

**Special Session A: Cities of the Future
2006 Clinton Global Initiative Annual Meeting
September 22, 2006**

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[START RECORDING]

MALE SPEAKER: Secretary of State and Principal, The Albright Group, LLC. [Applause]

FEMALE SPEAKER: Hello, everybody. [Applause] I have to say that this is the part that I love, because it really is a way to show the extent to which President Clinton has a wide influence and has empowered all of us to do some new deeds and so I am very, very pleased to announce some commitments this morning. Could I ask Walter Sharenstein, Mayor Gavenusem, Jane Nelson and Mary Jacobson to come up and join me?

MALE SPEAKER: It's quiet.

FEMALE SPEAKER: It is quiet, okay. [Laughter] This is a very exciting commitment. The organizations that are involved, obviously Walter Sharenstein, Douglas Aylers and Walter Issacson, who is president of the Aspen Institute, and the point here is to build a network of national and local public/private partnerships in support of community-based redevelopment efforts in New Orleans.

I think this is so essential for anybody that has been down there to have this kind of an effort. It is building on the leadership dialogue sponsored by Walter and others in their 2005 Clinton Global Initiative Commitment. The gentlemen involved in this are going to work with a number of local partners to revitalize the Broadmore

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neighborhood in New Orleans. If any of you have been down there to see that, it needs it very badly. They have chosen to focus on a single neighborhood to show the extent to which dedicated public and private partnerships can succeed even against very major social problems.

This neighborhood was one of the most diverse in the city and was eight feet under water following Hurricane Katrina and a network of public-private partnerships it has established will empower the local leadership and leverage resources for the redevelopment plan created by the community's residents. I just think that it is a very important effort and I am sure we will have great impact, not only on the neighborhood but also on getting others to be helpful, so congratulations and thank you very, very much.

[Applause]

And I must say Mayor Newsom is doing fabulous things in San Francisco.

[Applause]

Can I now invite Jim Zagbe to come up? For those that don't know Jim, he is host and producer of Avudabe TV and the president of the Arab American Institute and a very good friend, and I think that one of the exciting aspects as I understand it, Jim, this is something that you decided to do after being a part of the religious discussions yesterday, which is exactly what we want, people who are inspired as

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they sit here. The commitment is to foster dialogue between the U.S. and Arab students through a series of live interactive TV programs. The idea here is partnering with Americans for informed democracy. Abudave TV will create four live interactive television programs with participating audiences drawn from American campuses and campuses in Lebanon, Palestine, Jordan and the United Arab Emirates. The programs will be broadcast in Europe and the United States, and across the Arab world, and it will also be linked and carried on in the U.S. on Link Television.

The interesting aspect about this is that the interactive sessions will allow students to speak to one another and break down obviously the two frequent barriers of distrust and ignorance. I think this is essential. Jim has been playing such an important role in this already, but I think to have this additional way of talking with each other I think is a real contribution to what we are trying to do, so Jim thank you very, very much.

[Applause]

MALE SPEAKER: Ladies and gentlemen, please welcome our panelists for today, Jamie Lerner, former mayor of Curitiba, Brazil; auto tech and urban planner instituto, Jamie Lerner; Ken Livingston, mayor of London; William McDonough, founding partner and principal William McDonough and Partners and McDonough Brown Card Design Chemistry;

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Nandan Nilekani, chief executive officer and managing director, Infosys Technologies Limited; our moderator, Judy Woodruff, special correspondent, "News Hour" with Jim Lehrer.

[Applause]

JUDY WOODRUFF: Thank you. I am Judy Woodruff and I am honored to be here as part of the Clinton Global Forum and especially to be part of this interesting discussion that I know that we are going to have over the next 45 minutes, the Cities of the Future. We are going to talk about the vision for the cities that our children and our grandchildren are going to live in. We are going to talk about the challenges we face in realizing that vision.

Five hundred years ago, William Shakespeare asked "What is the city but the people?" And of course, that is what we are really here to talk about, the people who live in these cities. In 1800, only 2-percent of the world's population lived in cities. Today, for the first time in history, over half of the world's population now lives in urban areas, with about 160,000 people we are told moving from rural areas to urban areas every single day, 160,000. By the year 2030, it is expected, predicted that 60-percent of the world's population will live in urban areas. This is a mass migration. It is occurring mainly, as we know, in developing countries. It has enormous implications for

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health, for poverty, for the environment, for relations between human beings.

We know that cities can serve as engines, of progress for civilization, and at the same time they can be flash points for everything from disease to conflict and yet urbanization continues relentlessly faster than we are able to keep up with it.

With this panel, we bring together four business and government leaders who are uniquely qualified to talk about the world that we live in and its cities. They are, as you just heard, Jamie Lerner. He is the former mayor of Curitiba in the state of Piraña, Brazil. He is the former governor of Piraña state. He is an architect and an urban planner by profession. Ken Livingstone, second from my left, is the major of the city of London. He has been since the year 2000. He has been active in London's governance and in the British parliament for the last three decades. William McDonough, who is the other end of the panel, world-renowned architect, founding partner of his own firm, William McDonough Partners; and finally, seated next to me, Nandan Nilekani, CEO and managing director of Infosys Technologies Limited, based, as we know, in India. He has been with the company for the last 25 years.

So, Mr. Nilekani, I am going to begin with you. You founded Infosys. It is one of, if not India's largest IT

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services firms. You have been credited with tackling some of the enormous problems in Bangalore. Talk about what those problems were and talk about how you personally, why you personally felt it was important to tackle these and how you view the outcome at this point.

NANDAN NILEKANI: Sure. I think as we discussed, the urbanization that is happening today is unprecedented, one, because of the large numbers that are coming into cities. Second, because the base at which they are coming in, India is getting 10 million people a year into cities, [Inaudible] is getting 14 million people a year in the cities, it is really unprecedented in history. And third, in India it is also, add the fact that it is a democratic system so when all these people come into cities, they are waters and therefore would have an influence on what happens.

I want addressed in urban issues came up from the fact that Infosys, for example, is growing dramatically. We were 2,000 people in 1999 and we are about 58,000 people today, and we added 25,000 people this year to our employee base, a lot of them in India, and unless we get our urban act together, unless we have big good cities, [inaudible] cities where people can live, work, play, we feel that our entire industry was going to really be affected by the fact that we don't have really great cities, so for the last six to seven years, personally as well as [Inaudible], we have been

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involved in Banglo City and dealing with the challenges. Banglo has particular challenges because it has grown very rapidly. It has become really the capital of the high-tech revolution in India and it has a huge amount of migrants coming in, both rural migrants coming from villages as well as urban magnets coming for jobs in technology sector like us. And it is a very complex thing because to really make the cities work. You are to both have political sustainability and financial sustainability.

And what happens in India is that cities are particularly weak because they don't really have the kind of clout in the legislature which is common [inaudible] with the economic size in the population and therefore, there is a big tug-of-war about the resources that can be done for a city, so one of the things that we are trying to figure out is how to [inaudible] that.

The second thing is the financial sustainability. How do you make sure cities raise their own taxes, how do you make sure that cities get a fair share of the taxes raised by the state or the federal government, how do you make sure cities get an adequate part of the money from assets they own, how do you make sure cities can raise money in the bond market? So a lot of the reforms we have been suggesting are things that help in improving the financial and political sustainability of cities.

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JUDY WOODRUFF: And this passion that you have comes from the private sector. Jamie Lerner, for you, you were the public sector. Talk about your experience in the public sector and, from your perspective, why it was so critical that you did what you did.

JAMIE LERNER: Well, I always have been, I'm not so pessimist about the future of cities because when we project a tragedy, we will have the tragedy, so we have to invest our energy to avoid trends that they are not desirable. And I, after working almost 40 years in cities, I started with five years [laughs] and after working I realized that every city could improve its quality of life in less than three years but it has to be done very fast. Why? One, to avoid our own bureaucracy. The second to avoid political problems [laughs]. Sometimes when the political decision is done, after all the discussion is done, you have to start immediately.

But the third which is more important, sometimes we have a very good idea and we don't start because we try to figure out oh, it is a very good idea, probably it shouldn't be feasible. So it is the insecurity and we have to avoid insecurity and do it immediately. So that is why every problem in a city has its own equation of co-responsibility.

I will give you some examples. We didn't have the money to build a system of public transport. We didn't have the money to buy a fleet. The cost was \$250 million dollars.

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So what was the equation of co-responsibility? The city designed a system and we proposed for the private initiative, we are going to invest in the itinerary, boarding stations, terminals, and you are going to invest in the fleet and we are going to pay you by kilometer and it is done, it is won. Now we started with 25,000 passengers per day, which was porting 2 million passengers per day. The system is sustainable. It pays by itself. It is not subsidized. It is one of the best systems in the world.

JUDY WOODRUFF: But this was only possible because someone at the very beginning had this vision, had this idea.

JAMIE LERNER: Yes. And I am very happy to say that it took 25 years until one major, which is the major of Bogota, he invested in surface system and he did a very good job and now we have 83 cities all over the world. I am not trying to say which system is the best. Underground, if it is buses, my vision of mobility is every system is good. We have to have a smart subway, if you have a subway. We have to have a smart bus, smart taxi, a smart bike, everything it has. And there is one condition for mobility which is very, very important. Never, never compete in the same space. That means you can link all the systems, and if we want to use your car, okay, but it has to be linked to all the systems and you will have more space and the cities will be more feasible.

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JUDY WOODRUFF: Just to be clear, you said 83 cities around the globe. What are you referring to?

JAMIE LERNER: The implementing bus rapids transport systems. I believe the future is on the surface but we have to use what we have, London, Moscow, Paris and New York, they have subways and very complete networks but it is very hard now to build a complete network. It is very expensive. We have to sacrifice all generations. Here in New York, the 2nd Avenue line, they were discussing the 2nd Avenue line for 50 years and if they will start next year or this year, it will take more 20 years, 70 years, the cost of \$4 billion dollars, and this line would not transport more passengers than the bus that goes in front of my house.

JUDY WOODRUFF: So, mayor [laughter - applause], so Mayor Livingstone, sometimes democracy is not good for urban planning?

KEN LIVINGSTONE: I don't know about that.
[Laughter] Very often you find the situation that hey, people are frightened about change, worried about change, I know as we got close to introducing congestion charge in London, the number of people who are doubtful massively increased, about a third of the population, but it does require combination [inaudible]. You don't carry people with you. We had an amazing statistic come out last week which was that four years ago in London, 38-percent of people used

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their car every day. That figure is now 18-percent and some of that is congestion charge, some of that [inaudible] has been known as a mass transit expansion [inaudible] but I think people are waking up to the fact that this is a desperate race against time to tackle climate change.

In Britain, we have an independent, government-funded, an independent climate change analysis agency called Tyndall Center. Last week, their best analysis was that we have four to 10 years to avoid the tipping point to irreversible climate change. Now when I came into my office six years ago, people were talking about middle of the century. It is just much more urgent than we thought and yet I think people are not ready for that. They recognize they have to change their lives as well as governments and city governments having to change infrastructure.

JUDY WOODRUFF: William McDonough, that is a pretty stark number there, four to 10 years, I mean, and that is just in Great Britain.

WILLIAM MCDONOUGH: Well, we are working on six cities in China right now and the kinds of instructions that we are getting from Tiananmen Square include admonitions like the current urbanization of China, if continued at the current pace, will mean we lose 25-percent of China's farmland by 2020, 25-percent of the farmland and from an ecological perspective, that is a disaster because now only

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do they take the best farmland as they expand the cities but they put pressure on the hinter land where the ecologically sensitive areas are so it is a nightmare. If they build out of brick, they calculated that in 174 major jurisdictions they will lose all their soil and burn all their coal making brick. So we have to come up with whole new sets of materials in order to do this. They expect to build housing for 400 million people in the next 12 years. This would be like rehousing the entire United States in seven years. The scale is enormous and the challenges, as we have heard at this conference, are to address climate change and with a high sense of urgency.

And how do you take this exploding supernova and shift it very quickly? The only way we have seen is by design where design is the first signal of human intention. The intention is to not have the tragedies that are currently being made by humans. They are in the making literally, and to come up with alternative designs, and so it is the time for humans to imagine the perfectly exquisite in order to achieve the practically impossible.

JUDY WOODRUFF: And is that, I mean, from where you sit, Mr. Nilekani, is that realistic?

NANDAN NILEKANI: No, I think, I mean, it is doable, but I think we have to understand some ground realities. First of all, I think urbanization in a developing country

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dramatically increases the value of land because, an apartment in Mumbai costs more than an apartment in New York, so what is happening is that land becomes very, very precious and it becomes a source of income for all kinds of people in the system. And if you can't enforce the use of land in a proper way, you will have all these issues.

I will give an example in Bangalore. Bangalore is 3,000 above sea level and actually was designed as a very sustainable city. It has tremendous green color, it has a system of lakes and ponds to actually harvest the rain and use it for the city, and all time these lakes and ponds became very valuable land. And therefore the land was taken over and converted into houses or commercial complexes or malls or whatever, and the entire system of using the local rain for water was destroyed. And now we pump water from 300 kilometers away from a river and spend a lot of energy and time to get that. But the reason is because the land value goes up in such a manner that it actually attracts the [inaudible] of the land to the purposes. So unless we have a way to figure out how do we have good planning and enforce it so that land is not appropriated, we will not be able to implement a lot of these good ideas.

JUDY WOODRUFF: Well, it is one thing to be able to do it in China, where the government can dictate and mandate, it is another thing to do it in a democratic society where,

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as we have heard, it takes years and years to reach consensus. So how do you work around that?

NANDAN NILEKANI: Well, I think, and a lot of that asset is because of the migration, you have new people coming in and they have no place to stay so they will stay wherever they get a place to stay, so you really can't - I think it is doable by creating far more participatory form of democracy by empowering the municipality then the city is much better. It is about involving citizens in making those choices. It is about information sharing.

A lot of this is because of the opacity of governance so that you don't really know what is happening behind the scenes. So I think there are a set of sort of techniques that you can work out to really improve that. But we have to recognize that the pace of change is very fast. The pace of migration is very high. Land values will keep going up and unless we have solution that recognizes the [inaudible] issues, you will only have [inaudible] solutions.

JUDY WOODRUFF: Mayor Lerner, are the solutions agreed on? Can we now assume we know what the solutions are and we just have to implement them?

JAMIE LERNER: We have to start, and start immediately, 50-percent of innovation is starting and when you want a creative solution, try to cut a zero from your

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budget, sometimes cut two zeros, and you will have more creativity. [Laughter]

The problem is let's put the question of sustainability, where we gain Superplex, it's a kind of paralysis, as our former vice president [Inaudible] said, we want to help and we don't know, we try to work with issues that we don't know but there is a lot of issues that we already know that could be done and by yourself, that means I have, if we are speaking about commitments, let's speak, I have five commitments, one, use less your car, of course you have to have a good alternative in public transport. Second, separate your garbage, we will come later on this issue. Third, live closer to your work or bring work closer to home. Four, save more and waste less. And fifth, multiple uses in every space.

We cannot spend, we cannot waste, let's say building an arena, as I said, in New Jersey. I was a former basketball player. I didn't have the Nash, like Nash, the name of the good player which is very small [laughter] but I went to see and I saw they are using this arena for 10 times a year when they were in the playoffs so an arena could be a very good market in the mornings. In the afternoons, a university, and the evenings for [inaudible] so everyone has to understand that they can in their daily life they can make the difference. But we have to teach the children and it is

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amazing the results that we can have when we start teaching children.

For instance, when we wanted to separate our garbage, we teach our children, all of our children during six months in the schools. The children they teach their parents and after it was easy to campaign, to make a campaign because we have since 1989 we have the highest rate of separation of garbage in the world, the 70-percent, because the children they teach their parents about sustainability, if we could have some spaces. I made a project for a museum of sustainability, not the museum it is a space for sustainable games, it's a way where every child could understand how, what the company missions from their house to the school in one trip, one year, 20 years, if it is a number it will show and [inaudible] so every time when you want to make it happen, you want, you have to build a scenario that everyone or the large majority, they will understand it is desirable.

JUDY WOODRUFF: Mayor Livingstone, it is important to teach the children so that as they grow up, they will not only teach their parents, they will live this when they are adults. But in the meantime, what do we do? How do you force solutions in a political environment if it is not always friendly to what you want to accomplish?

KEN LIVINGSTONE: Well, I think actually the [inaudible] we are not waiting for any new technology.

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Everything that we need to do to achieve the reduction emissions, we have the technology, it is about making sure we drive it forward. And I think one way, as you just said, children are incredible. We have a program of educating our children now in London about whole range of environmental issues, one of which, I mean, the most difficult for people of an oldest generation to come to terms with is that the water you use in your house to flush your toilet has been cleansed to drinking standard. It is ridiculous. You wouldn't do that now. You would have a separate grey water system and we have got kids all over London saying, as their parents say, why haven't you flushed the mess, [inaudible] you mustn't flush the loo, mummy, and this is a huge impact [laughter].

Where it gets more difficult is where you actually have to impact with a degree of restraint, usually financial. The congestion charge worked because we massively expanded the bus fleet and we got new buses so it is attractive but we charged \$8 dollars a day to drive it in the city and people accepted that. Well, we have not started is to say, it is a [inaudible] California is doing, that you really shouldn't drive an unnecessarily polluting car. Our electric cars have zero carbon emissions. Aporias does about a fifth of what a sports utility vehicle does and I now started consulting with

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London as I am saying we will charge \$50 dollars a day if you drive an SUV or similarly polluting vehicle in London.

[Applause]

Now, the initial poll results are three to one in favor. I think a lot of parents and grandparents are getting very scared that the world they are leaving their children is going to be intolerable. And there is one big change that individuals can't make which this conference hasn't really touched on yet. Sixty-percent or more of all the energy we create, whether it is nuclear or coal or gas or oil, is wasted by the process of cooling and discharging the heated water into the local river or sea and therefore what you call district heating and what we in Europe call combined heating tower or decentralized energy, go to Stockholm. Their whole city runs on that. We can cut our use of resources for creating electricity by two-thirds by moving to a decentralized system so that in the city you are generating and you are using the heated water from the cooling process to actually heat district housing. That is a huge change.

[Inaudible] government needs to weigh in and for me, big business comes to me, prepared to take much more radical decisions than any government minister. Our energy supply in London [inaudible] has come and said look, let's start with 25 million pounds to start this process in a recycling fund.

JUDY WOODRUFF: How common is that around the globe?

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KEN LIVINGSTONE: I suspect all over, governments are so nervous. They have been, I mean spend doctors and pollsters and focus groups have undermined their will which in many cases wasn't very strong to begin with [laughter]. They want to see the poll say it is going to be popular before they do it and therefore, big business is ahead of that. A lot of people who are mayors - If you are a mayor of state government, the problem is on your doorstep, on your desk every day, you have to move quicker. I think the weakest link now in actually creating the global climate change consensus is national government.

[Applause]

JUDY WOODRUFF: William McDonough, coming from the private sector as an architect, as a designer, please react to what he said. But then I want to hear from you, what is the ideal design of a city of the future?

WILLIAM MCDONOUGH: Well, I think our clients range from Google, we are doing their corporate campus so it is a company that has very advanced thoughts on how they are going to deal with their people and how they are going to get to work and they are very concerned about all those kinds of, the same things that Nandan was talking about. We also see governors and mayors coming and saying what is the ideal state and then how can we work toward it?

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And so, for example, with Major Newsome, we are doing a protocol for a large development the city is proffering which is Treasure Island, and we have been asked to put out a sustainability matrix that represents 100-percent exquisite sustainability and then drive the developers to respond to that matrix as well as they can and push them towards whatever practical reality is even possible. And it is parallel to what Jamie was talking about in terms of taking a zero off, it forces innovation and so it doesn't accept that you are just going to do what you did yesterday. It says we are forcing innovation. We are not saying that you are going to do something that is unprofitable. We are just saying we want you to think, you know, we don't want you to just do what you did yesterday. You are going to have to do something or we are never going to get there.

And so we are seeing governors and mayors leading these kinds of charges by putting out a vision of what they want and being able to say, well, it was the same thing we heard from Lee Scott in the other room where Wal-Mart just has to say "I want" and the supply chain has to respond.

JUDY WOODRUFF: What is the incentive for them to go along with this?

WILLIAM MCDONOUGH: They get to do the project. They get to make something immensely profitable. That is the simple response.

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JUDY WOODRUFF: I want you to respond.

NANDAN NILEKANI: No, I think certainly you need multiple forces of change and it won't just be political leaders because they are looking [inaudible] with other parties. For example, in India, an interesting thing has been, around the courts have played in driving sustainability. For example, a lot of environmentalists went to the Supreme Court and talked about pollution in Delhi and the court came and said you must mandate it that all the public bus systems should move to natural gas and they actually got it done and there was significant improvement in lowering of pollution in Delhi.

So I think there are different stakeholders. There are businesses who will drive it. There will be the courts who will drive it. There will be a lineman who will drive it. There will be visionary politicians who will drive it, so I think we really have to look at getting all these people to play their role in driving this whole change forward.

JUDY WOODRUFF: And we have time for this to happen?

NANDAN NILEKANI: I mean, you don't have a choice, you know. If there are going to be 400 million people in China who are going to move into cities and there are going to be 300 million people in India going to move to cities in the next 15 years, if you don't get your act together, you

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have a serious problem. So I think we have no choice but to embrace all these things.

JUDY WOODRUFF: Bill McDonough?

WILLIAM MCDONOUGH: Just to build on that, working with the Chinese government, one of their expressed fears and it is not highly public is in the last five-year plan, they have literally pulled back on urbanization dramatically after 10 years of encouraging it because they wanted to build industry and grow their economy in double-digit rates. They are now pulling back dramatically and their biggest fear is that people will migrate to the cities and not find jobs and if they don't find jobs they will create flavelas. And if they create slums they will be forming a revolution because you take lots of people, you put them in desperate situations and you compact them and you have got an incendiary crucible.

And they are very anxious about this, so for the future of cities, this is a key question. Are the cities going to be in a position to welcome these people? Because if they don't welcome them, and they don't feel welcome, then they will destroy the city.

KEN LIVINGSTONE: I think the position of China is quite interesting because no one in the West saw the impact of the industrial revolution on the environment. It spanned lifetimes. They have seen in 25 years and politicians who were starting their careers, they are now having to tackle

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the problem and they aren't taking, I mean, I am really envious, they have taken some decisions on [inaudible] global price down two-thirds. We are talking to an architect in London now importing them. Jeremy Laggett, who is also here, has created a roof tile which looks just like a standard roof tile, doesn't change the appearance of the house but is a [inaudible].

JUDY WOODRUFF: How much more expensive is it?

KEN LIVINGSTONE: Initially, it is a little bit more expensive but if a government commits, say we will make it mandatory, every south-facing roof should have these, the price will come down. It's no different. The Chinese [Inaudible] government is about to divulge to my office the allocation of a \$3 billion-dollar public housing subsidy risk for construction or rent subsidy. And I intend when that comes over later this year to bring the architects and the housing association people and say, look, we are not going to allocate that money to any new home for construction that isn't absolutely state of the art. It may not be possible to be absolutely carbon neutral, but it has got to be as close as possible, therefore massive insulation, use of [inaudible] tax and I am not interested in subsidizing any housing that adds to the problem.

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If you want a commitment from me at this conference is that \$3 billion dollars won't subsidize another polluting public sector home in London.

[Applause]

JUDY WOODRUFF: How many other cities around the planet are doing something like this?

JAMIE LERNER: I am worried about what is the result of a bad concept for a city? Are we having our cities living here, working here, having leisure here, this is going to be a waste of energy and a waste of our own energy. We have to understand that our society, we have to have a structure of living and working together. Every time when we separate the economic activities from the human sentiments, we have the disaster, not only in cities, in states and countries, so if we are working only with economics and forgetting people, it is a disaster.

My example of a good concept for a city is the turtle because the turtle carries its house, works, it is an example of living and working together. [Laughter] You could imagine how unhappy could be the turtle if we cut the cask off the turtle in different ways. She is going to be very unhappy because living here, working here, having leisure here, so the concept of the city has to be changed. We cannot, it is not possible anymore for having cities only on private cask and not against private cask owning a car, but in the daily,

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the routine itinerary, it has to be changed. We cannot have more cities that where people want to live in cities and they are living outside the city. This is, or in ghettos, or for rich people ghettos for poor people.

I have met, I had time once in a debate about biodiversity. There was a lady that was very tough about biodiversity, so I asked her what about, what area are you living? Well, I am living in this neighborhood. Do you have commerce in your nearby? No, I don't have. But you have any different incomes in your neighborhood? No, we don't have. So, if you are so for, you stand so straight for biodiversity and your own biodiversity you don't accept, so [laughter] we have to have social diversity. That is the link for a less violent, cities more safe, cities wherein more trade with formal and informal sector.

JUDY WOODRUFF: But how do you keep that from being a utopia? Because as you have just described, that is the way most people organize themselves. You work in one place, you live in another place, you recreate in another place.

JAMIE LERNER: Okay, when I was mayor, we gave incentives for the functions that were lacking, that means in downtown area where they have housing we try to give incentives for housing problems, for education facilities, so the more people will bring, more life will have. That is, many cities are doing that fortunately. The problem is we

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cannot have places with very good infrastructure empty for 16 hours a day. So we have to understand that every city, there are areas that can play different roles during the 24-hour but –

JUDY WOODRUFF: Let me ask, bring Mr. McDonough into it, we are really talking about two things here. We are talking about designing cities for the future and being really smart about that, but we are also talking about urgent need to make changes in the cities as they are right now. I mean, do you separate it like that in your own work, in your own thinking?

WILLIAM MCDONOUGH: We have to separate it in our work because of just working with reality. The kinds of things that we find is that we can bring messages from the future back to the present and start to say what do these ideal states tell us about what we could do right now? And that is where the utopianism is actually a useful, practical thing.

And then you do what Jamie is talking about, which is not a minimization of the bad but an optimization of the good, which has a much richer mix because being less bad is not being good, it is being bad, just less so. And if you left New York heading for Canada and you find yourself going 100 miles an hour and you are supposed to be going to Mexico, it is not going to help you to slow down to 20. You are

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going the wrong way. So, we really need to know what does 100-percent good look like in order to even begin to function, and then when you bring it down to the existing cities, you realize that Einstein said "no problem can be solved by the same consciousness that created it." So then you have to go into another consciousness and start to look at how to solve a problem with reality on the ground, and I will give you an example.

We see that the destruction of the cities in the United States, for example, has been caused by cars mainly where people have been able to move to the suburbs and leave the cities. It is ironic that in the developing world, the cities are getting crowded and in the developed world, the cities are being left and so we can see that the new transportation systems could be operated by elders since we expect with good health care that some of us will live to 130, what are we going to do? The 65-year-old retirement age was set by Otto Von Bismarck at the turn of the century, because it was the average age when 98-percent of the male population was dead so you worked until you dropped is what it used to be.

Now, we are going to have very vital elders and wouldn't it be marvelous if the elders were moving the children around using advanced technology? And all of a sudden you bring the generations back together and let that

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become the preferred mobility system and then you connect that to the kind of thing that Jamie is talking about and you could start right away by saying the parks give preference to elders moving children, just immediately. And all of a sudden they have the best transportation instead of no transportation, things like that.

JUDY WOODRUFF: Auto makers are taking a real beating here, I don't know if anybody out here is from the big [inaudible].

WILLIAM MCDONOUGH: The auto makers are being given an amazing opportunity to participate in a productive way.

[Applause]

JUDY WOODRUFF: Nandan Nilekani, tell me, in India, population, what is it?

NANDAN NILEKANI: 1.1 billion.

JUDY WOODRUFF: Okay, 1.1. How many people who are in a position of influence understand what you understand about what needs to be done?

NANDAN NILEKANI: No, I think the understanding is rapidly coming. You know, for many years in India, urbanization was seen as something that was sort of unnecessary evil, it was going to happen anyway, and we didn't really have a formal program for dealing with these challenges but the good thing is in the last two years, there is a much bigger focus on urbanization. There is actually a

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huge movement now for the national urban renewal mission which is taking 63 cities across the country and seeing how they can become better cities. And I think that is really the key to it, getting people to realize that urbanization is inexorable, it is inevitable, if it is done well it is a good thing for society, if it is not done well, it is a bad thing for society, and therefore how proactive can we be to solve that?

I think the other thing, which is becoming extremely - becoming clearer is that it is a very complex issue, you know, there is the issue of the politics of urbanization which is a very big issue in India and China. There is the financing of urbanization, how we pay for all of this stuff, where is the money for that? The third is, how do we make sure it is environmentally sustainable? And we have talked about some of that, how do we make sure that we provide public services of all kinds for rich and poor? And finally, how do we make sure cities are socially and culturally creative and encourage diversity and creativity? So I think we have to really look at it at different levels and the real thing people have to figure out, a multidimensional approach to this whole thing.

JUDY WOODRUFF: Given that, what do you worry about in terms of realizing the vision you have?

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NANDAN NILEKANI: I think it is the pace of change because even as we discuss this, you know, 10,000 people are probably moving into some city somewhere. And therefore, unless we get our hands around this very rapidly, I think we just will be overcome by the pace of this. And if you are running a city and you are inundated by migrants, you just give up one day and say I can't deal with this anymore, and that is the risk that we have to worry about.

KEN LIVINGSTONE: I think [inaudible] the thing that worries me most is the thing where everyone virtually has to sign up. A lot of what we are doing, some cities are taking lead to some governments. In Britain, we are very proud of the fact we reduced carbon emissions by 14- to 15-percent below the 1990 levels, but hey, that entire savings has been taken up by aviation and our plans to reduce our carbon emissions by 60-percent by 2050 on present growth rates, that entire savings will be taken up by aviation and the really difficult one.

JUDY WOODRUFF: What do you mean by that?

KEN LIVINGSTONE: Well, the increasing in air travel is actually creating more carbon emissions than we are saving from everything else we are doing. Now, what that faces politicians with is saying people have to recognize the real cost of their travel and the huge growth has been in very cheap flights, Brian Air and so on, and what we have to

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really say is every plane must pay the cost in carbon terms of actually getting off the ground.

[Applause]

And the weakness, we are all locked into a treaty created after the second World War which basically exempts aviation from virtually every form of taxation and that is a luxury we can no longer afford. What has changed patterns of travel in London? Londoners are faced with the really environmental costs of their travel. We can still avoid that just by the air travel we take and until governments are prepared to get together and say we amend the international treaty of 1948 so that we have the tax mechanism in place that actually replenishes, I mean takes out the carbon emission growth that we have got in air travel. We could end up doing all that we want in cities and still find global warming becoming irreversible because people want to go and have a cheap foreign holiday.

JUDY WOODRUFF: So, it wouldn't lead to less air travel?

KEN LIVINGSTONE: It will lead to less air travel whereas with cars in cities, the technologies are there that we can change very rapidly. The life of a plane is 30 years and the technologies are nowhere near close enough for us all to have a zero-carbon plane. I am not saying it is ever going to happen. I mean, you will not get a plane take-off

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fueled by [inaudible] wings, you know, it needs [inaudible] sitting on a bomb to get off the ground, that is the reality of it and therefore it is the most difficult nut to crack and could be the single most unpopular to say to people, we are going to slap another \$15-20 dollars on every ticket you take.

JUDY WOODRUFF: Mayor Lerner, you are nodding.

JAMIE LERNER: Well, I used to say the car is like our mother-in-law. [Laughter] Because we have to have good relationship with her, but we cannot lest she will command our lives. [Laughter] That means, in every city when I am working, there is always that kind of saying oh, how about the car? We cannot leave space for public transport because the car and the car, don't pay attention to the car, yes, pay attention to your mother-in-laws, of course, but don't be so suppressed by the car because when we implemented good public transport system, we realized that almost 30-percent of our people having cars, in our country a car is a social conquest and they moved for public transport, 30-percent, can you imagine how could be our cities with less people, 30-percent less people running in cars?

So, anyway, I know the cars, they are being improved and their emissions, but anyway it will take time, as Mayor Livingstone said, it will take time and we have to work on a more, in a concept of a more integrated city and where you

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can renew, you can use all the system you can have. If you want to use your car, it is okay. You are going to park in a parking lot and at the same time you will have a valet service and you will take a van that will take you closer to your office but you are going to use a public system and you are going to pay mobility card. That means if you are using a car you will pay more than the people that are using more public transport, so you can use everything which is easy for you, but you have to understand you could never compete in same space.

There is another issue which is sometimes we don't understand how important it makes use for our cities. It is a mistake that was done during years and years, the [inaudible] separating living from working and most of Europe it is getting better but here in the U.S. or in some cities you have. The most crowded city I met it was Montpellier in France during summer, 300 people, we have a jam, a traffic, for more than three or four hours, more than in Paris, in London, everywhere. By the way, I took a taxi in London and I asked him, how is your mayor? [Laughter]

KEN LIVINGSTONE: He is in a representative sample.
[Laughter]

JAMIE LERNER: He told me, I hate him. [Laughter]
But, I ask him, but is he a good mayor? He is a wonderful mayor. [Laughter] But, I hate him because I have to pay the

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taxes for oh, it's what, that is the answer, sometimes you have to face reactions. It is, working in a city, it is like giving a concert. You never have consensus. Democracy is a process of conflicts so if I am playing here a violin, I am looking to the audience and 20-percent, they are not liking my music, I won't stop the concert. I would ask, why you are not liking my music? I would finish the concert, and after I'll talk to them, I realize that you didn't like my music, why? And I now have the feedback from them.

JUDY WOODRUFF: That may be the most benign description I have ever heard of a democracy. [Laughter] That it is like a concert, I want to come to you, William McDonough on this point of what one of these points that we have discussed and what do you worry about? I mean, you have all, you all are very clear, it seems to me in terms of what you think should be done but-

WILLIAM MCDONOUGH: One of the biggest concerns that we haven't brought up, Jamie brought it up at the beginning, is the question of trash. If you look at a city, we have to look in future at cities as part of metabolisms. They are like symphonies and [inaudible], objects of human artifice, and they are within the natural world, and if 80-percent of our cities are going to be in large bodies of water, which they are, then we need to see them as metabolism. If you look at Einstein's equation, $E=mc^2$ you've got E and M, and we

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have a lot of E coming from the sun so we will solve the energy program. We have a very small amount of M coming in as income, right? It takes a huge amount of E to make a small amount of M and vice versa. That is why Hiroshima disappeared, small M, big E, but if we look at the mass of the planet, we have to have a certain amount of chromium in South Africa, a certain amount of nickel in Africa, a certain amount of graphite in China, and so on. And if we take that mass and spread it around the world and toxify the earth, while we lose the quality of the mass, we will never recover from this.

We don't have energy income. We have 5,000 times more energy income striking air surface than humans will ever need, even at 10 billion of us, so we will solve the energy problem. That should be dealt with immense urgency as we have all heard here, but the other problem is the mass problem. We are toxifying at a very quick rate and losing the values of these nutrients, so cities become a key part of that nutrient flow. So the way we see it in the future is that cities are the home of what we call technical nutrition. They are the home of jobs, they are the home of production, they are the homes of the making of things. The countryside is the home of biological nutrition. It is the solar absorption being transferred into carbohydrates, sugars, and so on, and so we need to develop a relationship between the

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city and the countryside where the countryside provides the biological nutrition to the city and the city takes that biological nutrition and returns it to the countryside to refurbish it so the city, so the treatment plants are really fertilizing factories, they make methane gas and so on and so forth.

JUDY WOODRUFF: How far away are we now from realizing something like that?

WILLIAM MCDONOUGH: Um, there are what we call the essay of clues out there now. We can see, just like Jamie was saying, elements of this in different places, so it is a matter of developing best practice and then aggregating. We are seeing sewage treatment plants that are fertilizer factories that make methane or methane gas, CH₄. It looks like CH₄ can do 24-percent of a city's cooking. We are seeing plants that can do this now. We are seeing all the elements of what I just described exist. They stay to the shelf. What no one has ever done is aggregate them all into one protocol and that is what is coming and has to come quickly.

JUDY WOODRUFF: All right, we have only got about five minutes left. I want to ask each of you to speak to the audience here at the Clinton Global Initiative in terms of what can each person take away from this? What can they

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either know or what can they do that could make a difference in the future of the cities of this planet?

NANDAN NILEKANI: Well, I think if we can all recognize that urbanization is inevitable, inexorable, but if we really tackle it in a multidimensional way, look at the financial, political, environmental, public service and cultural aspects of it, and really put it into effect in each of the cities where we live, I think we can make a huge difference.

JUDY WOODRUFF: You make it sound easy.

NANDAN NILEKANI: Well, I mean, as I said, you'd better do this. If you are going to have 700 million people moving to cities, unless we do it, we have a big problem.

JUDY WOODRUFF: Mayor Livingstone?

KEN LIVINGSTONE: Well, I think the fact that the Clinton Foundation came along to the cities that were doing climate change work and said want to get involved in this [inaudible] is going to be a huge boost in all of this and we are looking for mass purchasing of the latest technologies that will bring the price down. And we can do a lot, individual cities and all of that, but the real reality we face is that the next American president and the next president of France and the next prime minister of Britain and this German chancellor have to drive through the changes in their first terms, or we may slip into that irreversible

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tipping point. And this means an incredibly mature debate has got to happen in the next few months and couple of years at most in the major western democracies, because you are not going to be able to say to the people of India and China, hey, while we are squandering resources and producing waste on a scale which is absolutely scandalous and catastrophic and [inaudible] that they should hold back if we aren't driving forward the process of change.

And we have all the capacity we have, what we require now is the political will. Imagine where we might be if the election in 2000 had gone the other way and you had an administration that accepted the climate change problem rather than one that has taken about six years and it seems to me they seem to be on the verge of saying there might be a problem out there, if America gets it wrong, it is going to be very difficult to see a way forward for the rest of humankind.

[Applause]

JUDY WOODRUFF: Mayor Lerner?

JAMIE LERNER: I think if all the countries will be more generous about their own cities, they will be more generous with their own people. We have to globalize our authority, so that means some governments here are not paying attention to the cities. Most of them, they understand the cities are [inaudible] from the economic problems.

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JUDY WOODRUFF: Do you want to name names?

JAMIE LERNER: Well, it's this country and many countries, my country, so they don't pay attention for the cities and how urgent it has to be done, and sometimes they are looking for examples what is the city of the future? Sometimes we think the future will have like the optimists think landscape of fresh garden landscape or the more pessimist, a Blade Runner landscape. But we have to understand that the cities in the future will not be so different than the cities of today because the cities of today, physically they are not different from cities from 300 years ago.

What is going to be the big change? The munition of the scale of the generatives of jobs, that means factories for clothing, food, so fortunately for the future of the cities, we could have jobs closer to our homes including services so we have to take advantage for this, for the whole this technology which is available for us, but we have to be, the cities are our last refuge of solidarity. If we don't understand we have to give quick answers for housing, education and health care, care of children, everything could be fast. You can do it in fast ways, mobility, sustainability start, because most of the people they want to have all the answers. We cannot have all the answers. We

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have to start an understanding that people will correct you if you are not on the right track.

JUDY WOODRUFF: William McDonough, you get the last word here.

WILLIAM MCDONOUGH: Well, let me just leave with the word "love." I think the key to me is that we have to find a way to love all the children in our cities as quickly as possible because if the children sense the hope, then they can start to manifest that hope and if our timeframe is say ten years and we can get the next round of leadership ready to act quickly, that may be a very helpful thing, if the present round of leadership isn't in a position to act as quickly as necessary and I know in [Inaudible] they built all their little libraries instead of a central library following Jamie's sense of how to do things, put them all on the edge of the city and all through the city, so they are within reach of every child. And he had a political problem that people from the flavellas were sending their children into the cities' libraries and the people in the city complained, why are these children who don't have parents who pay taxes coming and using our libraries?

And Jamie's response is, we did that on purpose because we have to love all those children in the flavellas, too, because if we don't love those children, those children will grow up to hate the city and if they grow up to hate the

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city, they will destroy the city. And I think we see the same thing with cities in relation to the larger global environment. If we are going to be mostly aggregate in cities as a species, and we find ourselves not loving our own children and giving them hope and then we don't love the environment and we don't love all the children of other species, then the children of other species will destroy humankind. So I think the city is going to have to be the home of love and if it is the home of love, then it is the home of hope.

JUDY WOODRUFF: Thank you very much. Thank you.

[Applause]

MALE SPEAKER: Thank you, ladies and gentlemen, for joining us this morning. Next up is the summation and closing address in the Metropolitan Ballroom.

[END RECORDING]