

The Future of Urbanisation, Regionalization and Climate Change in the Mekong

DRAFT – NOT FOR CITATION

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Introduction

Like many others with a background in development studies in this region, I began my career focusing on rural development, and the transformations occurring in rural society. While the city was always present it was viewed from the village. I have the sense that even though many of us have been living in cities we have felt somehow uncomfortable with urban life as a subject of study and have often maintained this focus on the village. I cannot help but feel that for many of us, the urban represented the modernist antithesis of what we ourselves imagined in the rural, and we held urbanization to blame for the gradual collapse of the rural society that we had first encountered, idealized and sought to support.

Similarly, like many other people in the region, for professional and personal reasons I have ended up in the big city. It has become apparent that urbanization is a phenomenon that is inescapable and that is both a driving force, and requirement of the most profound social and ecological transformation, perhaps of human history. We all know the facts and figures of global urbanization, and even though this is one of the fastest urbanizing areas in the world, I feel that development studies has been rather slow in rising to this challenge.

There is another dimension to urbanization that we must recognize; the direct linkage between urbanization and global climate change. Urbanisation along with associated land use change and industrialisation contribute directly to greenhouse gas emissions and climate risks, both locally and globally (McGranahan, Balk et al. 2007). Changes in land use that accompany urbanisation alter natural hydrology, often exacerbating and redistributing flood risks. At the same time, urbanisation occurs in locations that are already vulnerable, situating social and economic assets in places exposed to climate change. With a greater concentration of people and assets in vulnerable space, the impacts and consequences of climate change related impacts likely to become all the more severe. These vulnerabilities transcend spatial and temporal scales of local to global, with the effects cascading well beyond the geographical location of a specific climate event. The impacts of shocks and crises in one part of the world can be felt in different places and different times, creating 'nested and networked vulnerabilities' (Adger, Eakin et al. 2008, Eakin, Winkels et al. 2009). For development studies there needs to be a special emphasis on the ways in which urbanization creates new climate related vulnerability and risk profiles.

This presents particular challenges for development studies. The transition from agricultural and rural economies has been a core element in many schools of development studies; from a Marxist tradition as well as a neo-liberal perspective. Seeing urbanization as a transformative process also raises the significance of the rural, and the increasingly complex relations between two inter-linked and inter-connected territories and social arenas. Urbanisation is as much a transformation of rural landscapes, society and economy as it is of the urban.

The last twenty-plus years have witnessed both the rapid urbanization of the world, unprecedented economic growth as well as significant reductions in poverty and improvements in wellbeing (according to a range of criteria). At the same time there is growing recognition that this has occurred with enormous ecological consequences and the notion of an approaching global ecological crisis of reaching planetary boundaries is gaining ground. Similarly the extent to which economic growth has been genuinely beneficial, or evenly distributed remains a contentious issue of debate. By many sets of indicators, inequality, whether measured in terms of wealth, access to services or political power, has also intensified to unprecedented levels.

Looking back, development studies appears to be facing a similar impasse as in the early 1990s (cf. Schuurmann 1993); in the face of a neo-liberal agenda that appears stronger than ever with still only a limited political alternative (although Greece and Spain may spark such an alternative) even while capitalism stumbles through one of its most serious crises, and while the global ecological crisis steers us towards possible catastrophe. Within the literature there are at least growing calls for transformative change; that current political and economic models that have led to this crisis cannot be relied on to lead us away from such a catastrophe. There are dangers here as well in this kind of narrative. There is an enduring narrative from Malthus through the Club of Rome, often endorsed in conservation arguments, that concerns for global ecology and survival of the species take precedence over concerns for equity and social justice. Debates around planetary boundaries, and despair over the calamitous trajectory we are on, can often lead to calls for decisive action, global compacts, and strong rulers.

As is now often observed, much of the struggle against global ecological catastrophe will be played out in the increasingly urbanizing world. For some commentators, the potential for cities, with their alliances of mayors and private sector investment, argued to be better placed to deal with failures of nation states have created in reaching international agreements on climate change. The models for this kind of urban leadership come mostly, though not exclusively, from the 'successful' economic city centres of the world.

At the same time, there are opportunities for a more radical agenda to emerge and a more overt critique of 'capitalism' (eg. Klein 2015, Pelling et al., 2012); although in Klein's case not as yet from an overtly Marxist perspective. Historically, urbanization and associated changes in modes of production and social relations, has been associated with the organization of labour, emergence

of radical ideas and transformative collective action with new opportunities for global alliances across urban centres.

The process of urbanisation

As I began my (recent) work on urbanization in Thailand, one of the first challenges was of determining exactly what it is we are talking about. There are conceptual challenges that are manifest in language and terminology that are then translated into statistics and administrations.

The extent of this challenge is apparent in official statistics. Remarkably in UN statistics, based on national statistics, Thailand is placed in the global rankings of urbanization one place behind Laos. This is astounding. Of course there are clear problems in how the statistics are collected, related directly to house registration and the classification of different administrative tiers as municipalities (and therefore urban) based on population size and density.

Increasingly in our work we have come to approach urbanization as a historical process of transformation of social-ecological systems, rather than focusing on the territorial or administrative unit of the city. This is a process that transforms the rural as much as the urban to the point that these terms being replaced by concepts such as *rurban* and what others have referred to as *desakota* systems. While place is still important it is not the organizing focus of our work. With patterns of migration and prevalence of 'stretched livelihoods' (Winkels et al., 2009) rural and urban households are increasingly linked. Urbanisation is less defined by territory, with the gaps between rural and urban less clear. Seeing urbanization as a transformative process also raises the significance of the rural, and the increasingly complex relations between two inter-linked and inter-connected territories and social arenas..

From a historical perspective urbanization is intimately linked to patterns of global capitalism and colonialism; to processes of capital accumulation, modes of production and exchange, and to what Harvey has termed the spatial fix. Capitalism depends on modes of production and exchange, supported by technologies that concentrate labour and land in specific locations, linked across different geographies. Moreover, the concentration of investment in physical infrastructure and the new markets that these create, allows capital to flow, accumulate, and to create new markets for further accumulation beyond reinvestment in production.

We have witnessed similar process of transformation of rural, pre-capitalist societies across the world but never on the scale and intensity of contemporary urbanization, and never with these truly global inter-linkages and networks, that tie capital and labour together in complex dependencies. In many ways concepts of pan-urbanism (Moris 2014) and global urbanism, fit with Wallerstein's world systems anew; but one in which class is not bound by geography, with neither the core or periphery of dependency theory being located in any specific territory.

The significance of the ecological and technological dimensions of urbanization requires special consideration. Contemporary urbanization is characterized by dependence on complex systems of infrastructure and technology, managed by complex institutions. Again these are network and inter-linked in often unimaginable ways – but in ways that constrain the ability of any one individual, household, community or even administration to access, control or manage effectively. Access to and control over these systems, and the services that they generate is highly differentiated, and are critical factors in people’s wellbeing, poverty or vulnerability. But it also creates a whole new set of vulnerabilities and risks, that are directly associated with the inherent fragilities of such systems, and the ways in which the effects of shocks and crises, whether economic or ecological, cascade across different locations.

There are important historical dimensions again in how these systems have been designed and located, and for how social and economic benefits. In many cases these can be traced back to colonial periods. I have just come back from South Africa where the urban landscape is still visibly a product of the apartheid era. In particular, the location of housing which goes back to this era, but which now shapes urban mobility, a critical factor in urban people’s wellbeing. Less dramatically, we see these issues of urban architecture shaping patterns of mobility even in city like Chiang Mai, and the convergence of political and economic interests around land and property investment, promotion of private transport and construction of roads.

It is in the historically situated urban context that we see a high degree of path dependency that creates a whole set of social relations and inequalities that is enormously difficult to reconfigure. If we take on board concerns for global climate change and planetary boundaries, then we must also address these challenges. Addressing the combined challenges of global climate change and social justice will require reconfiguring, or breaking, this path dependency.

This presents huge political and institutional challenges to shape alternative urban futures that are ecologically sustainable, and also equitable and socially just. All the more so in Southeast Asia, as it is in this region, drawing in enormous amounts of loose capital looking for an investment location, that we are witnessing a round of investment in urban (as well as industrial, manufacturing, services) infrastructure that will set a development trajectory for the next 20-50 years, and lock us further into a dependency on fossil fuels, urban sprawl, privatized space, systems and services.

We see this path dependency in response to climate related vulnerabilities. The 2011 floods in Thailand are a fine example. The whole history of urbanization and industrialization in the Chao Praya basin and the conversion of agricultural, flood-prone land is of course a critical factor in creating the kinds of flood vulnerabilities that were so clearly exposed in 2011. This occurred against scientific and local knowledge (indeed against the glaringly obvious) and against earlier land use planning guidelines and regulations. Yet the core response to the 2011 floods has been to follow the very same pathway that had created these risks in the first place by investing in hard infrastructure solutions to protect

existing infrastructure, and thereby redistributing risk. And of course this drive to mobilizing capital to deal with an ecological crisis for capital itself speaks volumes. As one factory owner whose premises had been devastated during the floods told me; the flood crisis would all be resolved as the government provides additional funding, that in its own turn trickles down (or 'leaks') and provides additional investment opportunities. This also reveals a whole different calculation of risk that is more often based on hedging – again a very different set of values, and the importance of disaster capitalism – creating new opportunities out of crises that have been created by patterns of investment, production and trade.

Regional dimensions of urbanisation in the Mekong

From our own engagement we see a process of urbanisation that is set to accelerate. Thailand is the largest industrialised economy within the Greater Mekong Sub-region (GMS). With the ASEAN Economic Community (AEC), urban centres along key transport routes are expanding at a rapid rate, with further support from central government investment in transport and communications infrastructure that will connect Thailand to the GMS region.

Much of the growth in urban areas is set to occur in medium-sized cities, particularly those in critical border regions, with significant labour migration from neighbouring countries. The capital flows to the region from China, mirror much of its own experience in urban development on the back of investment expansion that targeted natural resources extraction and energy (Harvey 2012). Again, it is the secondary cities that lie on regional infrastructure crossroads, such as Udon Thani and Khon Kaen in Thailand, but also Danang in Vietnam, and close to international borders that is attracting the greatest capital speculation around land and urban development (Friend and Thinphanga 2014). A city such as Udon Thani in North East Thailand, expects to double in size and population over the next ten years, building its expansion on regional transport and communications links with Laos, Vietnam and China, aiming to attract industrial investment. Recent Thai governments have all continued with a commitment to invest in infrastructure that strengthens and accelerates this regional economic integration.

Thailand's own planning around infrastructure development to strengthen regional linkages for example, with high-speed train networks linking the north and North East Thailand with China, will also drive certain patterns of urbanization. Again this type of urbanization is driven by political forces and a dependence on capital flows and associated credit mechanisms. This wave of investment is closely associated with the growing commoditization of land, and the speculative investment in and conversion of land across the region. A familiar pattern occurs in which low value land, often agricultural and/or flood prone land, is targeted as offering the greatest returns for speculative capital.

The investment flows also move within the region. Thai capital is also investing heavily in what are seen as new opportunities that would benefit from linkages between Vietnam and Myanmar. For example, PTT Public Company Limited is

the lead investor in the Non Hoi Oil Refinery Complex, with a total budget of US\$ 28 billion dollars. With its location in Quy Nhon, there will be easy access across the GMS to the port that is planned for development at Dawei in Myanmar. There are also market-based risks associated with speculative capital flows based on rapidly accelerating land and housing prices, as we see emerging in some of the Vietnamese cities such as Danang (Friend and Thinphanga 2014).

Urbanisation as a process, and the urban centres that it creates must also be seen as a symbolic process. Urbanisation has come to represent a core set of values that are founded on consumption and life-style patterns, and a whole set of aspirations that attract young people from far and wide. Urban architecture is itself a physical manifestation of values and political-economic relations. Alongside the administrative and power centres of the state, increasingly urban centres are dominated by the architecture of commerce and finance, with banks and shopping malls dominating the urban landscape.

The importance of this shift in values is well recognized within the banking sector itself. A recent report from the Siam Commercial Bank sought to address what it called the crisis of slow rate of urbanization in Thailand. The importance of urbanization was succinctly explained; urban people consume more and borrow more to be able to consume. The type of consumption is also different from rural counterparts, tending towards high cost goods (demanding higher levels of credit) such as washing machines, air conditioners, and cars. Such levels of high consumer demand are argued to be necessary for continued economic growth. But at the same time these patterns of consumption can be directly linked to both climate change and inequality. This is a vision of an urban future in which urban people are labour and consumers – but not citizens.

Political and Governance challenges of urbanization and climate change

Much of the new concern around urbanization and climate related risks is framed around the need to strengthening planning and governance, and the argument for 'mainstreaming' climate into urban planning. At the same time there is a discursive shift towards notions of 'green cities', 'smart cities' and in Thailand, the widespread policy rhetoric of 'liveable cities'.

The core problem is one of governance; not a governance gap that can be filled through technical or managerial interventions, but a fundamental problem of a lack of vision beyond capital and industrial interests, the lack of effective planning and implementation, lack of public dialogue or access to information, and the domination by powerful political and economic interests in shaping public space and life.

Local authorities increasingly play both a managerial role in planning and setting standards, but also an entrepreneurial role in attracting investment (cf. Harvey 2008). With poor transparency and accountability these competing roles can be difficult to reconcile. Land use planning has been widely critiqued as failing to zone adequately, failing to protect green and public space, and with poor

consideration of risks and hazards (Srisawalak-Nabangchang and Wonghanchao 2000).

Public participation and the kinds of checks and balances on urban governance are extremely limited. This becomes all the more problematic when we look at how urban governance operates. Indeed some would argue that the main purpose of formal planning processes is not what is stated; that the 'failure of planning' is itself what is planned (Friend and Jarvie 2012). Being able to circumvent and obscure planning processes creates political capital, and means that knowledge and information has a commercial and political value (Ribeiro 2005). Informality, in governance, access to systems and services, and in employment, becomes a key feature of urbanization.

This then also draws attention to distributional dimensions of how urban vulnerabilities and risks are created, reinforced and spread at different scales and among different actors. These dimensions of poverty, equity and rights are often most apparent in discussions of shelter. Informal settlement growth and insecurity that many urban residents in Asia experience is well documented as a feature of inequality. Many of the world's poor now live in cities as defined by multi-dimensional criteria, with insecure tenure and poor housing, informal employment with limited labour rights, and low incomes, and many without access to reliable, affordable basic services and systems, whether water, energy or transport. The definition and measurement of such urban poverty has failed to take on the specific circumstances of urban living, or on urban people's own indicators of wellbeing and poverty. Approaches based on income and consumption, applying standardised poverty lines, do not reflect the resource needs and financial implications urban people, particularly those in informal settlements. Nor do these approaches provide insight into the ways in which people navigate social relations that are often highly exploitative. But urbanisation and globalisation also produce new fault-lines of risk and vulnerability beyond the boundary of any one particular city, and beyond those characterised as being in informal settlements.

Similarly, poverty and vulnerability might not be the best framings of these kinds of problems (Friend and Moench 2012). When the policy imperative is about reducing vulnerability and enhancing people's vulnerability, this can be seen as a rather 'negative freedom'¹, that is very much structured around welfarist approaches to alleviation and prevention of poverty, and to targeting the deserving poor, rather than notions of development that are enshrined in values of freedom, entitlements and capabilities.

Within the climate change community there is growing recognition that the urban future will need to be fundamentally different from the urban past and from current trajectories of urbanization. There are growing calls for transformation, that have special resonance in the urban context, if we take the view of urban as a collective endeavour and the critical importance that has been

¹ I am indebted to Prof. T. Jayaraman from Tata Institute for Social Science (TISS) for pointing this out to me.

attached to rights. The role of rights is especially important. The concept of the 'right to the city' has a long intellectual tradition founded on regarding the city both in terms of space and in terms of social and economic relations, as being a collectively co-produced and recreated, and urban life as inherently collective, and interdependent. As Harvey argues of the right to the city, as being 'the right to change ourselves by changing the city; the kind of city we have is linked to the kind of human beings we are willing to be (Harvey 2012). This is fundamentally a right of access and control in shaping an urban future – and thus going beyond reducing negative impacts and vulnerabilities arising from climate change.

Re-imagining Urban Futures for Transformative Change

Urbanisation will be a critical arena in which the global future will be fought out. Within development studies in this region, we have often overlooked the significance of urbanization – and also of how influential economic development and social change has been across the region, often lost in our own discomfort with 'development' that in turn has often romanticized the rural, and felt uncomfortable with the urban space.

Similarly the experience in Thailand and perhaps Vietnam, in line with the SE Asian 'Tigers', has demonstrated urbanization and industrialization spurring modernization, and dramatic shifts in values. As South Asian colleagues have reminded me, this has not occurred elsewhere in the world, even where there is a longer urban history and higher rates of urbanization.

Where we have engaged we have tended to focus on the interface between the rural and urban – the territories at which they interact and connect. Of course this makes sense, but it has remained a largely territorial approach to urbanization. This means we need new conceptual and methodologies approaches – addressing the special significance of complex systems, the inter-linkage of political-social-economic processes that define urbanization, but also the reshaping of social relations of production, exchange, and values (and thus of class). In doing so I find myself increasingly going back to the radical theory of my younger days but with the combination of on one side, political economy (and world systems theories) but also actor-oriented approaches that highlight contestations of knowledge and power at critical change interfaces (Long and Long, 1992), alongside complex social-ecological systems approaches (cf. Leach et al., 2007).

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