

FOREWORD

The world has entered the urban millennium. Nearly half the world's people are now city dwellers, and the rapid increase in urban population is expected to continue, mainly in developing countries. This historic transition is being further propelled by the powerful forces of globalization. The central challenge for the international community is clear: to make both urbanization and globalization work for all people, instead of leaving billions behind or on the margins.

Although globalization certainly affects rural areas, the impact of global economic change is largely centred on cities. Globalization is changing the structure of employment; it is altering the demographic make-up of cities; and it is introducing a strong international context to local concerns. At the same time, cities and their surrounding regions are themselves shaping and promoting globalization by providing the infrastructure and labour upon which globalization depends, as well as the ideas and innovation that have always emerged from the intensity of urban life.

The benefits of globalization are being spread unevenly. Cities present some of the starkest of these contrasts: homeless people living in cardboard boxes, next to skyscrapers occupied by corporations whose budgets exceed those of many countries; growing gaps between the salaries offered by labour markets and the housing costs determined by urban land markets; enormous levels of consumption alongside great pyramids of waste that threaten the environment and human health; and hitherto unseen patterns of segregation, with pockets of wealth at the centre and vast enclaves of poverty on the periphery.

The combined processes of urbanization and globalization have thrust additional responsibilities on city governments. Public administration and economic development are linked more and more to global markets and investment, but this is also an opportunity: to entrench democracy at the local level and to build new partnerships with the private sector, citizens' groups and other cities confronting similar challenges. National governments, for their part, will continue to play a key role in the governance of cities, not only in terms of finance, but also in overall strategic planning and in crucial matters such as justice, equity and social cohesion.

Cities in a Globalizing World: Global Report on Human Settlements 2001 is a comprehensive review of conditions in the world's cities and the prospects for making them better, safer places to live in an age of globalization. I hope that it will provide all stakeholders – foremost among them the urban poor themselves – with reliable and timely information with which to set our policies right and get the machinery of urban life moving in a constructive direction. At the United Nations Millennium Summit in September 2000, world leaders pledged to achieve, by the year 2020, significant improvement in the lives of at least 100 million slum dwellers. As we strive to meet this target and to implement the Habitat Agenda adopted at the Istanbul conference in 1996, the United Nations system, including the United Nations Centre for Human Settlements (Habitat), will continue to place its unique services at the disposal of all the world's peoples.



Kofi A Annan
Secretary-General
United Nations