
SYDNEY FUTURES FORUM

PROFESSOR ED BLAKELY KEYNOTE ADDRESS - SYDNEY FUTURES FORUM

Tuesday, 18 May 2004

It is my job to provide both a global and a local context for what will be going on here today. I want to acknowledge my fellow members of the reference panel who are here who, in part, have staged this today. We have been working for five months and that five months has been very diligent looking at the data and understanding the principles that should guide development for Sydney. We have to start from a very important premise here, and not everyone will like it, and that is: Sydney will continue to be a very big city. And when you join the league of big cities, like many big cities in the world, big cities have been formed for the last several hundred years and they do not change from being big. But they certainly do change internally. They represent different values and different dimensions. We now have a service sector economy, but less than 100 years ago and many years less than that here many people toiled in factories and worked in fields and the cities were defined by three important variables: location, location and location, located near a river, on a harbour or some other natural resources that allowed those two functions to work effectively. That is no longer the case and it is certainly not the case for Sydney. Sydney is a global city servicing the world.

To give you some idea of our global impacts, Sydney is the headquarters of 500 global Pacific firms. 23 per cent of the value added GDP comes through this city for the nation. No city in the US is comparable, not even New York. Sydney is the second-most important futures and options market in Asia Pacific and the eleventh largest market in the world for traders. Every morning New York traders and London traders look to Sydney for the prices of gold, oil, wool and grains. So Sydney is a very important place, not just for us, but for people all over the world. But what guides Sydney now is not just its location, but its brain power. Brain power is the essential ingredient informing this city and should inform everything we do here today. As a result of Sydney's magnificent geography, and its tremendous brains it places Sydney along with Seoul, San Francisco, Zurich and Toronto as global capitals and not just local capitals where human resources are the primary resources, and the principal resource that guide the destiny of the place.

This portrait of Sydney as an economic system is underpinned by our most important resource; our people. Sydney's future has to be guaranteed by how we treat the people and what we provide them. People are a great deal more mobile than mines, sheep or harbours. People decide where the best place is they would like to manifest their own destiny. So we are in competition with other places around the world as they attempt to attract the best people in the world. We must be in a position to do that, too.

I have had the good fortune, as mentioned earlier, to be involved in some of the efforts in Paris and other places to revitalise those cities and help them shape their destinies. I want to mention three such efforts that I have been involved in

part or whole. Each of these strategies and each of these places, again, is based on attracting, retaining and enhancing the value of the people environment. One that you all know: Most recently I was in New York City on 9/11 and had been part of the process - and still am part of the process - for reinvigorating that city. But reinvigorating the city has not just looked at downtown, but a larger process to re-look at the economy of New York from that essential node has commenced. New York City and downtown are reconnecting themselves with the suburbs and the peripheries in ways to downscale New York City so it is a creative place for the industrial development around it. This means re-knitting the suburbs so they are not so auto-dependent and oriented and the most important of those suburbs, Long Island, is going through an intense revitalisation process. The oldest suburb in the United States and one of the oldest in the world in which suburban development is a pattern is looking at how to grow itself in very different ways to be more vital, to accommodate new populations, to provide for diversity and to provide better living spaces across all ranges and classes of people. It is ageing, much as we are, and it has to accommodate a different kind of living accommodation along its corridors, higher densities, less single-family housing and more multi-family housing and new ways to attract young people, its essential brain power to come there and stay there. This means employing new techniques and strategies such as liberty bonds issued in the states so people can pay for the essential infrastructure, to regear the transportation systems and new housing patterns, looking at joining government institutions together. New York is in a three-state compact, as many of you know.

But, more importantly, there are now city and cross-city compacts being formed for retailing and other factors to make sure that it remains a vital place for all the industries that it has to attract and retain. But all these industries are essentially brain industries; finance, biotechnology, media, printing and production. New York knows its future and it is trying to shape it. But also other places that we know well are trying to reshape their futures. London, as we have read most recently, is reshaping its future as well, taking the most drastic action that any big city has taken; limiting the automobile. The mayor's transport strategy requires for a 15 per cent reduction in auto-traffic in Central London reducing the growth of traffic altogether to 7 per cent a year in the greater metropolitan area and lowering it in the outer suburbs. It is re-examining how to make London a more liveable place to ensure that the brain power that comes to London stays in London. New finance and transport strategies are being employed.

But a little closer to home Seoul, Korea is embarking on a very big strategy, one that they think will reposition them as they compete with Shanghai and elsewhere making Seoul a more compassionate, liveable and economically viable place that is human centred, and those of you who have been to Seoul know how difficult that will be. But Seoul is embarking on this heads up, shoulders high trying to create a greener Seoul; better habitations across the region, linking its suburbs and its city in very different ways, using the leasehold as a vehicle to increase the housing supply so that people are not trapped in the equity and they can move

more mobility as they age and so forth from dwelling unit to dwelling unit, and employing new business venture zones so they can grow jobs in their communities rather than importing jobs from overseas. We will have to look at similar strategies as we grow our own suburbs to ensure that we grow jobs here and we simply do not import them and move them from other places.

Seoul, New York, London are competitive places, but we have increased competition here at home. Melbourne has just completed a strategy, Canberra has just completed a strategy, Adelaide and South East Queensland, including Brisbane, have just completed strategies, many of them aimed at the same things we are aiming at. We like competition and we are part of that competition. But we have to build a strategy based on our values, not one that we import from New York or somewhere else; based on the values that we hold dear and based on the directions that we think are most important to us.

In our panel we have been looking very seriously at what values should motivate the direction we take here in Sydney, and we have found three, the lexicon for those values you may discuss today. You might decide another language, you might decide there are some other things that are more important. But there are three that we think should underpin a strategy and we hope that you will challenge them and look at them.

The first is competitiveness. How do we provide an economically globally competitive city that looks out to the world, but internally feels like a neighbourhood? How do we compete well for good jobs across and around the world and provide vibrant life and liveability for every one of our citizens in every community we have?

But competitiveness does not just mean economic. It means competitive in terms of the quality of job opportunities we offer. It is not just more jobs. It is good jobs. Good jobs across our region, so that people no matter where they live can compete for a good job. That means re-examining our infrastructure. Infrastructure includes band width, it includes coffee shops, it includes interesting places to go and visit as well as nice homes. But competitiveness also includes equity, good strong social equity. We must provide in each of our neighbourhoods the kind of social and creative social mixing that makes them vital places for now and in the future. We have to look at ways to rearrange not just our physical planning and land maps, but to rearrange our hospitals, our schools and other infrastructure that heretofore was just a service infrastructure, but now may be the catalyst for the development of new industries and new industrial opportunities.

So we are not just doing the land use plan where we are colouring maps. We are doing a plan for the economy and a plan for people. And that means examining, as the minister said before, our old shopping strips and things like this to see how they can contribute not just as places to live, not just as places to revitalise, but

places where new industries and new developments may take place. Our new economic activity may come from the old forms, and we have to look at these old forms very carefully to see what we can do to recreate them.

Our second plank of this strategy is liveability. No matter what vision we have of our community for most of us the communities we live in, be they Leichhardt or Liverpool, are interesting and nice places to live. We live in a series of local communities, almost villages, that have their own history and traditions. We cannot rip the heart out of that history and those traditions as we try to move forward. So one of our tasks here is how do we make this community a community for all regarding traditions and the background, something that is important in the revitalisation of our communities? How do we celebrate the people who come here and make them part of making sure that we have a liveable and high quality environment? Many major cities have accomplished this; New York has its Greenwich Village, London has its other parts. We have to make portions of our community so interesting, so vital that many other people in the world want to come here, live here and work here. We have to create precincts that are important to all of us and revitalise them. And revitalising them is not just the physical revitalisation, it is the social revitalisation. We have to build new social capital and social capital means bringing people together through new institutions and organisations so that they can work together to make their own communities, be it recreation or education, and get all the key stakeholders working with them to recreate those communities. Again, this is not just a land use plan.

We have to reconnect ourselves to our own land as well. The last part, and probably the most encompassing part, of our value is physical sustainability. This plank is important, because we already know that we have run to the limit on our energy resources and water resources. We have to provide for an expanding population. But that expanding population cannot really expand our ecological footprint. How do we do that? We have to grow jobs where the people are so that they don't have so many trips across the region. As we think about our growth, continued suburban development or regional development, how do we grow jobs and housing together, in complementary fashion, so that we lower the impact on our physical environment and so that we increase the impact on another form of sustainability, and that is social; so that people are not spending so much time in their automobiles going to and from work they are too tired to participate in governance.

So these roles that we have that we have we have, we have to sustain an economically viable, physically sustainable place, and we can only do that with your help to invent some new tools. We have exhausted our old tools, like we have exhausted much of our landscape. We need new tools. We have to look at our governance tools. Most of our governance tools were fashioned in an agricultural era. We need new tools for today. How do we do that? We are not talking about reforming or amalgamating government. In New York they are creating compacts across government to look at government services. We need

to do that, too. What kind of government services will work to bring in people, make them attractive places to work so that no government has to do this itself and bear that entire burden? How do we share these resources? How do we rebuild the corridors that I mentioned earlier and make these corridors interesting places to grow new jobs? That will take new governance arrangements, joint powers agreements and things like that, which have been fashioned in the UK and US. Let us look at these models; just because they exist somewhere else does not mean they cannot exist here.

We will have to build a new city with some new money. I know that is a dirty word, but we are going to have to find it. We are going to have to find new ways of financing our future. We have to find new strategies, and the Premier has already mentioned this - superannuation funds and others. We have to become partners with the private sector in developing new ways to finance our future. We can do this. We have the resource. Our most important resource is our people and the future we face. We are a growing community, and that is an asset. We have to learn how to finance our assets.

Finally, we are going to have to do something about our housing mix and diversity. We have to provide more and different kinds of housing organisations and arrangements. We will have to look for affordability and, what I am going to say is, attainability in housing using new vehicles that we have not explored very much here, such as the non-profit housing corporations that do this in the United States, or cooperative housing. We have to look at these new tools and new mechanisms, and I ask you today to think of those that will work here.

This is all an important backdrop for what we have to do here today. We have to find new ways over the next day and a half to make an old city a new city and to face the future squarely. Winston Churchill said when London was facing bleakness at the end of the Second World War that sometimes your best just isn't good enough. Sometimes you have to do more. In this forum I am asking you not to whinge about the past but to do a lot more.