Cities in Crisis

By Michael Hart

In the science fiction classic "Foundation" by Isaac Asimov, Trantor, a planet completely dedicated to the administration of its empire, falls prey to a blockade which brings to a standstill the logistical system that keeps it fed and supplied. It's an extreme example of what can happen if a city, or planet in this case, becomes so specialized that it is completely reliant on its logistics systems to deliver needed supplies. An actual case occurred in Paris in the 1870s when the city was under siege from the Germans. The city was cut off from France's agricultural lands and a city reliant on fresh vegetables and produce suffered greatly during the blockade. They even ate the animals in their zoo.

In the first few weeks of February 2020 as the risks of the COVID-19 virus became more apparent, Chinese cities were largely shut down. Citizens started to check the level of food stocks at home, made quick visits to their local grocery stores whose shelves started to look a bit bare and waited nervously as they started to sense how reliant they were on distribution networks most had never thought much about.

Economic Engines

Economist and urban planners have been touting the urbanization of China as one of its main economic drivers for the past 30 years and probably for the next 30 too. Vegetable plots and farmland directly adjacent to cities have been replaced as more dense and higher value buildings are constructed and outlying villages are subsumed into urban conglomerations. Urbanization brings jobs to people with a wide range of skill sets from CEOs and manager to secretaries and clerks as well as to cooks and cleaners. Villages have a hard time supporting artists and musicians, but in big cities if they can achieve success, they might find themselves in concert halls and art galleries and paid handsomely for their skills. The trade off is that the agriculture that supports these urban centers becomes more specialized, further away and reliant on a complex logistical system.

The Basics

The virus and near shutdown of cities caused the government to inventory and prioritize services. The food didn't stop flowing to supermarkets, the hospitals didn't close, the garbage continued to be picked up and the buses and subways continued to run even if on reduced schedules. The police and fireman still reported for duty as most of the rest of us sat at home and used technology to inform and entertain us. This wasn't accidental, government officials had prioritized that while most of the services in the cities could be shut down to contain the virus, somethings and especially food needed to continue to flow.

As the threat of the virus started to pass, the government was faced with the challenge of getting the economy moving again. At this stage, it became apparent just how interlinked things were. Big manufacturing facilities could restart, but soon, their smaller suppliers would need to open up as well. More workers spread across the community means supermarkets won't be sufficient and restaurants across the city need to start re-opening. With even more people out drugs stores and coffee shops need to start reopening and eventually we can get back to normal. At this point not only government officials, but company management had a much clearer view of their own supply chains, their choke points and their priorities.

Virtual Cities

For years there have been people calling themselves digital nomads, traveling the globe while still holding relatively consistent employment, often as freelance writers, photographers or computer programmers. During this most recent crisis, a larger number of us also discovered we could still do our jobs regardless of where we were. Countless meetings were held with participants at locations spread around the globe. Students dialed into virtual classrooms and communicated with classmates in different time zones. We learned that in some ways although cities have brought us great synergy, technology sometimes makes those gains a little less important. This is unlikely to be the end of cities, but it is likely to make many individuals and companies think how much of the status quo, is in fact fixed.

Cities innovate

Problems often cause cities to innovate. The dangers of raw sewage helped drive the development of London famous sewers systems just as its crowded streets allowed for the development of its dense tube network. Singapore's dense island location has encouraged it to build up large reserves of rice and other commodities, as well as build a fresh water reservoir right in plain site that expanded the waterfront in the heart of its CBD. Los Angeles and Beijing both already rely on water transported in huge systems to bring water long distances to otherwise arid locations. Chinese cities will also change as a result of pressures and maybe even directly from this COVID-19 virus. China quickly enacted a number of people tracking phone apps to try and reduce the further spread of the disease although due to privacy concerns many hope they will be short lived. I expect food depots and warehouses will get a fresh look and a review of food and energy delivery systems will take place at a city level.

Conclusion

Cities have been and will continue to be a major economic driver of China's economy. In fact, as China's rising wages increasingly push low-wage manufacturing to other countries, cities will only become more vital to the economy. And for cities to work, a whole host of people and services are necessary. We can draw back to a very minimum level of operations during a crisis, but once a few firms start to operate, our highly connected economy will need most people

back to work in a short span of time. Technological developments will mean remote work can also keep people connected to vibrant economies even if they aren't physically in the cities, but those people will not be able to take advantage of the full spectrum of benefits cities offer.

Companies around the world which were severely impacted by the events in China in early 2020 will hasten to diversity their supply chains and manufacturing, they may also be more welcoming of remote employees and may question their real estate costs. Do they really want to maintain such a large office when workers could function for weeks without actually using it? So, while the COVID-19 virus has served to refocus our attention on the priorities, it has also created a challenge for China. Previous health crises and environmental challenges have pushed cities to improve and innovate; this one will be no exception.

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