

# The London New York Conference

An executive summary of the day conference.

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London.

Building on a series of fruitful collaborative exchanges over the past decade, the latest conference at The Plaisterers' Hall took place in the face of the conspicuous backdrop of financial industry uncertainty in the two cities. Nevertheless, keynote speakers remained largely positive about London and New York's assets and platform for economic recovery.

## An Introduction to the London/New York Conference

Dame Judith Mayhew-Jonas, London Dialogue Chair, introduced the conference with an overview of the state of collaboration between London and New York. Dame Mayhew-Jonas reminded the audience that an initial study on London and New York's future as world cities was first considered in the mid 1990s, at which time Tokyo and Paris were also factored in as the leading global competitors. As the study process unfolded, it became clear that there was a serious prospect of London and New York becoming twinned cities, such were their structural and historical similarities. She also explained that mutual learnings have grown deeper and more substantive over the past decade, and that up to August 2008, were unanimously thought to have been an unbridled success.

Alongside Dame Mayhew-Jonas, New York Dialogue Chair Carl Weisbrod endorsed this picture of evolving partnership. While he pointed to the widespread doubts about the city governments' capacity to affect the business cycle in 2000, by 2008 both cities have acknowledged the critical benefits derived from close co-operation and learning opportunities. For Weisbrod, New York City has learnt much from London in the last decade, not least in terms of congestion charging and security methods. The city, he urged, is better situated than in the 1970s to deal with structural change, given its fiscal strength and strengthened city administration. As both cities face a long-term consolidation of their financial services industries, Weisbrod explained that joint efforts to complement financial services will be essential, and that 'ultimately', the strengths of both cities are their 'productivity, diversity, and welcoming imagery.'

## 1. Opening Keynote session - 'Shaping Tomorrow' with Dan Doctoroff

The opening remarks provided a fine scene-setting for the conference's major keynote speaker, Dan Doctoroff, president of Bloomberg and former deputy mayor of New York. In a passionately defiant and persuasive half hour speech, he claimed that London and New York's recovery to greatness is 'as inevitable as the sun rising and falling.' Furthermore, Doctoroff saw the possibility of the two cities' pre-eminence being challenged as inconceivable, because of three pivotal assets; English, the 'global language of commerce'; diverse, intelligent populations; and an undiminishable commercial 'essence'. These 'extraordinary advantages', he said, provide an exceptional platform for revitalisation.

A persistent theme in Doctoroff's speech was a critical approach towards the doom-mongers of the 2008 crisis. While many are quick to describe events of recent months as an 'extraordinary moment in history,' Bloomberg's president confidently announced that New York had experienced eleven similar downturns in the past two centuries, from all of which it had recovered in an even healthier global position. He asserted that both London and New York have special capacities for raising capital and innovation, which mean they invariably benefit from crashes. In particular he identified alternative energy and a sustainability agenda as the key drivers for both cities' renewed competitiveness, provided

they are incentivised by government policy. But it is not just in new sectors that London and New York will find new strength. In terms of the finance industry, the ex-deputy Mayor argued that the inherent nature of the sector means that other niches - including 2<sup>nd</sup>/3<sup>rd</sup> tier brokers - will displace those investment banks that have failed, as part of trends that are not immediately observable.

Doctoroff praised the dialogue between London and New York, and spoke from experience in describing how New York had 'begged, borrowed, and stole' from London in recent years. He pointed to the precise same statistical market effects the crisis has had on both cities, indicating a past of competition will continue to be replaced by a future of collaboration. This teamwork will be beneficial for the entire world economy, he anticipated, such has been their recent dominance in financial markets.

Doctoroff concluded his speech by proposing four guiding principles of action that both London and New York must adhere to if they are to remain successful; openness to markets and talent, regulatory transparency, collaboration, and a commitment to quality of life. This last point was particularly significant, he said, because the best talent will only be located where the best education, transport and urban lifestyles can be found. He singled out Hong Kong, Singapore and Dubai as the only world cities capable of matching New York and London, with all three set to become more important global centres of finance activity in the coming years. Yet his closing remarks were full of optimism - New York and London are future-oriented cities whose dynamic people will seize competitive advantages and restore their financial dominance.

## Q&A

A vibrant question-and-answer session ensued, which raised multiple concerns about environmental sustainability, sensible regulation, support (or lack of) from national governments, and social inequality. Doctoroff argued that New York's environmental sustainability agenda, PlaNYC, is the first to take a comprehensive approach to sustainability, and would prove a major competitive advantage over emerging cities such as Hong Kong. The former deputy mayor was clear about the need for London and New York to be creative in financing its quality of life, given that neither city can expect decisive support from its national government. He urged both administrations to be well-prepared to gain from any forthcoming national funds. He also acknowledged past excesses in derivative markets, but anticipated a transparent yet open future regulatory regime that would continue to forefront the role of derivatives in financial markets. Ultimately, he thought, the human capacity to put the past behind and be motivated by profit will see finance re-emerge, with London and New York at the core of the revival.

## 2. Parallel sessions

### 2.1 'Feeding Golden Geese' - The Future of Finance

Under the moderation of London New York Project Manager Meg Kaufman, the first parallel session examined the long-term economic health of London and New York, with contributions from New York University Professor Rosemary Scanlon and Director of the LSE's Greater London Group, Tony Travers. They explained that both city economies had showed strong signs of strength prior to the crisis, generating high levels of domestic job growth, despite higher unemployment than national averages. London's share of the national economy has grown over the past decade, as has the Greater South East region, while high wages exist in both cities alongside income inequality.

The panellists' near-term forecasts were low for both cities over the next 2-3 years, because both London and New York grow faster and retard faster with the economic cycle. Future strong sectors will include non-banking financial services, business services, tourism, and creative niches - arts, design and media. Both cities are perceived to have long-term advantages that will enable a healthy medium-term recovery. Their most fundamental asset is the sheer depth and scale of the economy, labour market and skills-range, but both

London and New York also possess high-quality legal systems, tolerant cosmopolitan societies, and iconic historical significance, which give them a capacity to bounce back.

## Q&A

The first questioner queried the limits to each city's growth. While both are predicted to be 9 million strong within 30 years, Scanlon and Travers were doubtful if either city could manage growth given existing transport systems. The biggest constraint to central area employment has been infrastructure, although Crossrail and the 2nd Ave Subway are set to have some impact in alleviating overstretch. Both panellists were confident that unless a surprise is strung, no cities in Europe or America can compete with London and New York. The final question enquired whether both cities have been complacent and if past glories can ever be recaptured. The panellists found cause for optimism even if finance proves not to recover, arguing that every crisis appears different and unique at the time, but usually proves manageable over the long run. International co-operation will also provide stability during this period. The biggest concern was the potential damage done to both cities' reputation, which is key to their future as credible financial centres.

## 2.2 'Victims of Their Success?' - Housing - Achilles Heel and Opportunity

Chaired by the Architectural Review's Paul Finch, the housing seminar offered up three quite contrasting perspectives on the pressing issue of housing affordability. Richard Gollis first introduced his experience of housing in California, and his quick-fire slide show noted that approximately equal proportions of the London and New York populations - just over 30% - struggle to manage accommodation costs. He proposed that the audience consider a low-density scenario for families in both cities' 'outer-ring.' Meanwhile Stephen Howlett from London's Peabody Trust had a rather different orientation, arguing that housing is critical to tackling poverty in an overcrowded London. Howlett spoke of the desperate need for a new mayoral manifesto on housing to set out a path to housing sustainability, arguing for the importance of inner-city provision for both cities' public sector workers. Finally Ken Patton argued that the best model for housing success is either to upgrade neighbourhoods to provide affordable housing under better conditions, or to expand a gentrified neighbourhood with new building (which has proven more popular). His evidence showed small contractors often provide the best outcomes, with local technical assistance overcoming diseconomies of scale.

## Q&A

The ensuing Q&A session focused on settlement patterns and the future of affordable housing. Richard Gollis expressed his belief that both London and New York should not impose choice upon middle-class families but should allow diverse opportunities to live in the inner or outer-city. Ken Patton doubted New York agencies' capacity to predicting future housing demand, and argued against large-scale public subsidised housing because of its widespread misuse. Gollis and Howlett however both urged a central role for local governments in leading future housing solutions.

## 3. Green is Good!

At midday, the conference turned to the emerging theme of sustainability, and London and New York's efforts to lead the way towards green cities and green economies. Deputy Mayor of New York Bob Lieber introduced the discussion in a pre-recorded speech by video-link. Lieber first set out the emerging collaborative agenda; he acknowledged that there was much for London and New York to learn from each other, and identified the challenge as how to 'become leaders in relation to climate policy,' which he believes can only be achieved by sharing best practice and directing attention to the 'critical issues that face us.' With regards to New York's policy, he pointed to PlaNYC's ground-breaking approach to the 'major problems' - namely energy capacity and urban infrastructure. PlaNYC is set to reduce municipal consumption by 30% up to 2017, while \$900m has been invested in

essential boiler upgrades, waste water treatment and light retrofits. The investments, the deputy mayor argues, will have paid for themselves by the end of PlaNYC's mandate.

Despite New York's headway, Lieber admitted the city suffers from 'significant capital constraints', and urgently requires innovative techniques and operational changes to effect more substantive reform. Crucially, all greening policies 'need to make dollar sense' in order for the private sector to follow the administration's lead. Reforms must simultaneously ensure the competitiveness that businesses require and the outcomes that people want. First and foremost, he explained, the city needs to upgrade the existing building supply - which accounts for around 80% of total city emissions - by making them energy and cost-efficient

New York's 'severely aging infrastructure' presents a major obstacle to meeting emissions targets, the city's No.2 warned. The task ahead will be to identify and implement the mechanisms necessary to switch to renewable energy resources, but infrastructure investment is structurally below what is necessary for comprehensive sustainability initiatives. While pointing to the record \$10bn investment in infrastructure set for 2009, Lieber urged London and New York to implement market-based tools together. With an optimistic final flourish, he identified the current crisis as a major driver for greening investment and the creation of green collar jobs, but cautioned that this trend depends on fund-generating innovation.

With this excellent platform, three more expert speakers contributed their thoughts from the conference stage. London's new deputy mayor Sir Simon Milton outlined the state of his city's moves to sustainability. While the capital has signed up to a radical commitment of 60% emissions reduction by 2025, he described how it is behind internationally accepted standards in terms of air pollution, noise pollution, and waste management, and has historically failed to pay attention to environmental quality of life. Milton warned of the false choice of dividing financial and environmental priorities, arguing that greater liveability and a pleasant urban environment are 'major selling points.' Furthermore, while international businesses are increasingly expecting green buildings, their staffs increasingly demand them. Concurring with Bob Lieber, he recognised the importance of cities gaining a return on their investment, and rejecting 'gimmicks and pilots.' While re-iterating in his conclusion that sustainability was a 'priority agenda', he earmarked London's control over its public transport network as a key mechanism for emissions reductions, and highlighted the considerable economic advantages of moves towards energy-efficiency and recycling.

With both New York and London's deputy mayors having spoken, prominent planner Sir Terry Farrell looked to broaden the discussion, asking how both cities can be strategic in their planning, and come together as part of a globally concerted effort. Farrell questioned London's planning system and its tendency towards deregulation owing to its multiple tiers of authority. He considers London far from 'full up' - being considerably less dense than New York and Paris - and expressed sustainability concerns about building new homes outside London. He also urged the creation of a national park close to the city - like Shanghai has done with Chongming Island - given the current distance between Londoners and large natural green spaces. Turning to the longer-term, Farrell conveyed his fears about the threat of flooding to London, and lamented the failure to utilise Londoners' 'extraordinary experience helping the world' to the city's planning future. Eco-towns, he advised, represent a tiny fraction of the required efforts, and a truly sustainable agenda must solve what both cities already have built. Finally, he declared that 'we need the best knowledge, the best ideas, and an open way of articulating these things.'

The final speaker, Gary Lawrence, relayed some of his considerable insight from his position as Urban Strategies Leader at Arup. New York and London are already in an environmental leadership position, he said, but there are unprecedented aspects to the current economic and environmental/social crisis, which may be protracted given widespread resource scarcity. In correspondence with both deputy mayors, he saw a key means of progress to be 'getting the price right', and 'making sustainability a good value proposition.' In this respect, he believes the business case for responsible development is better understood in New York and London than in most other cities. Lawrence urged both

to consider the rising brand value in being green, and the incalculable economic benefit of having such prominently green visuals such as wind turbines. He praised PlaNYC as a 'magnificent document,' chiefly because funding sources and financial tools are actually identified, and progress is not just an aspiration. In his final summary, he restated the importance of developing incentives to introduce energy-efficiency in residential developments, otherwise neither city 'will even get close' to their reduction targets.

## **Q&A**

Questions from the audience typically centred on the theme of implementation - what tools can be found to incentivise, what sort of local and citywide programmes are demanded, and how can resources be directed towards them? Several audience members expressed despondence about London and New York's capacity to either re-invent themselves or influence others. In opposition, Sir Simon Milton replied that city leadership can achieve a lot in this area, and that London's 60% cut is realistic even without new technologies being discovered. The Mayor, he said, is the best person to provide long-term leadership on emissions. In terms of incentives, the administration will need to introduce attractive systems that private buildings can 'bolt in' to. Globally, he noted the attraction of an achievable plan, where everyone's role is outlined.

Sir Terry Farrell struck a more cautious note in his response to questions. He identified the green crisis as even more fundamental than the current economic downturn, and of such a scale that all cities can do is 'keep working' to solve it. He identified affordable housing provision as clashing with emissions targets, and was very concerned that huge CO<sub>2</sub> outputs elsewhere in the world would render London and New York's efforts irrelevant. Gary Lawrence was more hopeful about emissions worldwide, and pointed the audience to new long-term methods. He explained how large pension funds are now turning to 80-100 year payback cycles, which allow for consideration of environmental health. Both London and New York, he urged, must define housing more broadly in order to open up a broader horizon. Both cities need to provide its citizens with confidence through the creation of a firm consensus among government development partnerships about the nature and scale of the problem, and how it can be fixed. Public-private partnerships, he concluded, are much more capable of radically changing the future than market forces.

## **Infoburst 1 - Kathryn Pain, The Death of Distance**

After the lunch break, the conference took a slightly different direction, as Dr Kathryn Pain from Loughborough University offered a brief yet astute academic perspective on London and New York's comparative position. From her privileged vantage point working within the *Globalization and World Cities* (GaWC) research network, Dr Pain pointed to four infrastructures that are becoming indispensable for competitive advantage among global service centres; virtual, material, organisational and territorial. Specifically she pinpointed technology as heralding the rise of a decentralised model of service centres. She showed the audience recent 2008 GaWC figures on advanced producer services connectivity among world cities, which indicated a dramatic rise among Asia-Pacific cities in the world 'connectivity rankings.' Leading Asia-Pacific centres, such as Hong Kong, Beijing, Sydney and Shanghai, had outstripped Euro-American cities in terms of growth, while secondary regional centres were also becoming more significant. London and New York remained in positions 1 and 2, but with a much narrower gap. These statistics gave credence to her argument that the global economy is evolving from a classic core-periphery scenario to a twentieth century global 'city heterarchy' model, where as many as 10-15 world cities operate at an approximately equal level for global business.

## **4. Changing Times - The Future of Financial Services**

Dr Pain's thought-provoking analysis presented set an appropriate scene for the major afternoon seminar on the future of London and New York's finance sector, which generated a lively dialogue throughout the conference hall. Richard Kibble and John Forbes from PricewaterhouseCoopers began the exchange with a joint-presentation on the past, present and future of the global economy and financial services. The fiscal position of the US and

UK, Forbes said, has deteriorated rapidly in the last few months, demanding an even greater focus on tax compliance than previously. They warned that regulators will realistically make serious mistakes in devising a new regulatory system, errors which may be repeated several times, while they expressed concern at the unspecified detail of some recent rescue packages. More broadly, Kibble graphically demonstrated the phenomenal increase in wealth among the Gulf states, whose cities he considered to be realistic challengers to London and New York in due course. While cautious about Dubai's long-term real-estate and finance prospects, he expected a pack of financial centres to emerge in the two decades, led by Hong Kong.

Forbes and Kibble's joint analysis appeared to surprise many conference participants. Their stark conclusions were somewhat disputed by the next speaker, Stuart Fraser, chairman of the City of London. In an uncompromising address, Fraser explained that there were no precedents for the current financial crisis, and in particular for the 'abandonment of fiscal constraint' by governments in rescuing failed firms. Given the complex interconnected global system, and the international 'phenomenon' of financial services, he insisted the crisis 'cannot be solved in a day.' He was however encouraged by the recent G20 meeting because of its acknowledgement of the growing contribution of emerging economies. Over the short-term, Fraser thought the industry would continue to suffer from a 'catastrophic loss of confidence,' but envisaged a number of medium-term adaptations to the sector. Specifically, he anticipated a smaller, more risk-averse global finance sector, with a firm yet flexible set of regulations. Investment banking, he predicted, may be among the sub-sectors to suffer most, and it has an 'unclear future.' In the long run, Fraser expected the industry to make the essential adaptations, such that it 'will continue to underpin global economic development.'

Fraser's policy perspective contrasted with the business orientation of the panel's 3<sup>rd</sup> speaker, Carla Giannini, a managing director at Credit Suisse. Considering more immediate goals, Giannini spoke of the urgent need for the finance sector to recapitalise, given huge job losses, 'tightening of belts' and the 'chilling effect on the everyday economy.' Such recapitalisation must either come from the US and UK government, or from foreign reserves available in the Middle East and Asia. Giannini expressed hostility to the idea of widespread government bank ownership. Although its effect 'will vary across cultures and places', she warned that governments will not be 'passive shareholders', and will instead use their newfound privileged position to promote 'populist activities and social agendas,' which may result in the unfair limitation of bankers' salaries. In this scenario, she anticipates the creation of boutique financial services, whereby new businesses and niches 'will form in opposition to government controlled institutions.' In her best-case scenario, there will be a rapid return to private ownership alongside sensibly mild regulation, while London and New York will remain 'attractive places to live and work.' The biggest challenge for both cities she located was national fiscal policy, and specifically whether both cities would be forced to introduce higher taxes to pay for the recent bail-outs.

The final contributor, Lahlou Khelifi, managing director of Lazard Freres and the chairman of ULI France, offered a European perspective on recent events. He anticipated an evolutionary shift from the major European financial hubs to other central and Eastern European centres, as the bigger cities have suffered disproportionately. In particular, European capitals are now witnessing a massive oversupply of office space which is affecting the entire economy. New Northern suburbs in Madrid, for example, are almost totally empty, as no one can buy office space and there is no retail demand. He expected the crisis would last '3 to 4 years' if not more, at which point the international configuration of the industry will look markedly different to that of 2008.

## Q&A

A range of questions from the audience made for a spirited on-stage debate about the alternatives to London and New York, the prospects for fund-raising, and what future the industry really has. Stuart Fraser could not say for sure what the short-term outcome of the crisis would definitely be, only that 'it will be terrible', and marred by 'total flux in stability and security,' although the widespread creation of SMEs will absorb some losses.

He considers London's to be slightly behind New York because it does not have an extensive economically powerful hinterland to fall back on, but still expects London to remain highly competitive. He is also unsure which of Shanghai, Beijing or Hong Kong will eventually emerge the leading Chinese centre, but was confident that emerging regional hubs are 'miles away from being global cities', regardless of statistical trends.

Richard Kibble responded by arguing that London and New York's status is still very much up for grabs; as he put it, will they be 'a defunct Detroit car firm' or an IBM master of reinvention? He stated that this outcome will depend on the cities' agility, unity of leadership, and effective deployment of available resources. In this final regard, Carla Giannini thought the US was more advanced - she thought New York is capable of recognising its problems and drawing upon an innovative culture for solutions, whereas European cities - including London - suffer from the EU's inflexible monetary policy. With the final word on the industry as a whole, Lahlou Khelifi was firmly optimistic that financial services inherently seek to find solutions everywhere and in every city, and that a healthy balance will be struck enabling sector renewal in the next decade.

### **Infoburst 2 - The London New York Property Dialogue**

Mike Spies, senior managing director of Tishman Speyer, provided a short overview of the emerging property dialogue between London and New York. He pointed to the varied challenges in each city, with downtown New York having twice the property market of central London, as well as larger and more adaptable buildings. He also produced evidence of greater overall GHG emissions in New York. A key weakness of both cities that has been highlighted during the dialogue is the airport infrastructure, which is decreasing in competitiveness, while in New York visa restrictions remain a serious drawback. Their key competitive strength, said Spies, is their universities, where global talent tends to agglomerate. Moving forward, he argued that London has less agility because of its more fragmented government structure, while the mayor of New York has more control. This is especially significant, as Spies expects to see government and business requiring unprecedented agility to redirect funds.

### **Infoburst 2 - The London New York Planning and Sustainability Dialogue**

London and New York's sustainability progress and future was succinctly summarised by Lee Politano, president of KPF. The Planning and Sustainability Dialogue has thus far earmarked three key issues for debate; the roles for the public and private sector in sustainability initiatives; appropriate incentives for reform; and a balance between sustainability and economic strength with regards to building stock. Politano identified energy consumption being as much as three times greater in New York than London, and with a more substantive emissions commitment, while New York is ahead in terms of long-term affordable housing and investment in green spaces. He was positive that London and New York's 'density and comprehensive public transport systems make them uniquely sustainable locations to do business,' but was concerned that sustainability has fallen down the cities' agendas in recent months. Most important of all, Politano said that incentives and legislation are essential to change behaviour and drive innovative solutions. Both cities, he advised, must build a regulatory system and provide improved information to the market (e.g. building-specific energy audits), wherever demand for sustainable markets is strong.

### **5. Final Words - Staying Alive: what do London and New York need to continue to be world-class?**

The final session of the day looked to wrap up the overall thrust of the day's discussion, and consider precisely what efforts London and New York must undertake to weather profound new challenges and remain in an exclusive top tier of global cities. The two members of the Dialogue who introduced the project at the start of the day, Dame Judith Mayhew-Jonas and Carl Weisbrod, were joined on the panel by Jonathan Short, CEO of Internos Real Investors and Rick Rosan, President of ULI.

Dame Mayhew-Jonas firstly identified the key importance of city leadership to leverage support from national governments, which will be an especially difficult challenge because London and New York are considered by many in the national arena as primary causes of the recent crises. She said it would be 'vital to mobilise all quarters' in ensuring the national response to regulation is appropriate, and cultivating a relationship whereby city officials can monitor and work closely with the government and the EU. Leadership will also be central to the creation and reinforcement of effective governance structures. New York and London's divergent governance models - in terms of the respective strengths of the mayor and boroughs - will bring about different outcomes, but, Mayhew-Jonas argued, both cities' success has previously come in spite of their governance and not because of it. She also called for substantial infrastructure and capital investment in transport and urban renewal. Both cities must incentivise the private sector to invest in R&D, and not simply rely on tax cuts and consumer spending to rejuvenate their economies.

Carl Weisbrod agreed with Dame Mayhew-Jonas's priorities, and was secure that London and New York would maintain their dominance while having a smaller financial sector. He expects most of the two cities' talent to be retained, and that they would remain uniquely and diverse hubs for creative and lucrative ideas, even if these would not fully compensate for losses in finance. He emphasised the focus on quality of life, and necessary improvements in greenery, crime, mobility and cleanliness, while nurturing each city's inner potential and reducing social tension. Weisbrod also drew confidence from the emerging consensus on city priorities, with the major task now 'to find the resources to solve them.' The similar challenges of London and New York led him to see opportunities for both to leverage off each other. Like Dame Mayhew-Jonas, he is concerned about education prospects in New York, with expected cuts in education investment exacerbated by caps on foreign students becoming employees.

Jonathan Short's concise address highlighted five key priorities for both London and New York over the longer-term. Firstly, cities need outstanding leadership, which will facilitate strong disaster resilience, a capacity to manage growth, and meet commitments to sustainability. Second, both must abide by the maxim of competitiveness, prioritising the continued attraction of international business and capital without becoming complacent. Short's third point was that London in particular should encourage selling assets to wealthy countries because it 'puts London at the centre of globalisation' and prolongs the city's unique significance. Fourth, New York and London need 'young, skilled and deep labour pools,' which can only be completely achieved through international migration. Finally, he outlined the need for innovative job creation in future sectors of real estate, digital economy, health, tourism and retail. Large-scale job re-alignment, Short said, can only be achieved through a dramatic re-skilling and re-training of both cities' domestic populations.

The final panellist to speak, ULI President Rick Rosan, drew upon his extraordinary experience to argue adamantly that New York and London will remain information capitals. Both cities can, and must, nurture 'young, entrepreneurial and dynamic' people. Their financial services populations are just as capable of becoming successful workers in the information sector, Rosan maintained. With regards to New York, he believed the city needs more investment in quality of life, where it is poorly ranked, and public spaces. Given that young people have more and more choices, they have less reason to stay in these two cities than ever before if they do not supply outstanding lifestyles. Rosan expressed optimism about a potentially massive infrastructural investment deal under President Obama, which he believes would complement New York's exceptional current strengths in higher education and medical institutions.

## Q&A

The day's final question and answer session brought up a variety of issues of human infrastructure, sustainability, housing, school-age education, poverty and service delivery under future governance arrangements. Jonathan Short concurred that there was not enough affordable housing in London for its talented and service populations, and much more needs to be done, but disagreed with suggestions made throughout the day that Gulf state economies will soon come to match London and New York. With regards to sustainable

transport Carl Weisbrod was buoyant about the prospect of a congestion charge in New York, and a wider initiative to introduce sustainable cars on the back of the financial crisis.

When asked about their expectation of London and New York's future pre-eminence, the panellists' final comments were almost unanimously upbeat. Dame Mayhew-Jonas looked ahead to both surviving as top cities because of their 'very deep cultural and educational tradition,' and their specialisation in information services. Rick Rosan is reassured by both cities' capacity to find space for affordable housing in outer boroughs, but was particularly effusive about London and New York's inimitable 'vitality,' such that they can absorb demographic and social change and continue to find the ingredients for success. On this positive note, the conference came to a close.

Ends.