

BOOK REVIEW

**Mario Polèse, *The Wealth and Poverty of Cities. Why Nations Matter*,
Oxford University Press, 2020**

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The book *The Wealth and Poverty of Cities* is not simply ‘a new book’ about cities. Its originality is highlighted by the subtitle – Why Nations Matter, which aims to transmit a powerful message: cities are “mirrors of the societies that spawned them” (p.3). In other words, compared to the classical approaches that explain the urban success or failure by cities’ attributes and by how they are managed, this book places the emphasis on the national attributes – institutions, legislation, values, norms – as pre-conditions for the creation of wealth.

By adopting this perspective, Mario Polèse challenges the largely acknowledged statement that “cities are the primary drivers of the wealth of nations” (p.1), whose most famed advocate is Jane Jacobs. Instead, he proposes a merge between development economics and urban economics, which allows his research to combine mechanisms of wealth creation with those of agglomeration and the wealth created this way. In this view, “cities are no longer the starting point but rather are actors in a continuum that starts with the nation and the rules, mores, and the regulations that define social and economic relations” (p.10).

Moving forward, this central idea is developed by means of an analytical framework based on “The Ten Pillars of Urban Success (or Failure)” (p.10), which are divided into four groups and refer to:

- A. Institutions – 1. National/state policies conducive to the creation of wealth; 2. Social Cohesion; 3. Integrity; 4. Costs.
- B. People – 5. Human Capital; 6. Enterprising; 7. Glue (i.e. strong identity, civic pride and other non-economic attributes that motivate population to face adversity).

C. Centrality – 8. Connectivity; 9. Strong centre (i.e. dense downtowns and central neighbourhoods).
D. Chance – 10. Chance (i.e. location, ‘right parents’ (Pillar 1), outside events, leadership (right individual at the right moment)).

The significance of these pillars for the wealth or poverty of cities is examined in eight rich chapters, which succeed to attract reader’s interest not only by scholarly arguments but also by a multitude of real city-based examples, most of them being conceived as exciting urban journeys with a strong autobiographical component. For this review I have made the selection below, with the hope to convey some intriguing ideas about the content as well as the spirit of the book:

- New York – for explaining how the rebound after 1980 was possible, based on arguments like the investment in human capital and the shift to knowledge-rich service industries, with finance, consulting and creative industries as the spearhead, all of them relying upon face-to-face meetings in the strong centre. The city of New York benefits from the flourishing metropolitan area which allowed it “to escape the city/suburban divide that plagues so many American cities” (p. 20). The access to the vast, rich hinterland has been accompanied by the sound institutions and competent senior governments, as depicted by Pillar 1, as well as the effective local actors.
- Vienna – for showing how the past misfortunes have become an advantage after the fall of the Iron Curtain as well as for the advantage created by its unique urban culture (epitomized by the Wiener Kaffehaus institution).
- Buenos Aires – for analysing how the features that define the most sophisticated metropolis in Latin America co-exist with the long history of social inequality, for addressing the price of populism and the need of building confidence and credibility required by a successful financial centre.
- Port au Prince – for demonstrating the importance of cooperation, compromise and trust in order to make a city to work and ensure that the public goods are provided collectively. As the author notes, “Urbanization is more than a move from the farm to the city. It is a move to a new social contract, one that requires a high level of interpersonal trust” (p.34).
- Singapore – for emphasizing the chance of a visionary leader who imagined a recipe based on “the connection (...) between social cohesion and the pursuit of economic success” (p. 223). In particular, with regard to social cohesion, Singapore is a radical example of central government coercion to ensure ethnic harmony, with publicly built or subsidized housing policy as the main instrument.
- Paris – for exposing the connection between “the rigid bureaucratic management of the French state and economy”, associated with the role it plays as “a direct intervener in the city matters of urban planning and administrative organization” and the underperformance of this metropolis on the global stage as a source of “economic opportunity and intellectual ferment” (p. 247).

- Puebla, Mexico – for exploring the case of the unrealised agglomeration economies when a city is confronted with high transportation costs, lost time, insecurity, arbitrary government, informality and human capital costs of bad governance. In brief, the main message transmitted by the Puebla story is that “It is the cumulative impact of (good/bad) governance at all levels – starting at the top – that determines the productive potential of cities” (p.61).
- Drummondville, Quebec – for the lesson that the successful accomplishment of the full production process – from conception and manufacture to marketing implies “different locations with different attributes” (p.73), some things being more efficiently done in smaller places, thus advocating the need of small cities beside the big ones.
- Montreal – for the two interrelated stories about how a social revolution in a socially divided city (between two linguistic groups) provoked its economic fall but also laid the foundations for its rebirth, showing that economic change sometimes requires social change”, without neglecting the fact that “social revolutions, even successful ones, rarely come without a cost” (p. 171).

To conclude, the major contribution of this book consists in the framework of thinking proposed for examining the factors behind the success or failure of cities as sources of economic growth, prosperity and well-being. It points to the basic conditions for creating the city wealth which are the responsibility of the state, stressing the importance of the rule of law, public services provision and proper macroeconomic management in this respect. In fact, this approach can be viewed as a complement to the background created by Polèse for a previous book of his entitled *The Wealth and Poverty of Regions. Why Cities Matter*, in which he explains the inequalities in regional development *within* nations through the lens of the urban base (size, industrial heritage, etc.).

The whole book is written in a very clear, attractive style – yet with a high degree of complexity, making it accessible not only to an inter-disciplinary academic audience but also to a non-scholarly audience.

Personally, I had the privilege to be in the audience at the book launch on the occasion of the North America Conference of the Regional Studies Association in Montreal, at McGill University, in September 2019. When I asked Mario Polèse to sign my copy, he wrote: “For Daniela, I hope you enjoy reading the book as much as I enjoyed writing it.” Now, after reading the book, the answer is “Yes, I have definitely enjoyed reading it. This book has made me grasp so much of the real pulse of cities!”.

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