

Urbanisation

Economics

Why cities concentrate growth, and what strains that creates.

Agglomeration benefits

- Better matching of workers to jobs
- Shared infrastructure and suppliers
- Faster knowledge spillovers
- Larger markets for specialised goods
- Higher wages and productivity

Congestion costs

- Housing costs rising faster than wages
- Transport congestion and time loss
- Pollution and health effects
- Informal settlement without services
- Strain on water and sanitation

THE DIFFERENCE THAT MATTERS

Cities grow because the benefits exceed the costs for those arriving. Planning determines how large the costs become.

Where formal housing supply is restricted, growth arrives as informal settlement rather than not arriving at all.