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More Megacities: Outlook for Growth and Change

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More Megacities: Outlook for
Growth and Change

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Summary

*Information available
as of 30 May 1986
was used in this report.*

The world's largest cities are growing ever larger in size and becoming more closely linked to one another through near-instantaneous communications and rapid air travel. Cities like Sao Paulo, Seoul, Bombay, or Cairo exceed most of the world's sovereign states in population and economic significance and, in some respects, have become a world apart from the countries in which they are located. We anticipate that:

- The number of urban agglomerations with populations of more than 2 million will more than double (from 85 to more than 170) between now and the year 2000.

- The world's largest cities, once concentrated in the industrialized countries, will become increasingly concentrated in the LDCs, and this shift will precipitate substantial changes in industrial location and trade.

- The growing internationalization of these cities, because of rapid advances in transport and communication technology, will further alter the relationships between national hinterlands and principal cities and exaggerate the differences between elite groups and the have-nots.

- The rapid growth of most LDC cities is not likely to moderate until well into the 21st century, and, until it does, problems associated with overcrowding—inadequate housing, limited services, and crime—are likely to foster instability and political change at local and national levels.

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Although the correlation has historically been high between large and rapidly growing cities and political and economic health, it may break down over the next several decades because of the growing disparity between the population sizes of these cities and the ability of their economies to generate jobs and revenue. A number of cities of importance to the United States—Mexico City, Cairo, Calcutta, and Sao Paulo—may have already crossed the threshold between burden and asset to their national economies. Even Seoul, with its rapidly expanding economy, may be unable to manage the problems of too many people in the coming years, while Tokyo, Osaka, and some European cities will be burdened by the problems of urban maturity—aging populations and high maintenance and replacement costs for urban infrastructure.

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More Megacities: Outlook for Growth and Change

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The Growth of Cities

The unprecedented increase in global population now in progress is accompanied by an even more rapid increase in urban population. Between 1985 and the end of the century, total world population, according to UN projections,[1] will rise from 4.8 billion to 6.1 billion, and almost three-fourths of the growth—some 938 million people—will be in urban areas. Although urban growth rates have probably peaked in all major regions, with the possible exception of China, they are projected to remain high throughout the developing world, with East Africa topping the list.

By the year 2000, we expect that the number of urban areas with more than 10 million people will increase from nine to 20, and that all but two of the 11 new megacities will be in developing countries (table 1). The number of cities with more than 2 million should more than double, with over three-fourths located in the developing world, compared with less than one-half in 1950. Although these cities contain only about 10 percent of the world's population and just over 20 percent of its urban population at present, they are the site of most of the world's industrial production and business activity.

Some of the largest cities in the developing countries will double their populations within 20 years or less, while the largest cities of the developed world will generally grow much more slowly (figure 1). Given the much higher growth rates in the developing world, it is possible, for example, that the Tehran urbanized area could become nearly as large as greater New York—now the world's fourth-largest city—and that Lima/Callao or Istanbul could exceed greater London (figure 2). The Center for International Research (CIR) at the Bureau of Census estimates that annual growth rates for the 1985-90 period for cities of

[1] UN. *Estimates and Projections of Urban, Rural and City Populations, 1950-2025: The 1982 Assessment*, New York, 1985.

Table 1
Number of Cities More Than 2 Million, 1985-2000

	2 Million+	5 Million+	10 Million+
1950	26 (12) [a]	8 (4)	2 (0)
1985	85 (51)	28 (19)	9 (6)
2000	173 (133)	44 (32)	20 (15)

[a] ( )= In areas other than United States, Canada, Japan, USSR, Europe, Australia, and New Zealand.

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presently more than 2 million range from a low of minus 1 percent per annum for Detroit to a high of 5 percent for Dhaka.[2]

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Prospects for Further Growth

In most developing countries, the economic and political forces that have led to centralization of population and economic activity over the years are still working to produce ever-larger cities. This growth is continuing despite the worsening conditions of life for many city dwellers and efforts to control internal migration.
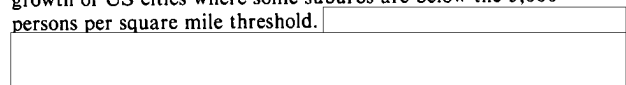
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[2] Population estimates in this paper are for urban agglomerations defined as a population cluster of continuous built-up area with a consistent density of at least 5,000 persons per square mile in 1985. Although this definition permits comparison of urban agglomerations on a universal basis, it also produces estimates that differ markedly in many cases from estimates or census data for administratively defined cities, and tends to understate slightly the size and growth of US cities where some suburbs are below the 5,000 persons per square mile threshold.

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City Growth—Regional Perspective

Africa

In Sub-Saharan Africa, migrants are flooding into the big cities. The extremely high growth rate for Lagos (4.5 percent per annum) is even more impressive, given the fact that it is already the largest city in black Africa; its population is expected to more than double by the end of the century, and the same is true of Kinshasa. In North Africa, Cairo, the continent's largest city, and Alexandria have slowed their pace substantially in the last decade.

Asia

Many cities in South Asia are expanding as rapidly as those in Sub-Saharan Africa. India's capital, New Delhi, continues to increase its population at a rate near 4 percent, and Bangalore is growing even faster than that; Calcutta, in contrast, is the slowest growing major city in India. South Asia's other megacities—Tehran, Karachi, and Dhaka—are all at or near the top of the growth rate scale. The megacities of Southwest Asia—Istanbul, Baghdad, and Ankara—are increasing at rates above 3 percent, while those in Southeast Asia show considerable variation related to economic as well as demographic factors: Jakarta is growing most rapidly and contrasts with Singapore, where growth has slowed to 1 percent per annum. East Asian cities also show wide variation: while Japanese cities have slowed to rates similar to those in Europe and North America, Korean cities are among the fastest growing in the world. Chinese cities, growing at less than 1 percent over the last decade, are likely to increase more rapidly in coming years, barring a reversal of the modernization and industrialization policies being pursued by the present government.

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Latin America

Most of the cities in South America continue to have high growth rates, although in some of the oldest and largest cities—Santiago, Rio de Janeiro, and especially Buenos Aires—rates have slowed substantially. The Brazilian cities of Sao Paulo and Belo Horizonte, as well as Lima and Bogota, continue to grow at rates that are expected to double their populations within 20 to 25 years, as will Mexican cities if present trends continue.

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Developed Countries

Most North American and European cities are growing at less than 1 percent a year, and a few may experience absolute losses in population. Centers of heavy industry in the United States, the United Kingdom, or West Germany are expected to continue their relative, and, in some cases, absolute decline. Soviet cities, with Kiev leading the list, are generally growing at somewhat higher rates than European cities but still well below those of Third World cities.

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One recent academic model, which attempts to incorporate a variety of economic and demographic variables, concludes that the "urban transition" [3] will have run its course in most LDCs by the year 2025. The United Nations projects that the less developed regions will be only 58 percent urbanized by 2025 (figure 3). Whatever the actual rate, the immediate prospects are for several more decades of exceptional growth in most of the Third World's largest cities because of rural-urban migration and high natural increase rates associated with recent migrants.

Many of the cities already among the largest in the world are continuing to attract a disproportionate share of overall rural-urban migration. Recent academic studies that analyze subnational census and other demographic data by decade show that the core areas (the urbanized area including and surrounding the preeminent city) of most developing countries continued to increase their share of national population during the 1970-80 period. As economic development progresses, the relative growth rate of smaller cities may increase, but this process was not yet

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[3] A period of rapid urban growth culminating in levels of urbanization comparable to those in the developed countries now.

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Figure 3
Regional Increase in Urbanization,
1950, 1985, and 2025

Percent Urban

- ■ 0-49
- ■ 50-69
- ■ 70-79
- ■ 80-100

	1950	1985	2025
World	29	42	62
Less developed regions	17	32	58
More developed regions	54	72	85
Regions			
East Africa	5	18	47
Melanesia	5	19	42
China	12	21	45
Southern Asia	15	25	52
West Africa	9	25	55
Southeast Asia	14	26	54
Middle Africa	14	39	68
Micronesia/Polynesia	19	46	72
North Africa	25	47	72
Southern Africa	37	52	73
Caribbean	34	55	74
Western Asia	23	56	77
Eastern Europe	41	62	81
Central America	39	63	80
Southern Europe	44	65	81
USSR	39	66	83
East Asia (excluding China)	28	66	86
Tropical South America	35	70	85
North America	63	74	85
Japan	50	76	86
Western Europe	65	81	90
Temperate South America	64	84	92
Australia/New Zealand	74	86	92
Northern Europe	74	87	93

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evident during the 1970s except in some advanced
LDCs. For example, the Caracas and Buenos Aires
core areas have begun to show a declining share of
national population growth. Some falloff in relative
growth of the Cairo, Santiago, and Lima core areas
was also noted but was attributed to factors of

economic stagnation and congestion rather than to the
underlying positive changes in urban growth structure
associated with economic development.☐   25X1

The same special characteristics that explain the
megacities' drawing power also underlie their prob-
lems and vulnerabilities. Those termed primate cities
in academic literature are at least twice the size of the
second-largest city in the country. These cities also
perform cultural, economic, and, in the case of capital
cities, political functions not performed elsewhere in
the country. Most also house a large foreign commu-
nity of students, tourists, diplomats, businessmen, and
guest workers. Classic examples include Santiago,
Mexico City, Cairo, Seoul, Tehran, and Lima (figure
4). In India and China, no one city clearly overshad-
ows all others, but several cities dominate large
subnational regions in a similar fashion.☐   25X1

These large cities dominate the economic and cultural
life of their nations, drawing talent and capital from
other regions. In LDCs,☐   25X1
☐ it is not unusual for one-half to two-thirds of   25X1
the national manufacturing capability to be located in
or around the largest city. This city is the principal
point of linkage between the nation and the rest of the
world—sometimes the only entry point for interna-
tional air traffic—and often the hub of the country's
internal transport network. International finance and
trade are concentrated here, and world-class ameni-
ties are available to attract and retain foreign capital
and talent. Major universities, theaters, and scientific
institutions add to megacity drawing power. Con-
straining the growth of these cities is difficult because
of the nature of the forces that produced their domi-
nance in the first place.☐   25X1

The Consequences of Growth—Slums and Squatters

Latin American cities, such as Rio de Janeiro, Buenos
Aires, and Mexico City, first encountered problems
associated with rapid urban growth rates in the late   25X1
1930s and early 1940s. The same difficulties emerged
with full force in Asian LDCs after World War II and

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Figure 4
Primate Cities: Percent of Population, 1985

City[a]	Percent	Country	Total Country Population (millions)
	0 10 20 30 40		
Santiago		Chile	11.8
Buenos Aires		Argentina	30.7
Athens		Greece	10.0
Seoul		Korea	42.6
Lima		Peru	19.5
Taipei		Taiwan	19.3
Baghdad		Iraq	15.5
Budapest		Hungary	10.6
Tokyo		Japan	120.6
Mexico City		Mexico	79.6
Caracas		Venezuela	17.8
Cairo		Egypt	48.3
London		United Kingdom	56.0
Bogota		Colombia	29.5
Tehran		Iran	45.1
Paris		France	55.0
Manila		Philippines	56.8
Istanbul		Turkey	51.2
Sao Paulo		Brazil	137.5
Kinshasa		Zaire	33.0
Bangkok		Thailand	52.7
Rangoon		Burma	36.9
Lagos		Nigeria	91.1
Karachi		Pakistan	99.1
Ho Chi Minh City		Vietnam	60.4
Moscow		USSR	227.6
Dhaka		Bangladesh	102.7

[a] Selected cities over two million.

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Controls on Growth

LDC governments confronted with the rapid, chaotic nature of big city growth have attempted to control city size through policy intervention. Economic incentives (tax breaks, loans, rebates, grants, utility subsidies) for business to locate somewhere other than the largest city, and employer disincentives (costly permits for new construction, higher taxes, utility fees, and zoning restrictions) in the largest cities are common policy tools. Other national programs, like land reform and development, upgrading rural infrastructure, and decentralizing job opportunities, are designed to provide positive alternatives to migrants bound for the big city. Also common are controls on individuals' entry into the city (to "close" certain cities), limitations on migrant access to essential social services (medical and educational), expulsion of migrants who do not have jobs, restrictions on vending and other forms of employment in the informal sector, or residence permits and costly user charges and taxes.

Inadequate enforcement and the existence of policies or conflicting economic dynamics at the national and international level often render direct growth-control measures ineffective. Regulations also present new

opportunities for corruption; counterfeiting of residence cards and other official papers needed for access to jobs or schools is widespread.

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Centrally planned economies have been able to exercise greater control over both spatial deployment of investment (job opportunities) and the movement of citizens. For example, in the early 1950s the Chinese began to subsidize development of interior cities at the expense of Shanghai and other large coastal cities that had prospered in the colonial era. Tough laws to limit urban migration were passed in 1958; tight registration requirements and control over food supplies ensured that entry into the city could be obtained only if one had a job or attended a university. Even after the Cultural Revolution during the 1970s, some 17 million educated youths were dispersed into the countryside. As a consequence of these measures—and the general population control measures—Chinese cities grew very slowly during the decades when most big cities in less developed economies were exploding. Urban growth controls in the USSR and Eastern Europe and other planned economies have had a similar, though lesser, impact.

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in Sub-Saharan Africa in the 1960s. In all areas, the absolute numbers of people are still growing rapidly. For example, in Latin America the 12 cities of more than 2 million will add more than 40 million people (the equivalent of four new Rios or seven new Limas) between now and the year 2000.

We expect that the bulk of urban growth in the Third World will continue to occur in squatter and slum areas. Most rural-urban migrants do not have sufficient income to enter the conventional urban housing market. Even those with sufficient income often find it makes economic sense to squat illegally on open land—public and private—wherever it is available or to save money by crowding into deteriorating older buildings with relatives or other migrants. The average density of some cities is more than 80,000 persons per square mile; Hong Kong—because of its high-rise

approach to the housing problem—has a density of well over 200,000 per square mile. Certain neighborhoods in cities like Bombay and Hong Kong have more than 400,000 persons per square mile. US cities, in contrast, generally average under 10,000 persons per square mile, and Tokyo and Osaka only around 25,000 per square mile.

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According to census ___ data, one-third to one-half of the population in most of the developing world's largest cities live in housing without running water, sewerage, electricity, police protection, public transportation, or other municipal services that people in the developed countries associate with city life; much of this housing is within squatter communities.
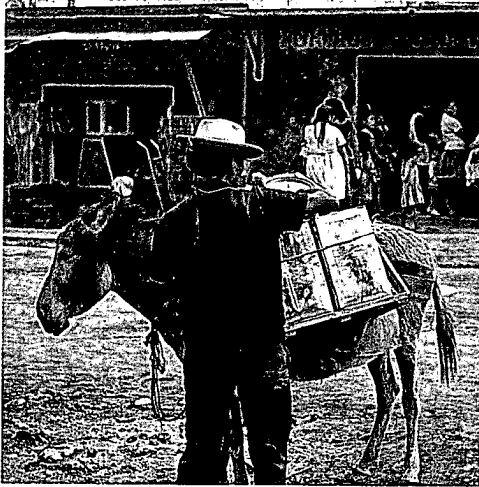
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Making a living . . .

. . . *selling water in Mexico City.*
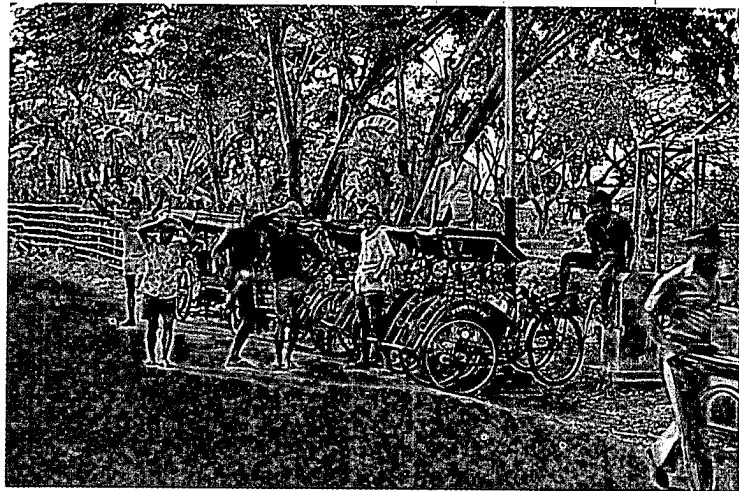
. . . *driving a* bejak *in Jakarta.*

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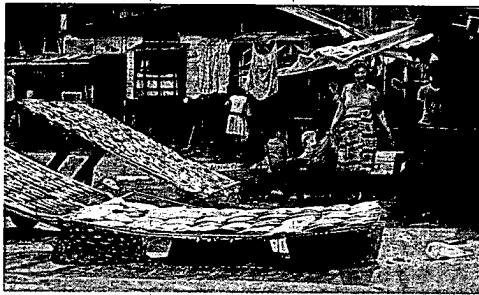
. . . *vending fish in Manila.*

. . . *making Christmas trees in Manila.*

. . . *vending fruit in Manila.*

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. . . *shining shoes in Lima.*

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Finding shelter . . .

. . . *in Jakarta's* kampungs.

. . . *in Karachi's* katchi adabis.
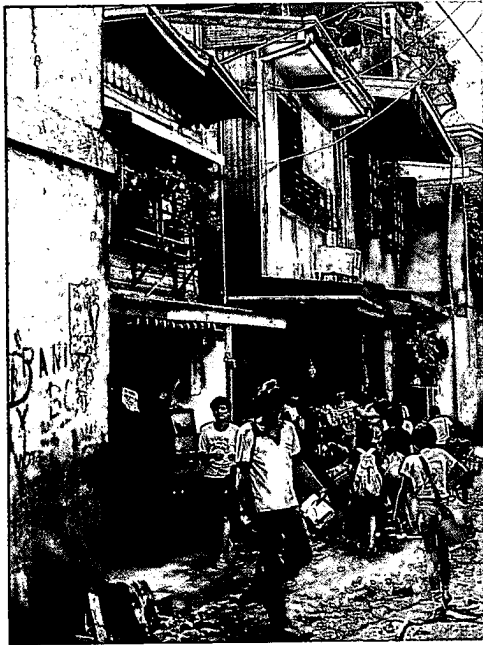
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. . . *in Manila's Tondo District.*

. . . *in a Lima* barriada.
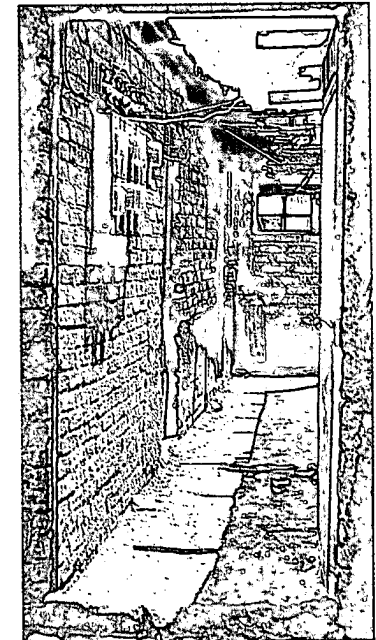
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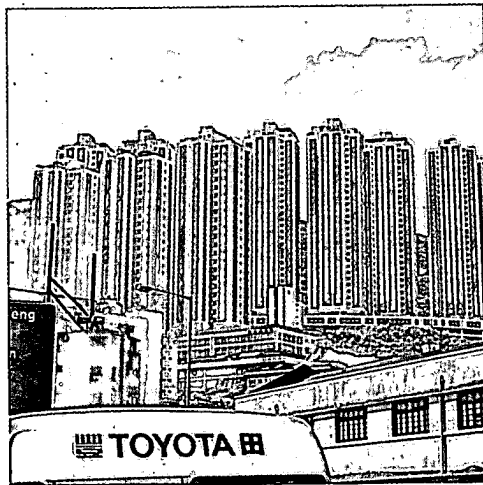
Hong Kong — the high-rise solution.
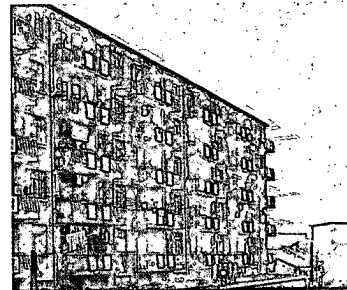
. . . *in a Shanghai apartment.*

. . . *in Mexico City's* vecindada.

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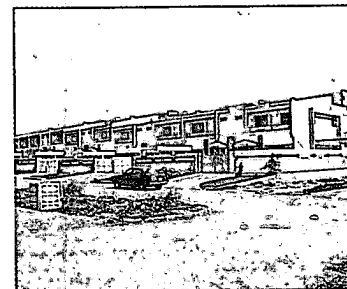
Karachi — housing for government officials.

Contrasts in Caracas.

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Problems in the City
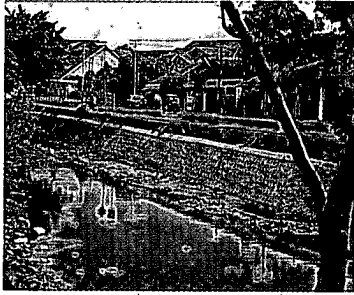
Jakarta's polluted canals.

Trash dump in Jakarta is both a health hazard and a livelihood for scavangers.

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Polluted drainage ditch in new Manila housing project.
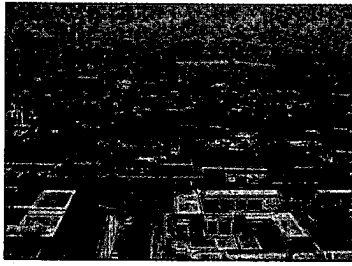
Dust and combustion pollutants hang over Cairo.

"Stealing light" in a Mexico City squatter area.

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Traffic in Cairo.
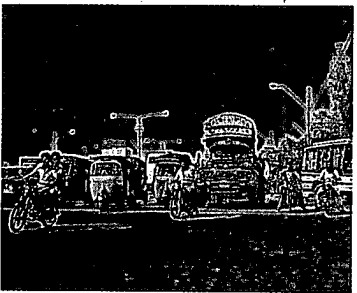
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Traffic in Karachi.
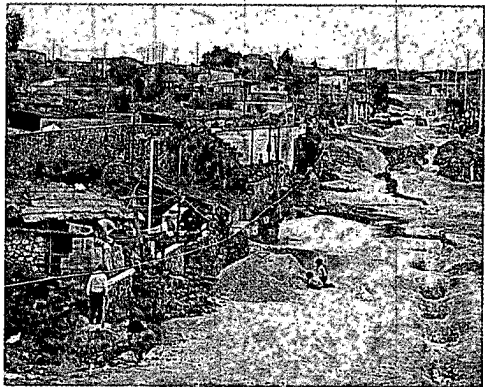
A colonia on the outskirts of Mexico City about to receive water, sewer, and sidewalks.

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Cities With Densities of More Than 80,000 Persons Per Square Mile

Bombay	Cairo	Jakarta
Shanghai	Lagos	Hong Kong
Tianjin	Ho Chi Minh City	Chengdu

The cities of the Indian subcontinent are notorious for their crowding and squalor. Bombay reportedly has 4.5 million squatters—some 46 percent of the population—living in substandard conditions; Calcutta's extensive *bustees* have become synonymous with human misery; 40 percent of Karachi's population lives in squatter areas. A third of Manila's population lives in slums, of which the waterfront Tondo is the most infamous. Rio's *favelas*—squatter settlements—house about a third of the population, while nearly half of Sao Paulo's inhabitants live in similar conditions. In Bogota over half the population lives in "pirate subdivisions" created by land developers who fail to comply with legal standards. Lagos's squatter population numbers in the millions.

Despite their squalor, squatter communities are often the best available option for the poor and some not so poor. They are usually rent free, and legal title can often be obtained after a few years. Thus, they can provide a vehicle for the transfer of wealth and serve as a base for upward mobility. We believe, however, that they also present a potential for radical political change through both violent and nonviolent means. In the popular mind and, to some extent, in reality, shantytowns have become increasingly associated with insurgent activities and terrorist groups, especially in capitals such as Lima, Santiago, and Manila. Squatters everywhere undermine property rights and sometimes form a mass that can be manipulated by outside political benefactors.

Cities and Countries: Changing Roles and Relationships

The relationship between the megacities and the nations of which they are a part is being subjected to stresses that are likely to lead to change in budgetary arrangements, administrative structures, and political alignments:

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- Although the largest cities contain a substantial portion of a country's population and produce an even greater share of the GDP and tax revenue, municipal authorities often have little clout in the formulation of national policy. While the megacities generally receive more per capita from the central government than rural areas do, they receive far less than is needed to create the public services and infrastructure required by expanding populations and new and more complex roles.

- National trade, immigration, and refugee policies may affect particular cities more strongly than they do the country as a whole. This gives rise to political disagreements between local and national authorities over such things as transfer payments and law enforcement.

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- The role of megacities as "windows to the world" can also produce severe culture clash. The "international" part of a city caters to an elite that demands goods and services at the high end of the economic scale and lives by one set of cultural norms, while inhabitants of the "indigenous" city engage in a daily struggle for food and shelter and adhere to another set of expectations and values. The proximity of these different cultures in a crowded city make disparities obvious and conflicts unavoidable.

- The megacities are the sites of the often violent pressures associated with urban life: unemployed youth, government actions against squatters, student protest, inadequate police protection, and competition among racial and religious groups. As the maintenance of order and crowd control in major cities, especially capitals, become of increasing concern to the national government, the relationship between the national military and law enforcement agencies on the one hand and metropolitan police

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Lima: Urban Problems and National Politics

The problems of Lima and the events presently unfolding there illustrate the relationship between national politics and urban issues, and are not unlike those of other key Third World cities. Lima is not only the national capital but is also the home of a third of the Peruvian population; it produces half the country's GNP and 90 percent of the output of capital goods:

* *While growth rates have slowed slightly, migrants continue to flock to Lima, driven not only by economic motives but by increasing insurgent violence in the countryside. A recent International Bank for Reconstruction and Development (IBRD) report indicates that 60 percent of Lima's population lives in inner-city slums or peripheral squatter settlements (pueblos jovenes—young towns).*

* *Squatter problems and national politics have become inextricably linked. President Garcia's need to increase political strength in the squatter areas has led to an ambitious public works program (PPEM) to create jobs and improve infrastructure, has caused him to reverse his earlier support for government squatter removal (after the government's violent eviction of 20,000 squatters last year*

at Garaguay became a symbol for the leftist opposition), and ultimately led in April to his call for immediate recognition of all land claims in squatter settlements. The latter action further usurped the Marxist left's key issue and Mayor Barrantes municipal authority, and reduced the mayor's potential as a political competitor on the national scene.

* *Violence in the city has been recognized by key government officials as a major problem in attracting new foreign capital and tourists to Lima. Stepped-up terrorist activities in the last year have led to a curfew and state of emergency and to a rapidly changing relationship between the police, private security forces, and the national military and other special units.*

* *While national leaders pursue firmer political control over Lima, a major IBRD project for the Lima metropolitan area is seeking to shift responsibility for metropolitan management away from the national government and toward local administration.*

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forces on the other is one of the most rapidly evolving areas of change in nation-municipality relationships.

The involvement of international institutions in city problems in the developing countries also affects city-nation relationships. For example, the urban lending program initiated in 1972 by the World Bank forced some governments to set minimum standards for site development and to institute self-payment for utilities and services. International Monetary Fund pressure to eliminate consumer subsidies has also underlined the political importance of key urban areas, as governments must weigh the possibility of regime-threatening violence in these cities against long-term national economic interests.

Change in the International System

Some cities have already become economic, political, and demographic entities of greater magnitude than most of the countries in the world. In terms of population, Mexico City will probably exceed 80 percent of the sovereign states in the world, dwarfing in size not only ministates, but nations such as Switzerland, Austria, or Greece (figure 6).

We expect that these cities will also increase their connections with one another, and, in the process, their ties to their hinterlands may atrophy or become

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Figure 5
Comparison of Population: Cities and Countries, 1985 and 2000

Million persons

Cities	Countries
☐ 1985	☐ 1985
☐ 2000	☐ 2000

	0	15	30	45	60
France					
Spain					
Argentina					
Tokyo-Yokahama					
Taiwan					
Mexico City					
Czechoslovakia					
Sao Paulo					
New York					
Seoul					
Osaka					
Ghana					
Buenos Aires					
Calcutta					
Bombay					

	0	15	30	45	60
Rio de Janeiro					
Greece					
Moscow					
Los Angeles					
Cairo					
Paris					
Ecuador					
Manila					
Jakarta					
Sweden					
New Delhi					
Shanghai					
Switzerland					
Beijing					
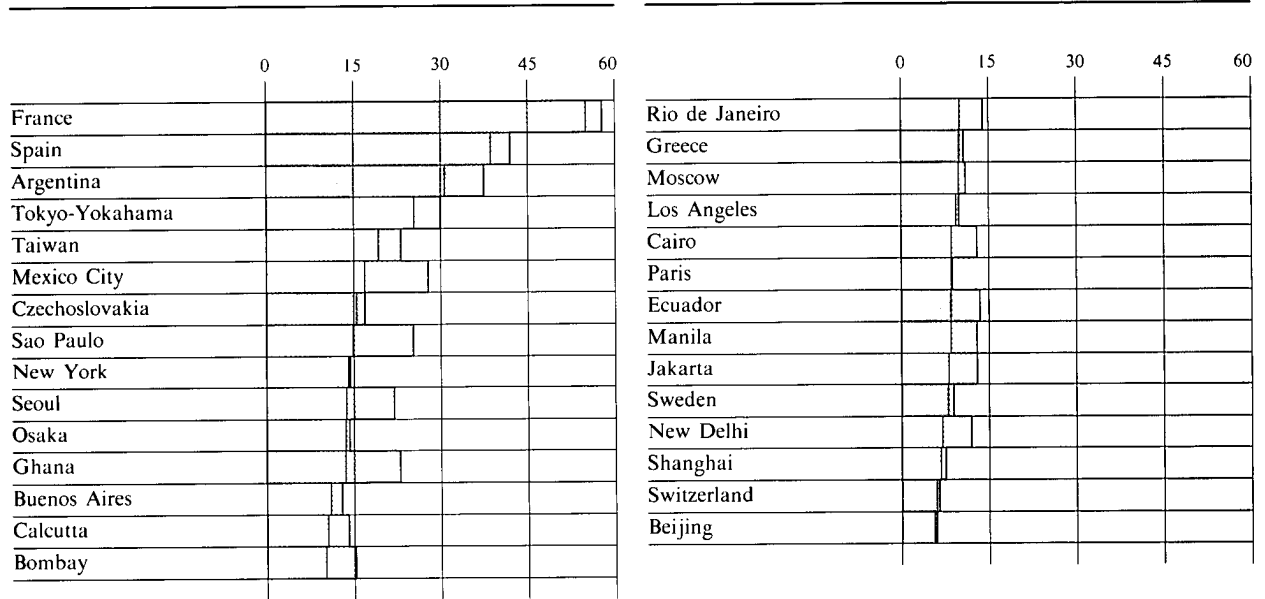
Note: The world's largest cities exceed in population many neighbor nations, and current growth trends will result in more cities moving well ahead of country populations in the more developed nations.

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more difficult. Recent progress in air travel and communications has eroded the barriers of time and distance that inhibited creation of this network linking the cities in which most of the world's business is transacted. At the same time, the growing volume of city-to-city transnational activities and the point-to-point mentality created by air travel have diminished awareness of national boundaries and territory. In the future, many cities—while not becoming independent city states like Singapore—are likely to operate under rules different from those in surrounding state territory and to become culturally and administratively more discrete. Mayors of large cities are already taking on international roles as they travel abroad to tout the advantages of investing in their municipalities. In May 1985, Tokyo hosted a conference—the "first summit meeting of mayors" that focused on the common problems of the world's largest urban areas.

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Jane Jacobs on Cities and the Wealth of Nations

Jane Jacobs argues that the fundamental fallacy of macroeconomic theory is "the idea that national economies are useful and salient entities for understanding how economic life works." After she appeals to common sense to reject a system in which the USSR and Ecuador or the Netherlands and Canada are systemically equivalent units, she moves to her main thesis that the import-replacement cycle is at the heart of all real and lasting economic development, and that a large urban agglomeration is the only mechanism through which this cycle can become self-sustaining.

According to Jacobs the world's largest cities are the only places where a critical mass of intellectual, technical, and social, as well as financial capital, can be accumulated. These assets interact in a way that produces entrepreneurship and innovation not found in a less dense environment, giving large cities the ability to replicate the import-substitution process over and over again as technology changes. In the process the space economy of the city expands outward, not confined to preestablished political boundaries, but as far as the "economic energy" of the city requires.

What is the Future of Individual Megacities?

A number of megacities in the Third World may be reaching the critical point in the balance between population size and economic vitality:

- Mexico City is running out of space, water, and air. The quality of life for all classes has deteriorated. The city (like the country) is living beyond its means and depends to some extent on foreign financing. Nevertheless, it remains the most broadly vigorous economic, political, and cultural area in Mexico.

- Cairo suffers from extreme overcrowding and very rapidly deteriorating urban services. Public security is not assured. The city, already supported by foreign governments, international organizations, and remittances from overseas Cairenes, will need much more of this support. It still has some vigorous sectors, but these are perhaps being sapped.

- Calcutta continues to be the poorhouse of the subcontinent. Conditions for the great mass of people appear to be worse than in any other city in the world, and prospects that they will get better are virtually nil. It is still the major city of the Bengali hinterland, however, and its cultural, political, and economic life is far from dead.

- Sao Paulo suffers from declining health conditions, rising crime, and deteriorating infrastructure. In-migration appears to have declined and some out-migration is evident. The city may be headed for an "easy letdown" as other Brazilian cities take up the slack.

- Jakarta continues to be inundated with migrants, while the decline in world oil prices has severely handicapped the government's ability to make progress on public services. International programs have improved conditions in some squatter areas, but unemployment, traffic jams, dwindling water supply, inadequate refuse removal, and occasional battles with squatters keep the city on the edge of crisis.

These five cities are only examples of the many Third World megacities where population pressures may produce severe crises by the year 2000. Manila, Lima, Karachi and others face equally disturbing futures.

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The megacities of the developed world and the East Asian newly industrialized countries are not immune to the problems described above, but their possibilities for easy letdown and eventual revival appear to be better. Most of these mature magacities are growing very slowly, and a few in Europe are declining in population as more vigorous regional cities grow. Seoul would appear to be at great risk in coming years because of the size and pace of its population growth. Despite remarkable economic growth, many aspects of the quality of life in Tokyo and Osaka are already in decline. The aging of the Japanese population— which implies a shift of resources out of investment

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and into social services—could lead to reduced economic performance and perhaps increased social strain during the period.

Are Megacities a "Good Thing"?

Historically, there has been a high correlation between large and rapidly growing cities on the one side and political, economic, and cultural vitality on the other. The growth of Rome, Constantinople, Paris, London, and New York reflected the vigor of the civilizations, empires, and nations they represented. Some of the great cities of the Third World also were of critical importance in economic and political consolidation, and even those that grew in the colonial era, while viewed by some as conduits for exploitation, were nonetheless the focus of economic life and the instrument of modernization. Even today, the megacities of the Third World, squalid and overcrowded as they may be, represent oases of relative progress, opportunity, and comfort. The middle-class Brazilian businessman who moves to Sao Paulo and the starving Bengali peasant who moves to Calcutta are both likely, at least marginally, to improve their lot. More important, only the large cities have the critical mass of capital, labor, ideas, markets, and international connections to spark explosive economic growth. The "miracle economies" of East Asia function more like city states than nation states.

Politically, the importance of a very large city in nation building has long been recognized by scholars and politicians alike. Viewed as the heart of a country, such a city has generally served as a unifying force for the rest of the national territory. Although citizens have often lamented its evils, talented youth were generally educated and assimilated into the national culture there, as were other migrants from the hinterlands whose parochial viewpoints were merged into a more common national perspective.

Have Megacities Become Too Big?

The question of "too big?" is not one of population numbers alone, but of the ability of the city to continue to play a positive and leading role in national development and cohesion. It is questionable whether many Third World megacities can do so over the next few decades.

Historically, there has been a better fit than there is now between the magnitude of population growth and the growth of economic opportunities within major cities. In some cities of the developing world today, population growth has gotten so far ahead of the expansion of economic opportunities that it is difficult to forecast when, or if, the two will again come into better balance. In a world economy driven by capital-intensive, high-technology industries, productive employment at living wages may forever elude a large proportion of these Third World urban dwellers.

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Continued restraints on future industrial growth and economic expansion and job creation—such as scarce water supplies or debt problems—may mean that the economic evolution of these cities is permanently depressed, and that they are handicapped in performing the critical functional roles that national progress requires of them. They may be too massive to be governed, too chaotic to be creative, too congested to be productive, and too poor to offer even relative opportunity for increasing populations.

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Another way of viewing the question is in terms of the demands these cities place on the national economy. Traditionally, the large cities have served as "milch cows" for the rest of the nation; that is, they produce enough wealth to support the rest of the nation through taxes and transfer payments. In modern industrial economies, big cities have provided the crop subsidies and industry bailouts that keep the farms, factories, and towns alive. When the rest of the nation must be drained to support the city, it would appear that the city has become too large for the nation's good. Some Third World cities—Lima, Cairo, Manila, Calcutta, to mention only a few—look to both international lending and aid programs for progress in urban transport and housing, and to the national treasury for consumer and industrial subsidies. Until demographic pressures subside, many large cities will be unable to generate wealth sufficient to improve or maintain their own physical and social environment, much less produce surplus for other uses.

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What Happens to a Megacity That Has Become Too Big?

First and foremost, the megacity probably will not disappear. Especially if it is a national or regional capital, it will continue to survive, and will usually be supported to some extent through transfer payments from the rest of the nation. But it will live from fiscal crisis to fiscal crisis. Streets, sewage systems, public transportation, and police and fire protection will fall into disrepair, and the quality of life will deteriorate further. In-migration will slow and eventually stop. Small businesses will go under, larger corporations will move their headquarters, and new investors will look elsewhere. Even government may be "decentralized" to other cities. The letdown may be relatively easy—though still painful—if there are other, more vigorous cities to take up the slack and if out-migration is possible. In the absence of economic prosperity and opportunity, the urban environment within which commerce and society once served to assimilate conflicting interests may now provide only the stage for the violent expression of those interests. In time, the city may even revive. (Rome went from being the seat of a world empire to being a ruined village with sheep in the streets to become the vigorous capital of a modern nation; the great cities of Mesopotamia remain dead.) In the worst case, the problems of decline in a nation's principal city could pull the entire nation into economic stagnation or political revolt.

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Figure 1
Population of Major Cities, Year 2000
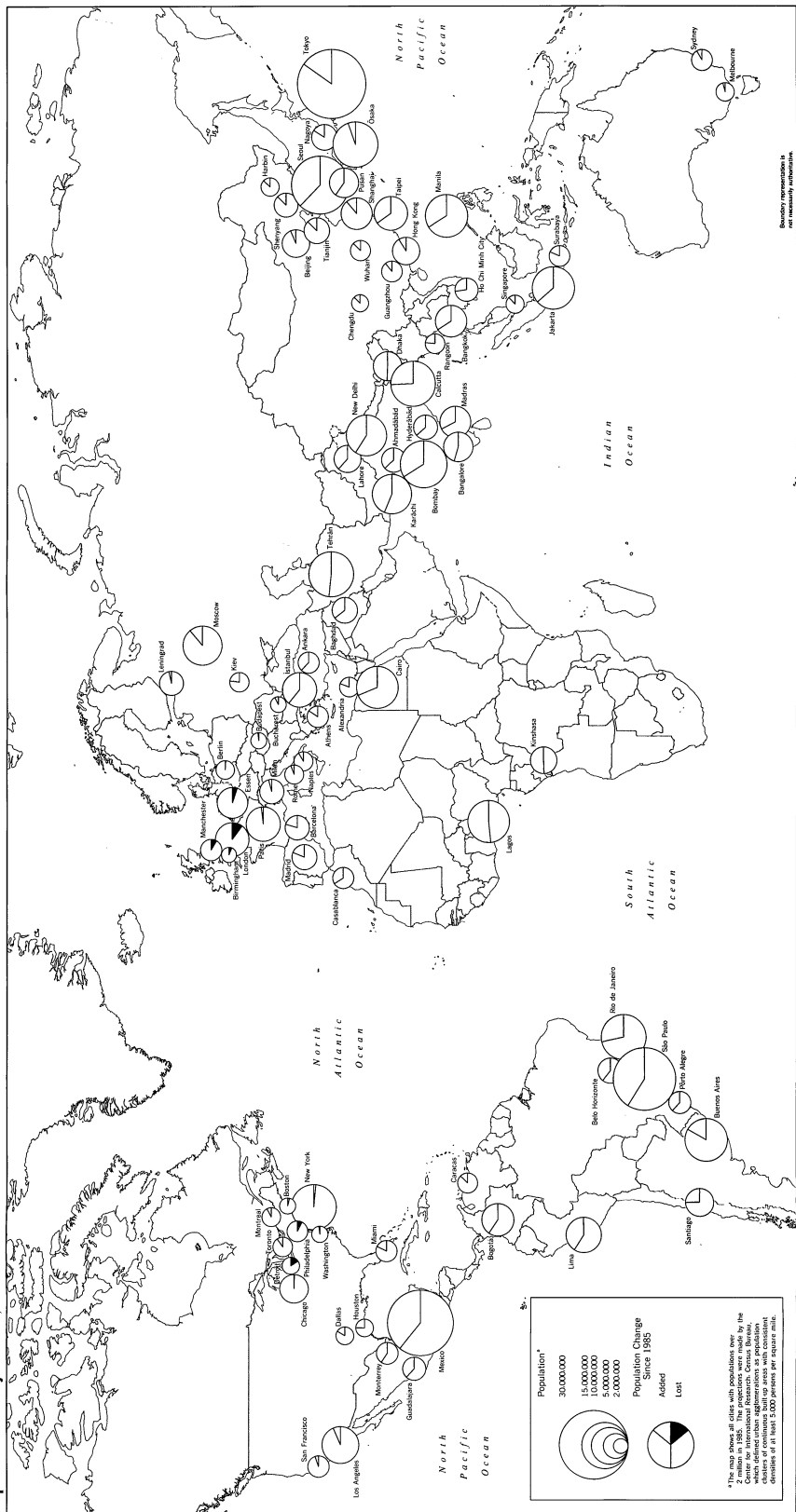
Megacity Growth Rates (1985-90)
The Center for International Research estimates the following annual growth rates for cities with populations of more than 2 million during the 1985-90 period. A growth rate of about 4 percent produces a doubling time of approximately 17 years.

−1.0 to 0 Percent
Detroit
London
Manchester
Philadelphia
Birmingham
Essen
Boston
Berlin
Chicago

0 to 0.5 Percent
Budapest
New York
Washington
Paris
Osaka
Milan
San Francisco
Leningrad
Melbourne

0.5 to 1.0 Percent
Bucharest
Montreal
Rome
Los Angeles
Guangzhou
Shanghai
Beijing
Naples
Sydney
Tianjin
Shenyang
Wuhan
Chengdu
Harbin
Toronto
Hong Kong

1.0 to 1.5 Percent
Moscow
Tokyo
Singapore
Dallas
Nagoya
Athens
Caracas
Buenos Aires

1.5 to 2.0 Percent
Madrid
Barcelona

Surabaya
Alexandria
Rangoon

2.0 to 2.5 Percent
Houston
Miami
Kiev
Calcutta
Santiago
Ho Chi Minh City
Rio de Janeiro

2.5 to 3.0 Percent
Cairo
Madras
Bangkok
Casablanca

3.0 to 3.5 Percent
Bombay
Manila
Baghdad
Lahore
Taipei
Jakarta
Hyderabad
Puerto Alegre
Ahmadabad
Guadalajara

3.5 to 4.0 Percent
Ankara
Seoul
Mexico City
Istanbul
Belo Horizonte
Lima
Sao Paulo
Monterrey
Pusan
Bogota
New Delhi
Karachi

4.0 to 5.0 Percent
Lagos
Bangalore
Tehran
Kinshasa
Dhaka

Population*
30,000,000
15,000,000
10,000,000
5,000,000
2,000,000

Population Change Since 1985
Added
Lost

*The map shows all cities with populations over 2 million in 1985. The projections were made by the Center for International Research, Census Bureau, which defined urban agglomerations as population clusters of continuous built-up areas with consistent densities of at least 5,000 persons per square mile.

Boundary representation is not necessarily authoritative.

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Figure 2
Megacity Change in Rank, 1985-2000

1985	2000
Tokyo	Tokyo
Mexico City	Mexico City
Sau Paulo	Sao Paulo
New York	Seoul
Seoul	Bombay
Osaka	New York
Buenos Aires	Osaka
Calcutta	Tehran
Bombay	Rio de Janeiro
Rio de Janeiro	Calcutta
Moscow	Buenos Aires
London	Manila
Los Angeles	Jakarta
Paris	Lagos
Cairo	Cairo
Manila	New Delhi
Jakarta	Karachi
Essen	Moscow
Tehran	Los Angeles
New Delhi	Lima
Shanghai	Istanbul
Chicago	Paris
Karachi	London
Lagos	Taipei
Beijing	Bogota
Taipei	Bangkok
Lima	Shanghai
Hong Kong	Madras
Istanbul	Essen
Bangkok	Bangalore
Madras	Pusan
Bogota	Dhaka
Santiago	Chicago
Milan	Santiago
Tianjin	Beijing
Leningrad	Hong Kong
Nagoya	Lahore
Manchester	Kinshasa
Madrid	Nagoya
Shenyang	Tainjin
Pusan	Baghdad
Philadelphia	Belo Horizonte
Barcelona	Madrid
San Franscisco	Barcelona
Bangalore	Ahmadabad
Lahore	Milan
Sydney	Hyderabad
Baghdad	Leningrad
Dhaka	Shenyang
Athens	Ho Chi Minh City
Ho Chi Minh City	Guadalajara
Guangzhou	Miami
Miami	Porto Alegre
Detroit	Monterrey
Belo Horizonte	San Franscisco
Wuhan	Athens
Ahmadabad	Manchester
Greater Berlin	Casablanca
Hyderabad	Ankara
Caracas	Sydney
Toronto	Philadelphia
Surabaja	Guangzhou
Rome	Surabaja
Naples	Wuhan
Melbourne	Caracas
Montreal	Rangoon
Kinshasa	Alexandria
Guadalajara	Toronto
Alexandria	Kiev
Rangoon	Naples
Singapore	Rome
Porto Alegre	Montreal
Harbin	Greater Berlin
Casablanca	Melbourne
Kiev	Singapore
Boston	Harbin
Dallas	Dallas
Washington	Houston
Monterrey	Detroit
Ankara	Chengdu
Budapest	Washington
Chengdu	Budapest
Birmingham	Boston
Houston	Bucharest
Bucharest	Birmingham

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Figure 6
Area and Population Comparisons of Selected Urban Agglomerations

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Washington

Population 2,360,000

Density 6.6
(thousand persons per square mile)

Santiago

Population 4,700,000

Density 36.7
(thousand persons per square mile)

Hong Kong

Population 4,650,000

Density 232.6
(thousand persons per square mile)

Urban built-up area
State boundary
International boundary
Road

Scale 1:500,000

25 Kilometers
25 Statute Miles

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