

# SDGs, the tyranny of sameness, and a lesson for World Cities Day



**THE GRUDGING URBANIST**

YESTERDAY was World Cities Day (WCD). In 2013, the United Nations General Assembly designated October 31 as WCD to build global awareness of the challenges that cities around the world face. The day serves as a reminder of the planet's contested

urban future and how it will unfold for more than half the world's population (4.4 billion in 2020).

The world's urban future is full of challenges. But one of the greatest among them is a simple but profound one: the universalisation of urban problems and their generic solutions. The United Nations describes the Sustainable Development Goals (SDGs) as "the blueprint to achieve a better and more sustainable future for all." The SDG 11 focuses on "sustainable cities and communities." A blueprint is great, but, when not used with caution and introspection, it often tends to bureaucratise and homogenise the problems, as if by following certain universal prescriptions one can mitigate challenges as culturally, socially, and anthropologically complex as the city.

I have seen in way too many meetings and seminars the uncritical and overly devotional reception of the SDGs as a complete panacea, a one-size-fits-all solution for cities across continents. Again, the SDGs are great guidelines, but they are only the first step in addressing a city's unique advantages and disadvantages. But when that first step is accorded the teleological status of prophetic commandments, we are doomed to see clones of a "master city" everywhere. The neoliberal economy perpetuates uniformity as an ideological tool to create a seamless flat world for uninterrupted capital movement. Despite their good intentions, the advocates of the SDGs can often become unknowing facilitators of Wall Street bosses who promote generic cities as part of their design to dominate world finances. Sameness facilitates the extractive economy of global corporations but not the local people and their cities. To resist this trap, it is important to keep in mind that the SDGs are meant to be a *reminder* not solutions.

The American urbanist William Whyte once said, "It is difficult to design a place that will not attract people. What is remarkable is how often this has been accomplished." Whyte's lament is against the city's unattractive genericness that fails to

appeal to people. When people just live in a city without feeling ownership of their city, without feeling proud of their city, economic growth could only be a superficial indicator of their wellbeing.

In *A Tale of Two Cities*, Charles Dickens wrote, "We'll start to forget a place once we left it." I always wondered what he meant by it. But I am tempted to interpret Dickens this way: If you do not remember a city when you leave it, it can never be a good city. We need to understand that each city has a distinct set of perils and promises that warrant careful considerations in its own economic, cultural and political contexts. When we develop a city based on its inherent qualities—geographic, cultural, social—we can build the real city with people who belong. We can develop a city which could be called "organic economy."

An organic economy is the one that flourishes with local resources, local strengths, local entrepreneurs, while also acquiring the courage to negotiate the global in its own terms, not terms imposed by power-wielders in the Global North. By no means, this is localism or self-glorifying parochialism, rather a celebration of the ways the local can thrive by both meeting and resisting global demands. This is what I would like to propose as a point of contention for this year's World Cities Day.

Let me make a case for Bangladesh. There is an alarming trend in the country. I have seen how mayors across the country want to transform their city in the image of Dhaka. They want to clone Dhaka's prosperity—showcased by flyovers, large shopping malls, glass-clad hotels and hospitals, overbuilt parks, and multistoried apartment blocks. They do not need a mini-Dhaka to be proud of. Rather, they need to look inward and build their cities with a vision rooted in their own territorial qualities, their own myths, histories, rivers, hills, stories, songs, fruits, vegetables, and people.

Consider Sunamganj in the Sylhet Division. It is a blissful town with a unique geography, crisscrossed by beautiful rivers and canals, interrupted by the marshy wetland ecosystems of *haors*, and hemmed in between hills. The Surma River is its lifeline. It is also a city of Dewan Hason Raja (1854-1922), the mystic poet and songwriter, whose literary work embodies the *genius loci* of this sublime, picturesque region. A thoughtful, self-confident Sunamganj mayor would be swayed by the development possibilities of "Charilam Hasoner nao," rather than the ostentatious glass boxes of Gulshan Avenue. She or he could easily develop an ecology-conscious tourism economy revolving around the *haors*. Every time I go to Barishal I bleed. The

"Venice of Bengal" is being developed as a crass prototype of the capital. Misguided development prescriptions justify filling up canals to create *jomi* for monotonous housing projects. Barishal does not have to be a mini-Dhaka. It can be Barishal, prospering with its own organic economy. What is required is some indigenous audacity as to how to combine Barishal's unique geographic and cultural characteristics, on the one hand, and a development vision that could emerge from them, on the other.

its complicated "melting-pot" racial history, its multi-faith social amalgamation, its history of anti-British movement, its Porto Grande global attraction through the ages, among others. Uncharacteristic mountainous terrain in a predominantly flat deltaic country has always been an essential part of the city's mythology. The Chinese traveller poet Hsuan Tsang's 7th-century depiction of the city as "a sleeping beauty emerging from mists and water" was no doubt a reference to Chattogram's hilly idyll.



The port city of Chattogram.

PHOTO: WIKIMEDIA COMMONS

But often the lure of Dhaka or Smart City is too great not to be seduced. Too many mayoral offices have windows that open toward Dhaka and sometimes even Singapore. The tyranny of conformity and sameness must be resisted with the power of local talents and organic thinking. Sometimes architects and planners from Dhaka go to smaller cities and seduce their mayors with generic visions of progress, camouflaged with the objectivities of SDGs and snazzy gloss of Smart City. This is unfortunate.

Think of Chattogram, the city where I grew up. Chattogram's identity politics has always been driven by various claims of "uniqueness." The uniqueness of its geography, its urban origin, its local dialect,

Legend has it that the Buddha came to a vihara or a *chakra-shala* located in Patiya, a southern town of greater Chattogram, employing his miraculous powers for disembodied travels. According to some historians, Buddhism spread to Chattogram during the time of the Buddha himself, over twenty-six centuries ago, when Socrates was not yet born, and the Parthenon was not yet built in Athens! The presence of many viharas in the city lends credence to the suggestion that the name of Chattogram comes from *chaitiya* (a Buddhist vihara).

Within a century after Islamic forces under the leadership of Tariq ibn-Ziyad crossed Gibraltar in 711 CE to colonise most of the Iberian Peninsula, Arab sailors began to

arrive on the shores of Chattogram. They left enduring marks in the port city's life and local dialect. Place names, such as Alkaran (*Al Qarn*) and Sulak Bahor (*Sulukal Bahar*), demonstrate Arab influence. The use of negative before a verb in *chatgaiya*, Chattogram's local dialect, is another instance of Arabic contribution to the culture of the port city.

Portuguese explorers in the sixteenth and the seventeenth centuries frequently called Chattogram the "City of Bengala." Duarte de Barbosa, one of the earliest Portuguese writers to offer a geographical account of the African and Indian coasts in the early sixteenth century, described Chattogram as a natural attraction for traders, missionaries, and fortune-seekers from far-flung places. It was their gateway to the East.

The port city's history is richly crisscrossed by actors of all sorts: Buddhist mendicants, Hindu zamindars, Arab saints, Mughal governors, European traders, British colonialists, anti-British revolutionaries, western development experts, wealthy industrialists, national leaders, and globally known entrepreneurs. When history becomes a jigsaw puzzle of people, events, places, and narratives, myths thrive!

What is the experience of Chattogram today? It has replicated Dhaka's chaos. If you go around the city, you will not feel that this is a pedigreed city, a city with a thousand stories. The same generic ugliness is everywhere. Recently, I tried my best to tell a former mayor that he had the political power to initiate change, perhaps beginning with Lal Dighir Math, one of the earliest sites for Bangabandhu to introduce the historic Six-Point Movement, the foundational document of Bangladesh's independence. Develop Lal Dighi as a historic site. Put it on the map. Celebrate the city's stories, its uniqueness. It did not work, as usual.

Why are the great cities of the world great? They have one thing in common. They are all different. New York City, Barcelona, Rome, Paris, London, Amsterdam, Prague, Tokyo, Marrakesh, and Kolkata may not be paradises, but they have interesting stories to tell. They celebrate, in different degrees, their uniqueness and build an economy based on and around that uniqueness. That is how they meet the SDGs.

What would it take to hear the stories of Khulna, Rangpur, and other cities in Bangladesh? How can we rejoice their individuality with the power of architectural imagination, urban planning, and compatible economic policies?

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## The Story Behind the 2020 Nobel Prize in Economics



**AN OPEN DIALOGUE**

THE Nobel Prize for Economics this year was shared by two Americans, Paul Milgrom and Robert Wilson of Stanford University. In the announcement live-streamed to a global audience on October 12, the Royal Swedish Academy of Sciences

said Paul Milgrom and Robert Wilson are being honoured "for improvements to auction theory and inventions of new auction formats." The pioneering work of these economists in auction theory has helped develop better real-world transactions in disciplines as diverse as home-buying and government sales of radio spectrum. "Their discoveries have benefited sellers, buyers and taxpayers around the world," the Prize Committee said.

In economics, resource allocation is a core issue. Since the days of Adam Smith, many generations of economists have touted the virtue of free markets, which Smith viewed as "invisible hands", and espoused the outcomes, particularly the price and quantity that emerged from a freely functioning competitive market.

However, at the beginning of the last century, Keynes and later many other economists including George Akerlof, Michael Spence, and Joseph E Stiglitz, argued that free market is just an illusion. In economics, the concept of "perfect competition" (PC) is based on the assumption of many buyers and sellers, perfect information, and absence of collusion among the economic agents. Wilson and Milgrom bypassed the PC framework and developed "market design" and "auction theory" based on some fundamental principles laid down by John Von Neumann and Oskar Morgenstern in their ground-breaking treatise, "Theory of Games and Economic Behavior".

Wilson has been breeding Nobel Laureates at Stanford and three of his students won the award for their work on game theory and market design including Alvin Roth (2012), Bengt Robert Holmström (2016), and Milgrom (2020).

Auctions have been ancient tools and economists adapted the concepts of game theory to develop the behaviour of buyers and sellers in different auction settings. In Bangladesh, the Chittagong Tea Auctions, auction for toll bridges, and tenders for contracts are all examples of the use of this form of market design. In an interview immediately after the prize was announced, Milgrom recounted a pivotal moment in 1993 that catapulted auctions to the

mainstream. The US Congress authorised the introduction of the auction of radio-spectrums, and designers worked to create "marketplaces in which the messages are bids, and the auction rules determine the form that bids take, how they are communicated, and how they determine the payments and allocation of the items being auctioned," in the words of Alvin Roth, a 2012 Nobel winner.

In a basic auction, there is a product (or products) with multiple buyers offering their bids. The complications arise when we introduce collusion between the buyers

bid. Bob turns out to be the high bidder at USD 45.

"Congratulations, Bob, you've just won all the coins in the jar!" the professor says. "How do you feel?"

"Lousy," says Bob, before even hearing how much money the jar contains.

Why did Bob feel remorse even though he won the bid? The reason is that he did not know the real value of the jar of coins. After the auction was over, when the class counted the coins, it turned out to have only USD 22 of pennies. The class was bidding on the coins with "incomplete information". In an

Commission (FCC) allocated radio frequencies by inviting applications and then doing lotteries. "As mobile phone use expanded, the processes became unreasonably costly to the government and unsatisfactory to the mobile service providers," writes Taylor Kubota of Stanford University.

Smartphones have put marketplaces in our pockets, and as computerised marketplaces become ever more ubiquitous, we will also generate data trails that will continue to extend the reach of markets, socially and personally. "We will learn more about privacy and fairness, and there will be

auctions are commonplace in electricity, labour markets, kidney transplants, and other matching markets, including doctors' placements known as the National Resident Matching Program (NRMP) in the USA.

On Stanford University's website, Robert Wilson professes his research interests as principally game theory and its applications to business and economics. He has been a major contributor to auction designs and competitive bidding strategies in the oil, communication, and power industries, and to the design of innovative pricing schemes.

The Nobel Committee was effusive in its admiration for auctions. "The new auction formats are a beautiful example of how basic research can subsequently generate inventions that benefit society. The unusual feature of this example is that the same people developed the theory and the practical applications. The Laureates' ground-breaking research about auctions has thus been of great benefit, for buyers, sellers and society as a whole."

Unfortunately, neither of them will be able to travel to Stockholm on December 10 to receive the Award Ceremony in person but will participate virtually.

Incidentally, for Milgrom it was a very sweet and memorable moment when Robert Wilson, his PhD supervisor at Stanford and now neighbour in Palo Alto, CA walked over to his house with his wife in the early hours of October 12 to convey the good news to him. Wilson rang the doorbell. "Paul, it's Bob Wilson. You've won the Nobel Prize. And so they're trying to reach you, but they cannot. They don't seem to have a number for you," Wilson said over the video doorbell.

Milgrom received a call from Nobel Media 20 minutes after he heard the news. In a conversation with Adam Smith, Chief Scientific Officer of Nobel Media, Milgrom was asked a question that is on everyone's mind: "How does the work you've done together on auctions help policy makers improve individuals' economic stability these days?"

He responded that his work on resource-allocation problems and how to create markets that allocate goods efficiently will be relevant in beating the pandemic and mitigating climate change. "The biggest challenges today are of course the medical challenges, the vaccine development, the way we will address the shortages that exist and taking care of displaced people that has resulted from the pandemic." Efficient method design will be invaluable to solve these resource-allocation problems as well as the other big challenges of the date including efficient allocation of environmental resources.

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The Nobel Prize for Economics committee announces US economists Paul Milgrom and Robert Wilson as the joint winners of this year's award.

PHOTO: AFP

or cooperative behaviour, asymmetric information, and nonbinding bids. The important contribution that Wilson and Milgrom made is to create auctions for various items and to design them so that not only is the price (or revenue) for the seller maximised but also the highest bidder does not go bankrupt.

For illustration, let me take an example from Harvard Business School's student blog. Imagine that at the beginning of a class, the professor produces a jar full of coins and announces that he is auctioning it off. Students can write down a bid, he explains, and the highest bidder wins the contents of the jar in exchange for his or her bid. After everyone has written down their bids, the professor polls the class to find out how they

auction with incomplete information, bidders might lose touch with the "intrinsic value" of the item, and this might make the bidders overestimate the value of the item and lead to inefficiencies. In the example of the lottery above, Bob who outbid others and won the bidding is suffering from a phenomenon known as the "winner's curse".

"The winner's curse is a tendency for the winning bid in an auction to exceed the intrinsic value or true worth of an item." The reasons why the value of \$J0 where  $S = (\text{winning bid} - \text{intrinsic value})$  are incomplete information, bidder's emotions, or a variety of other subjective factors.

Before Milgrom and Wilson started working on the problem in the early 1990s, the United States Federal Communications

new opportunities for which new market mechanisms, rules, customs, and regulations will have to be designed," said Roth and Wilson in a joint paper last year.

Wilson and Milgrom invented a new auction format, called Simultaneous Multiple Round Auction (SMRA). In these auctions, all biddable items are offered simultaneously and bidders can bid on any portion of the items. The bids start low, in order to avoid the winner's curse, and the auction ends when no bids are placed in a round. The first SMRA auction in 1994 sold 10 licenses over 47 rounds, fetching USD 617 million. Milgrom helped design a new format, known as the "incentive auction" which resulted in the sale of 70 MHz of wireless internet licenses for USD 19.8 billion in 2016. Nowadays,