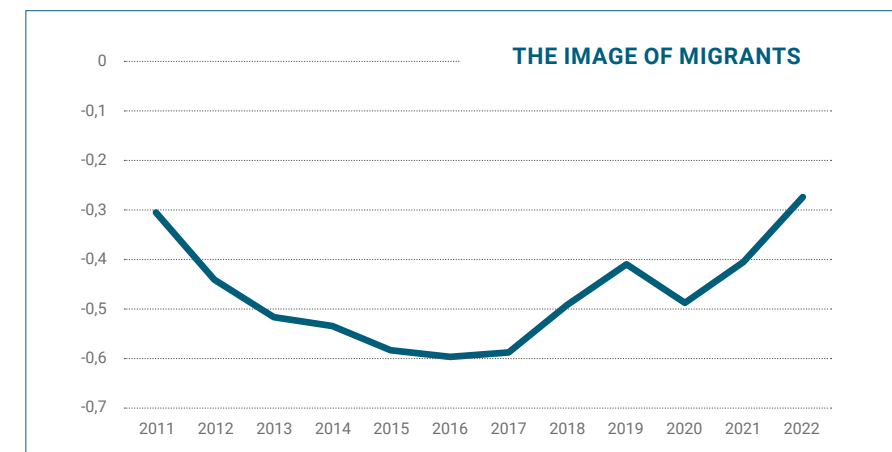
In order to read this trend correctly, in the year 2011 every report on migrants that aired on prime time TV news was, on average, framed with a negative rating of minus 30%. During the years 2015 to 2017 it fell even futher, to minus 60%. Meanwhile, almost one month of media reporting on the Russian Army again invading Ukraine, the overall rating of migrants has improved to an average of minus 28%. This "improvement" leads directly to additional questions regarding migrants from Afghanistan, Syria, Yemen and all the other places where war, climate change and other reasons force families to leave their homes being portrayed as being "second class" migrants as compared to the positive coverage of refugees leaving Ukraine.

As numbers seldom help us to understand the real drama behind them, let us make a comparison. When the media cover corporate bankruptcy these reports generally have a tone of -40% to -50%. The reason for this is that stories about the company's better past are always highlighted as well as are stories about the negotiations aimed at trying to avoid or resolve the bankruptcy. Meanwhile, a politician running for office is likely to abandon his candidacy once the tone reaches -20% to -30%. In the last 10 years, migrants would have loved to face this level of negativity in the leading western opinion media compared to what they did receive.

When the above data is broken up by media market, the image of migrants remains strongly negative, but the picture changes somewhat. In the U.S., the image of migrants has actually been improving. This has been particularly true since 2016. Some of this is due to the sympathy that was aroused by family separation policies implemented by the Trump administration and the recent influx of refugees from Afghanistan.

In the same period, the image of migrants has fluctuated in a narrower band in Germany and the U.K. over the last nine years. And now with a strong improvement in the last weeks of the first Quarter of 2022. This is even more puzzling with respect to state-owned networks, such as the BBC in the U.K. and ARD/ZDF in Germany. By law[5] they are required to report in a balanced fashion and to serve as fora for promoting integration. While scientific data has indicated for decades that there may be a fundamental discrepancy between these laws and the reporting being conducted, there have been no consequences for defaulting on this.

This type of coverage becomes even more irritating when looked at from the perspective of citizens in Germany or the U.K. in urgent need of medical treatment. Three million and more surgeries in the U.K. will be delayed as this book is printed because of a lack of hospital staff. The death toll as a result of these shortages in the U.K. and Germany are in the tens of thousands annually. But the published debate on migrants remains focused on stereotypes when the refugees are coming from Africa or other non-European hot spots, despite the very real possibility of refugees being a partial solution to our staffing shortages in critical industries.

The tone of coverage on migrants is also somewhat dependent on the type of migrant as defined by the media. Immigrant workers and asylum seekers are generally given the least negative image due to what they can contribute to the economy or

Figure 2: Tone of coverage on migrants on international TV news, Jan 1, 2011 – March 31, 2022
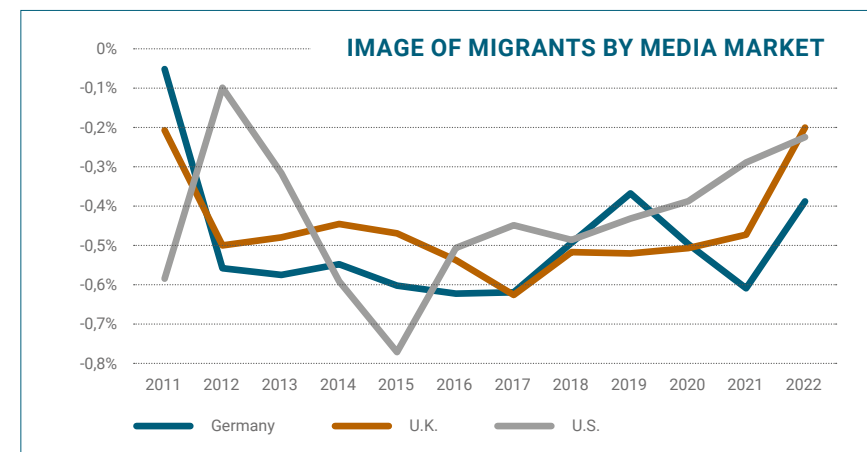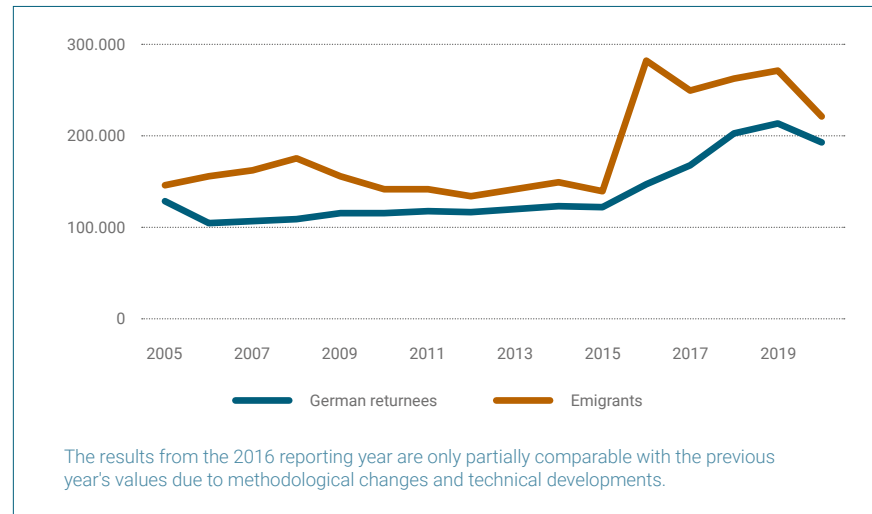

due to the situation that they are escaping from. Young refugees face image negativity both from the peril they face as well as the negativity – often based on racist stereotypes – that they are a path through which adults will also migrate.

A side remark might be made regarding the media trend from Germany: one could argue that the fear is triggered by a sentiment known as "the boat is full" mentality initially created during the Nazi-dictatorship, when some politicians in Switzerland tried to use it as a reason to send Jews back to the concentration camps from where they managed to escape.[6] The Swiss, with more than 25 per cent of their population being foreigners as of 2022, still tend to have a susceptibility to these headlines. But when it comes to Germany, the realities are different. As the graph below indicates, under the leadership of Angela Merkel more people tended to leave Germany than those deciding to declare Germany as their new "Heimat"[7] or country of residence.[8] Since reunification, Germany is in desperate need of people identifying themselves officially as German, as does Europe in general – in order to keep the pension system up and running. Germany needs an additional 5 million people or 1% of the population of the EU, but nobody in Berlin or Brussels is taking any action working towards a solution – which would lead to a complete different migration policy.
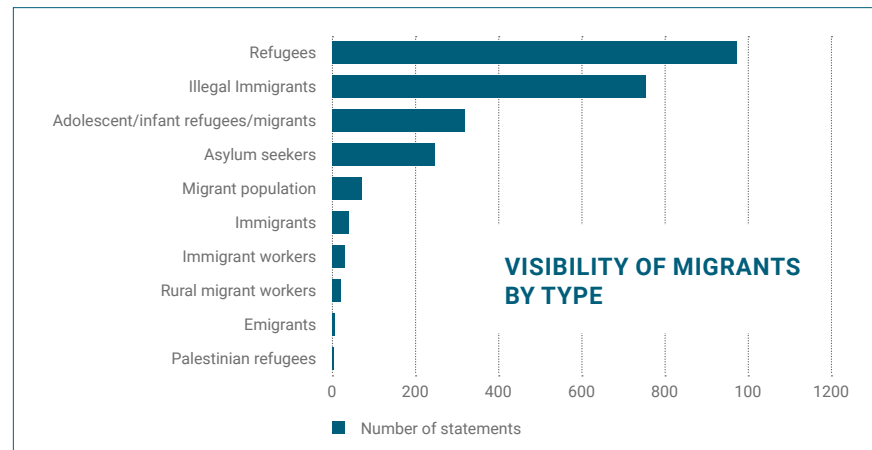
The topics associated with migration in the media also highlight this mix of peril and suspicion that may make it difficult for media audiences to view refugees and other migrants as people just like them. Fears about human trafficking, migrants adding to the burden of COVID-19, the possibility of integration, and risks to the job market – all feature prominently in this challenge.

As if this is not scary enough, cliche-driven news selection gets even worse when religion is added to the mix, as migrants often come from regions with a complete-

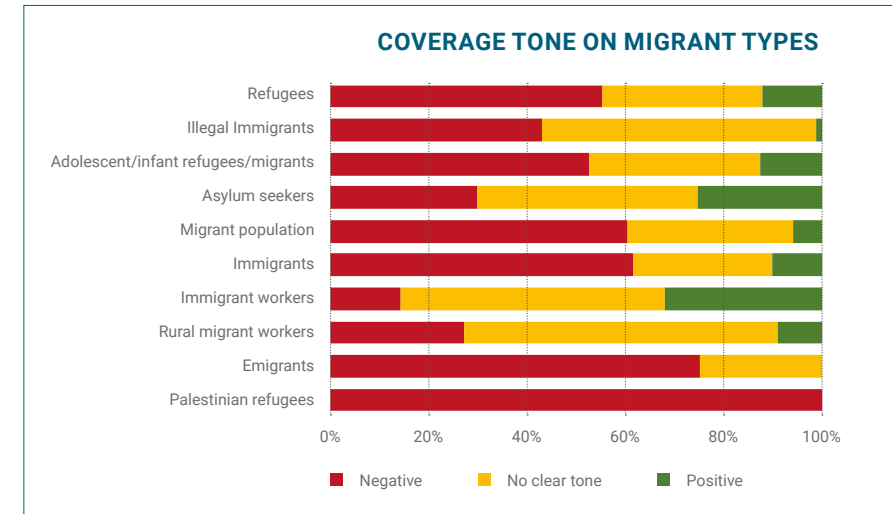**Figure 3:** German immigration statistics, 2005–2020

The results from the 2016 reporting year are only partially comparable with the previous year's values due to methodological changes and technical developments.

Figure 4: Volume of coverage on migrants on international TV news, Jan 1, 2021 – March 31, 2022

Figure 5: Tone of coverage on migrants on international TV news, Jan 1, 2021 – March 31, 2022

Figure 6: Tone of coverage on migrants on international TV news by topic, Jan 1, 2021 – March 31, 2022
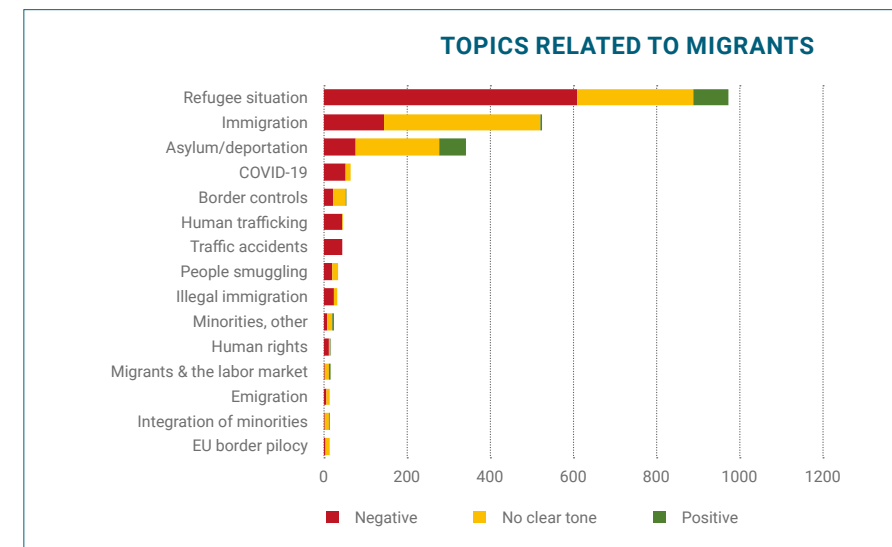

ly different experience and practice of faith and culture. Recognizing this is key to finding ways to overcome biases rooted in differences. In looking at the following graphs showing the news coverage of different faiths since the terrorist attack on the Twin Towers of Manhattan New York on September 11, 2021 in what has come to be known simply as 9/11, one should keep in mind the most recent statement by the U.K. Secretary of State for Home Affairs, The Rt Hon Priti Patel MP, comparing

the current breach of the UN charter by Russia with the terror attack 20 years ago. According to her, we are about to face a similar fundamental change in behavior as we suffered in response to the collapse of the World Trade Center.

Figure 7: Tone of muslims on international TV news, Jan 1, 2021 – March 31, 2022

IMAGE OF MUSLIMS IS SHARPLY NEGATIVE COMPARED TO OTHER GROUPS

While there are ongoing issues with the image of Muslims in European media, especially related to concerns around migration, the tone has not been as resolutely negative as it has been in the U.S., where the image has actually worsened since 9/11.

Basis: 107.088 reports on International TV news regarding religious protagonists
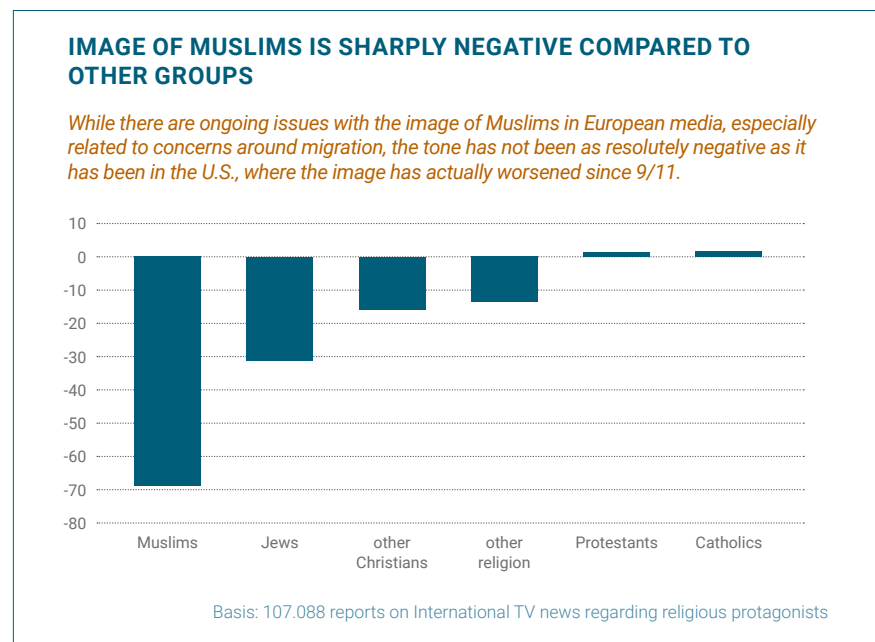
According to some of my colleagues in the editorial rooms across the continents, religions are ofter seen almost as a new evil.[9] During the past 20 years, almost 70% of all 107,088 reports aired on U.S., U.K., and German prime time TV news relating to Islam were negative. Those trying to capture the realities of Jewish life were at minus 30%, and even those regarding Christian faiths were neutral at best. Obviously, there is a difference between -70% for Islam and around -5% for Catholics.

There is, however, an option to unlearn intolerance. After decades of interfaith projects, Prince Ghazi and the other 200 faith leaders participating in the C1 Foundation "Common World" initiative have stated the obvious: that as people, there is more that unites us than divides us. And while this is no longer disputed, at least among those who show interest in comparative studies on holy texts, the public discourse – framed to some extent by the leading opinion media – too often tries to make us think and act otherwise.

But the negativity towards the Christian faiths is less extreme solely because of two factors. Members of these faiths are not only in the audience when BBC, ARD, ZDF try to cover the news, but with around 25 million Catholics and 25 million Protestants in Germany, most journalists in charge of news-selection know people of these faiths and would have to defend their coverage when stereotyping goes through the roof or towards the way they frame Jews and Muslims. But because Jews and Muslims make up a smaller segment of the population, there are fewer checks on how they are stereotyped in the news.

This leads to a second critical fact. Journalists, despite the sentiments of some people, remain, frankly, human beings. And human beings are social animals. In other words, we respond to contact. We even respond to good ideas, fascinating projects, and data and trends, which all help us gain recognition within our own species. Media exists because it catches the interest of a certain audience. This works mainly through quotations and getting quoted. Academics understand what I am referring to. For them, it is known as to "publish or perish". Every journalist knows their job is at risk if nobody reacts to their reporting. Therefore, what works in reporting on faith works as well in writing about migrants. Creating a trusted relationship with those who decide on news selection – the editors – is critical. This is not a one-off impulse but requires a permanent will and capacity to, as we often say in our newsrooms, "feed the beast."

As long as migrants only appear to journalists as a problem, the likelihood that they appear on the evening news in the same way is high. It is up to those within city management that need hands and hearts in hospitals, schools, factories, and restaurants to illustrate the other side of this story. And, what is expected from scientists in the 21st century is no longer reduced once their research is published in an academic journal: some of them learned already that visibility for their findings in TV, Radio and Print is key to win partners and acceptance beyond the walls of their universities. Full circle awareness means breaking down data and trends into concepts that are also meaningful to mainstream media. This may help increase third party funding, but it will also help change the perception of migrants from a problem to an opportunity.

Let me close with the reality of a city most of us have not heard about: Gaziantep.[10] Since the dictator Assad and his Russian and Iranian allies decided to ignore all principles which used to define not only the rich culture existing in Syria but also in Russia and Iran, 500,000 citizens from Syria left their homes and tried to find a new home in this town on the other side of the Turkish-Syrian border.

The mayor of Gaziantep did not decide to go for another UNHCR tent disaster. Instead, the city council as well as all the other stakeholders in town came to the conclusion that it would be the best for all if they would allow the new inhabitants to live where they wanted. Today, years after the most recent outbreak of the war in Syria, it is difficult to spot where the Syrian and where the Turkish communities live in town. While ten years ago almost from one day to the other every second school

child happened to be non-Turkish, the teachers decided that the solution was to train the new pupils in Turkish – but at the same time offering classes in Arabic and in some Syrian languages.

More than 100 family-run companies from Syria operate out of Gaziantep. Their client base, their supply-chain base as well as their growing staff, are as diverse as they are successful. And yes, there are still enough challenges to be sorted out. But not less or more, than in any other city in Turkey, or in Europe or any other continent for that matter.

So, what can be done? If every real estate planning for future cities or future city areas dedicates 0.5% of the budget to the United Nations Sustainable Development Goals (UNSDG)-focused citizen/stakeholder platforms such as the UN Habitat/UNGSII "1 Stop Solution Platform" as well as 0.5% of the budget to media relations including the goal of a realistic perception change, most of the problems described in this chapter would disapear.

When I went to school one could see stickers on cars: "We are all foreigners – almost everywhere". A bit more of this mindset and a huge portion less of the stereotype-driven news selection when it comes to covering reports on migrants and faith could help create realistic solutions for cities (and rural areas) when it comes to dealing with the new normal: a massive growing number of migrants in the world.

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[8] "Heimat" is a German term that has no proper equivalent in the English language. In contemporary political or immigration status terms, it means official country of residence, but it carries a romantic connotation of attachment to Germany as "home".

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Michael Castle-Miller is a legal and public policy consultant who has served as an advisor to governments, international organizations, civil society, and private investors on projects in over 30 countries. He specializes in the institutional frameworks governing special economic zones and other special-status jurisdictions serving as demonstration areas for policy reforms. He has founded and run Politas Consulting, Refugee Cities, and the Lunar Development Cooperative, and co-founded the SDZ Alliance.

Victoria Delbridge is the Head of the International Growth Centre's Cities that Work initiative. She is working with Paul Collier, Ed Glaeser, Astrid Haas and Tony Venables, to develop a network of economists, urban planning practitioners and policymakers to translate economic research into clear urban policy guidance. Delbridge holds an MSc in Economics for Development from the University of Oxford. Her current research areas include urban land use planning, public infrastructure and service provision, urban employment, municipal finance and city-level data strategies.

Titus Gebel: The doctor of law and serial entrepreneur founded, among others, Deutsche Rohstoff AG, after he worked as a manager for various companies in the biotechnology, venture capital and commodities industry. In 2015, he resigned as CEO at his own request to devote himself entirely to his new project Free Private Cities. Since then, Gebel works as an entrepreneur and advocate for new special economic zones, especially in developing countries. With Free Private Cities, he wants to create a completely new product on the "market of living together" If successful, it will fast-track knowledge and progress for humanity. He is founder and President of the Free Cities Foundation in Liechtenstein.

Astrid R.N. Haas is an urban economist supporting cities to strengthen their financial systems, with a focus on unleashing new opportunities for sub-national financing. Astrid has worked extensively with city governments across African and Asia in her diverse roles, including as an urban economist with the African Development Bank and Policy Director at the International Growth Centre. She holds an MA in International Economics and International Development from Johns Hopkins University and a BSc in Economics, Politics, and International Studies from the University of Warwick. In 2016, she was nominated by the University of Cape Town as one of Africa's Young Leaders and in 2020 she received Johns Hopkins University's Outstanding Recent Graduate Award, for her work on urbanisation. For more information please see: www.astridrnhaas.com

Peter Hedlund has over 20 years' experience in the geospatial and other technology industries. He has held senior positions at large firms such as Trimble and Ordnance Survey, as well as fast growing start-ups. Peter has developed and delivered geospatial business strategies for clients in Africa and the Middle East and has pioneered innovations that maximise the value obtained from proprietary data. He holds an MBA, having studied at Harvard, Stockholm and Vienna business schools. Peter has extensive experience of advising governments across the world, including Volta State's mapping projects.

Kilian Kleinschmidt is an international networker, development and migration expert with 30 years of experience in a wide range of countries, emergencies and refugee camps as United Nations official, Aid worker and Diplomat. He is currently developing and advising a number of ventures which aim at sustainable investment and social impact in very fragile environments. His work on emerging cities, Special Development Zones and urbanization of refugee camps is widely recognized as the way forward dealing with mass migration, population shifts and transformation of society.

Christiane Kraus is an economist with more than 20 years' experience in development cooperation, mainly in Africa. She started her career as a Young Professional in the World Bank with assignments in East Africa (Ethiopia and Kenya) as a country economist and senior trade specialist. Between 2007 and 2016 she was Chief Coordinator and Deputy Executive Director for a trade development support programme for Least Developed Countries at the WTO. In 2017, she joined the German Government as an Advisor for the G20 Presidency, after which she became Head of the Office of the Personal Representative of the German Chancellor for Africa. Throughout her career, she pursued innovative ideas for private sector led economic development, including special economic zones.

Bertram Lohmüller wrote his PhD at Cranfield School of Management (UK) with a thesis about the key drivers of product innovation in German manufacturing industry. Nowadays he is a professor at Steinbeis University for technology transfer & leadership and managing partner of Export-Akademie Baden-Württemberg. As a consultant, he is specialized in corporate strategy, green technology transfer, innovation management and has initiated the sustainable benchmarking project GreenMLA® Green Management & Leadership Award. Further areas of his interest are the set-up of centres of excellence for green technologies on the African continent and the development of innovation clusters to strengthen both the innovation performance and social impact.

Thomas Mayer is Founding Director of the Flossbach von Storch Research Institute. Before this he was Chief Economist of Deutsche Bank Group and Head of DB Research. Thomas Mayer held positions at Goldman Sachs, Salomon Brothers and, before entering the private sector, at the International Monetary Fund and the Kiel Institute. He received a doctorate in economics from Kiel University, is a CFA Charterholder and Honorary Professor at University Witten/Herdecke. Thomas Mayer has published widely on money and finance, among others "Europe's Unfinished Currency: The Political Economics of the Euro" and "Austrian Economics, Money and Finance".

Günter Nooke: The former Personal Representative of the German Chancellor for Africa served at the German Federal Ministry for Economic Cooperation and Development (BMZ) and is the initiator and driving force behind the idea of "Cities, Not Camps". He is a trained brick layer, studied physics and medical physics at Leipzig University and in Berlin. He worked in the fields of occupational medicine and the redevelopment of open cast lignite mining regions. The former Member of German Bundestag and former Federal Government Commissioner for Human Rights Policy and Humanitarian Aid at the Federal Foreign Office sees a great potential in planned cities.

Edgar Pieterse is founding Director of the African Centre for Cities at the University of Cape Town and is South African Research Chair in Urban Policy. His research and teaching focuses on urban development policy, everyday culture, radical social economies, reactive design and adaptive governance systems. His work has highlighted ways of developing and communicating a differentiated and contextual perspective that can be used to rethink and recreate the built environment in problem cities. He also regularly advises numerous international and African urban planning agencies, foundations and governments.

Martin Read was Born in Zimbabwe, has lived for over twenty-five years in London, and briefly in Dubai. Having qualified as a Chartered Accountant at KPMG, he has since been involved with land and property investments, including investment fund reporting roles at HSBC and financial modelling of real estate developments. Martin has been involved with a number of start-up companies, including a community bank and a city proposal for Libya. His present focus is fund raising and business planning for Volta Mapping Company.

Paul Romer is an American economist, who was awarded the 2018 Nobel Prize for Economics for his contributions to the understanding of long-term economic growth and its relation to technological innovation. He studied mathematics, physics and economics, which he later taught as a professor at numerous universities. From 2016 to 2018, he was Chief Economist at the World Bank and is now working dedicatedly on models of planned cities.

Armin Rothemann is a Berlin-based lawyer who knows micro-jurisdictions from theory and practice. In his dissertation with the title "Charter Cities. An Examination of Domestic Implementation Practice and Participation Modalities under International Law based on the Regiones Especiales de Desarollo in the Republic of Honduras", he examined the legal limits of Charter City projects. Between 2018 and 2020, he worked as a consultant for the Personal Representative of the German Chancellor for Africa and for a Los Angeles-based US consulting firm. With a focus on human rights, he is involved in the framework of different political initiatives.

Joachim Rücker is an economist with PhD, an independent consultant and a former Ambassador of Germany. Until 2017, he was also the Special Representative of the Federal Government for the Middle East Stability Partnership. Previous positions include Permanent Representative to the UN in Geneva, President of the UN Human Rights Council, Special Representative of the UN Secretary-General in Kosovo and Inspector-General of the German Foreign Office. For almost a decade, Joachim Rücker served as Mayor of the industrial city of Sindelfingen.

Samih Sawiris: The Egyptian investor has long experience in enhancing cities while considering social and sustainable aspects. He founded Green Star Awarded El Gouna in Egypt, the tourism project Andermatt Swiss Alps and Haram City in Cairo, a 50,000-apartment development for lower-income residents. He is main partner of "From slum to self-sufficient district", a unique construction and financing model in Senegal. With CasaOrascom and its housing communities he gives poor families a possible home. He received his Diploma in engineering from TU Berlin and is founder and chairman of Orascom Development Holding AG.

Roland Schatz (1965) is 5th Generation Journalist and Founder and CEO of InnoVatio Verlags AG (1985). After his engagement in the falling of the Berlin Wall Helmut Kohl asked him to set up a research institute measuring social change: Media Tenor International AG www.mediatenor.com. From 2013 to 2019 he served as Senior Advisor to the UN Director General, as of 2020 he has the same function for the CEO of the Climate Investment Fund Mafalda Duarte. As of 2020 Pope Francis appointed Schatz as head of one of his Covid-19 commissions. Recent publications: Freedom Index, Quality of Information – both 2021.

Stefan Schepers: PHD, was Director General of the European Public Administration Institute and then Chairman of the consultancy EPPA. Currently he is a visiting professor of European Studies at Henley Business School, University of Reading. Stefan Schepers is executive director of the High Level Groups on EU Policy Innovation in Brussels, including one on the AU-EU Partnership. Moreover he established an Africa-European Centre for Investment and Trade at the African campus of Henley Business School in Johannesburg.

Togbe Afede XIV is a former President of the National House of Chiefs. He remains the Paramount Chief of Asogli State and President of Asogli Traditional Council, a position he has held since 2003. Awarded Ghana's 'Entrepreneur of the Decade' in July 2020, Togbe has a track record of establishing successful enterprises. He is the founder and CEO of SAS Finance Group Limited and a board member and shareholder of several other enterprises, including World Trade Centre Accra, Sunon Asogli Power, Accra Hearts of Oaks Sporting Club and the regional airline AWA. He holds an MBA from Yale.

Nikolaus Wolf: After positions at the London School of Economics and the University of Warwick, Wolf is Professor of Economics and Economic History at Humboldt University Berlin and Research Fellow at CEPR London. In 2018 he was awarded the Frisch Medal by the Econometric Society. His research is focused on long-run structural changes and economic geography, including patterns of trade, regional and urban development.

Thomas Wu is an expert in Carbon Zero concepts and financing of green projects. He is a pioneer in the Chinese business arena, with almost unmatched experiences and a proven track record in the consulting international consulting industry. As senator of the German Senate of Economy he is responsible to expand the global network activities. Also, he initiated and managed large joint ventures project between German global players and companies in China, Europe and North America. On the African continent he is counselling governments in the development and implementation of their "green" investment projects.

ACKNOWLEDGE-MENTS

This volume is the result of various article submissions in preparation for a conference entitled "Cities, Not Camps". Therefore, I would like to thank all those who contributed to the creation and success of this anthology. In addition to the authors of this book, I would like to extend a special thank to all those who have worked closely with me on this topic in the last twelve years.

First and foremost, I would like to express my sincere gratitude to the former German Chancellor, Dr. Angela Merkel, for whom I had the privilege of working as Personal Representative for Africa. During this time, she always supported an open discussion related to the topic of Free or New Cities despite widespread hesitancy and even resistance on the part of my ministry.

Moreover, particular recognition goes to Professor Paul Romer and Dr. Joachim Rücker for their thoughtful suggestions and constructive criticism during the preparation of the project which led to this book. Additionally, special appreciation is due all the private sponsors who, through their generous financial commitment, made it possible for the present volume and the planned conference to come into being. I would especially like to thank my friend of many years, Hagen Kahmann. Support by the Humboldt University, Berlin is also gratefully acknowledged. Furthermore, this book would not have been possible without the professional expertise of Roland Schatz and his publisher, INNOVATIO/Innovatio Verlag, including the editing and proofreading staff.

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INNOVATIO
Data Driven Solutions

In the mid-80s it became clear that neither politics, finance, science nor culture alone held the solutions for sustainable growth. The concept of the "round" table was coined in Switzerland in 1985 before it became a political concept with the fall of the Berlin wall.

In Fribourg, InnoVatio as a publishing house offered not only authors a platform for their multistakeholder ideas, but also an intellectual home to managers in the form of future workshops. Private university concepts for Flensburg, Koblenz, Karvina or Witten were discussed and developed further. The technology parks in Dresden and Ostrava came into being. The cultural management academy, Kulturmanagement Akademie, for the Schleswig-Holstein Music Festival opened its doors. Between 1987 and 1990, thanks to its Swiss heritage, the publishing house was able to use opportunities for supporting alternative thinkers in East Germany, Czechoslovakia and Hungary which would have been impossible from West Germany.

After the fall of the Berlin wall, the significance of the media and the information they transmitted became ever more relevant. Accordingly, together with the Allensbach Institute for Public Opinion Research and academics from universities in Mainz, Dresden and Munich, the publishing house founded its own media research institute, Media Tenor. Initially only from Germany, and from 1996 internationally, data on the media's influence on voter decisions, consumer decisions, share prices or vacation trends are continuously collected and made publicly available. The terror attacks in New York and Washington led to an additional focal point for the publishing house: Together with the World Economic Forum, and later with Prince Ghazi of Jordan, the C1 World Dialogue Foundation was founded in Basel, and engages the willingness of people to enter into dialogue with each other on various continents and, by means of concrete projects, provides documentation to schools, universities and the media in order to overcome stereotypes in teaching, research and mediation.

The migration challenges lead to the start of the Integration Index as well as the "Unlearning Intolerance" masterclasses hosted together with UN Academic Impact. 2019 the adaptation of the Kimberly Process started under the joint leadership of Prof. Taniguchi, Anthony Azuma and Prof. JD Bindenagel to overcome the African Paradox. At the UNECA conference the Kinshasa Process was launched 2021.

MediaTenor
strategic media intelligence

MEDIA TENOR was founded in 1993 by eminent scholars within and out-side of the area of communication science and public opinion research like Elisabeth Noelle-Neumann, Peter Glotz, Hans Mathias Kepplinger, Wolfgang Donsbach and Hartmut Schiedermair and journalists such as Peter Boenisch, Peter Schiwy and Roland Schatz. MEDIA TENOR was established as the first research institute focusing on continuous one hundred percent media analysis of opinion-leading news outlets: day by day, report by report are analysed by human trained full time employed analysts to guarantee best quality. Thanks to this unique approach the institute is the only one in the world able to develop and update the con-cept of the "awareness threshold" which is key to understand as of when media impact can be monitored. It expanded internationally serving uni-versities, NGOs, governments, the media and the corporate sector.

As a strategic partner, MEDIA TENOR helps organizations understan-ding and leveraging the media. Through partnership with MEDIA TENOR, organizations are able to tailor messages to reach target audiences ef-fectively, consequently reducing advertising cost and increasing the re-turn on investment from an organization's external communication.

Since almost 30 years Media Tenor is the leading institute in the field of Agenda SETTING, CUTTING and SURFING. The corporate world recei-ves not only strategic media intelligence but is supported by the Reputa-tion Protect Insurance provided by Allianz SE since 2012. Every year ex-perts and practitioners from media, academia, governments and NGOs meet at the International Agenda Setting Conference to exchange latest trends.

MEDIA TENOR empowers its partners to create and maintain an ac-tive and strategic media presence, strengthening both credibility and re-putation. The database open to the public has grown up to 150 million analysed statements since 1994 – growing every day. These are now open for academia around the World for partners of the UN Academic Impact network as well as the Knowledge Vault, founded 2022 in order to provide a one stop solution for all interested in accurate information.

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... HRH Togbe Afede XIV, Michael R. Castle-Miller, Victoria Delbridge, Astrid R. N. Haas, Peter Hedlund, Kilian Kleinschmidt, Bertram Lohmüller, Thomas Mayer, Edgar Pieterse, Martin Read, Armin Rothemann, Roland Schatz, Stefan Schepers, Thomas Wu

Lack of resources and limited perspectives for a decent living and a sense of disenfranchisement of the young generation lead to migration in many countries. Most migrants settle illegally in town ships and slums that grow unregulated and rarely offer decent housing with adequate infrastructure services.

One way of addressing this situation is to support affected cities with technical assistance tailored to empower majors and city administrations to cope with the administrative, social and economic burden. However, many of the problems in existing cities are intrinsic and difficult to address because of vested interests, lack of physical space to expand infrastructure and other constraints.

An alternative would be to build from scratch, cities planned on the drawing board, with an elementary infrastructure capacity to facilitate life and work for a certain number of occupants.

"New or Planned Cities" is a complex topic with no easy answers to questions regarding the concept and practical implementation. However, in light of the challenges for public policy making in general and development policy in particular it is well worth the effort to delve into the subject with the hope of coming up with pilotable ideas and implementation results or outcomes.

This book presents a range of the current thinking along new or planned cities, including alternatives such as slum upgrading and also critical views. We are proud to have won numerous of the most important experts for this topic to contribute it.