

Can Charter Cities 'Anabolise'¹ the Australian Federation?

Benjamin F. Gussen

University of Southern Queensland, Australia

Abstract

This paper explores a new form of governance for Australia: the 'charter city.' Should Australia have cities that are governed independently? Can such cities 'anabolise' the development of the nation as a whole? The Commonwealth is largely a network of cities that power our political, social and economic systems. Reforming this federalism might not only necessitate creating more 'Alpha,' or world-class cities but also affording these cities a wider (asymmetrical) margin of autonomy. City governance structures and their relationship to higher order political entities are context driven. Today's administrative structures – formed in the 19th century – are not responsive to global dynamics. More agile structures may be needed to take full advantage of globalization. Bringing about such change may be more pragmatic than proposals relying on the vagaries of constitutional amendments.

Key words: charter cities, city-regions, federalism, global cities, nation-states, subsidiarity

Introduction

Reforming the Federation seems to be once again a national priority. A full 125 years has passed since Sir Henry Parkes advocated a political process that led to the Federation. On 27 October 2014, the then Australian Prime Minister, Tony Abbott, called for a bipartisan reform plan to fix the Federation (Crowe, 2014). On the same day, The Committee for the Economic Development of Australia (CEDA) published a report on some reform options (CEDA, 2014). In September 2015, the incumbent Prime Minister, Malcolm Turnbull, indicated that urban policy is a priority for him and appointed a 'Minister for Cities and the Built Environment.' Six months later, this role was replaced by the role of 'Assistant Minister to the Prime Minister for Cities and Digital Transformation.' Since then, the Federation reform agenda has been largely abandoned.

The CEDA report incorporates some proposals for reform. The proposal by Lucy Hughes Turnbull AO comes closest to the ruminations in this paper (Hughes Turnbull, 2014).² However, Turnbull stops short of clarifying that empowering cities requires a move from seeing them as a 'body corporate,' as stipulated for under Local Government Acts,³ to seeing them as a 'body politic' with a jurisdiction to which the state and federal governments are only subsidiary. Black's Law Dictionary (2004) defines a 'body politic'

as "a group of people regarded in a political (rather than private) sense and organized under a common governmental authority." Turnbull cites Edward Glaeser's *The Triumph of the City* in support of the importance of cities to a nation's economic success (Glaeser, 2011). In that book, Glaeser gives examples of thriving cities from around the world. In particular, he discusses Singapore, a city-state that has had full representation in the United Nations since 1965. He points out that "Singapore [is an] imperfect model for cities that are neither independent states nor national capitals... No American, European, Indian, or Chinese city has that much control. In larger countries, economic policies are determined mostly at the national level, not the municipal level" (ibid., pp. 231-2). However, it is precisely this point that needs to be addressed. The issue is understanding the link between the power of cities, their prosperity and their legal status.

This paper is about creating 'charter cities' in Australia. A 'charter city' is governed according to a treaty that devolves most governance functions to the city. This governance model allows cities to have their own political and legal systems including currency, immigration laws (including refugee quotas), employment laws, and so forth. The city remains under Australian sovereignty but has a separate citizenship that does not lead to any residency rights in Australia. 'Charter cities' are sometimes also referred to as special administrative regions (such as Hong Kong or Macau), or as economic zones (such as the Visakhapatnam Special Economic Zone in Andhra Pradesh, India).

This charter-city proposition is radically different from current proposals for reforming the Australian Federation. Presently, Australia focuses on free trade agreements and specific sectors for growth opportunities. The charter-city approach focuses instead on 'anabolising' Australia: on introducing multi-governance systems within Australia as a means of boosting economic growth. Instead of searching for increased exports overseas, this approach increases exports to 'overseas-like' 'charter cities,' but on Australian soil (mostly in hitherto barren, uninhabited areas or regions with low economic activity) – much closer to our resources. With Australia being a democracy under the rule of law, such charter-city partnership is not only less volatile but is also a drawing card for potential investors. Benefits from 'charter cities' flow to the regions. Commonwealth states can now focus their resources on these areas rather than on cross-subsidising world-class cities. Under this vision, Australian state and Commonwealth governments' role is first and foremost to create new 'charter cities,' both on greenfield sites and from existing metropolitan areas and then to concentrate on governing and developing other regions.

'Charter cities' have an independent legal personality. Legal personality refers to the "device by which the law creates or recognizes units to which it ascribes certain powers and capacities" (Paton, 1973, p. 393). Such units could either be natural or artificial. In Australia, a legal person can include a body politic and a body corporate.⁴ Throughout history, cities oscillate between strong and weak personalities. Strong personalities dominated when higher orders of political organisation (e.g. nation-states)

were undergoing crises, while weak personalities dominated under the reverse conditions.

The assertion is that throughout history, cities oscillated between strong and weak personalities. Strong personalities dominated when higher orders of political organisation were undergoing crises, while weak personalities dominated under the reverse conditions.

To understand these different personalities better we need to take a detour to introduce - if only briefly - the legal theories behind them. These theories are usually discussed in the context of corporations, but apply equally to cities, especially in an analysis of international legal personality, as the latter continues to be understood as a body corporate. Some theories focus on the question of the reality of city legal personality, while others focus on the source of legal personality. For our purposes, the former theories are of particular interest, and two theories among these are most pertinent. Under the positivist 'fiction theory,' championed by Friedrich Carl von Savigny, John Salmond, Edward Coke, and William Blackstone, the legal personality of the city is fictional. Nevertheless, this personality is different from that of its inhabitants, which means that changes in the population would not alter the legal personality of the city. The property of the city is not, in law, the property of its inhabitants. On the other hand, the 'Realist Theory,' a natural rights theory that found favour with Johannes Althusius and Otto von Gierke, asserts that cities are 'social organisms' with a real (psychological rather than physical) existence separate from its inhabitants. This later came to be known as the "Cooley-Eaton-McQuillin thesis" which denied "the existence of absolute state supremacy over cities" (Frug, 1980, pp. 1113-1115). The 'realist' theory accounts for the possibility of cities' strong personality, while the 'fiction' theory suggests a weaker version.

The success of cities depends more or less upon their ability to exercise control over their economic surplus (Griffith & Thomas, 1981; Abu-Lughod, 1989).⁵

However, in a clear departure from the historical trend where cities were created not by governments but by their citizens,⁶ most legal systems today treat cities as creatures of state and statute (the Dillon doctrine) - as implementation agencies of national and supra-national agendas.⁷ In most legal frameworks today, cities do not have any 'natural' or 'inherent' powers (Frug, 1980, pp. 1062-1063, 1109). They are governed more as bureaucracies than democracies. For example, in the United States, cities are treated as administrative subdivisions of their states (Frug, 1999, pp. 3-7). Unlike states, they are not "general lawmaking bodies" (Frug, 1980, p. 1065), even though there have been attempts in the 19th and 20th centuries to model American cities after European 'free' cities. When American cities faced urban crises, which were largely driven by unprecedented growth, they looked to the old continent for inspiration. Comparative analysis of the legal frameworks governing cities in the US and Europe resulted in constitutional amendments where many states granted their cities 'home rule' (Frug &

Barron, 2006, p. 6), although denied them planning powers commensurate to those seen in Europe. As a result, the 'home rule' given to American cities did not alleviate their powerlessness. The most liberal plans for 'home rule' reserved to the states powers that would be most injurious to the city, such as policing and the power to regulate elections and local finances (Brooks, 1915, p. 239).

Current local government law envisages state administrative control over city-regions regardless of their varying capacities and competencies. For example, local government law in the United States simply decentralises power by moving its location without reshaping the nature of the relationship between central and local governments (Frug, 1999, p. 10). To be precise, there has been real limits to local (financial) autonomy as evidenced by increasing fiscal dependence on central governments and less policy discretion over resources (Caulfield & Larsen, 2002). The legal conception today is that "cities are governmental bodies with delegated powers created and limited by the authority of state governments" (Frug, 1980). Cities have only powers delegated to them by state governments, and even these have traditionally been severely limited by the courts. In fact the US Supreme Court has excessively emphasized the absolute power states have over cities.⁸ The rationale for this approach stems from two main arguments. The first enlists the complexity of today's world, with its large scale organisations, to evidence the impossibility of decentralising power to cities. A related second argument sets up the sovereign city as a selfish entity that cannot be trusted to exercise unsupervised power. City power is feared for it strangles capitalism by a maze of local regulations and frustrates national political objectives by parochial agendas. City discretion invokes images of corruption and even foolishness. Both arguments allude to a necessity of the powerlessness of cities - a necessity whom Tocqueville, Marx and Hegel identified as a cornerstone of government policies in the democratic era (Arendt, 1965, pp. 113-115).

Both arguments are flawed. The first for misunderstanding the nature of complexity involved (Gussen, 2012), the second for conflating the concept of legal empowerment (as a form of bounded autonomy) with that of sovereignty (Golub, 2006; 2010). Increasing people's control over their lives is not tantamount to prohibiting interference from other stakeholders. This conflation harks back to an already archaic formulation of sovereignty where it only exhibits an abstract absolute, or to a formulation that envisages only a division of sovereignty (as under federalism), rather than a sharing of sovereignty (as under subsidiarity). As discussed in Gussen (2013), sovereignty is a relational construct that envisages sharing sovereignty, which in turn imports organising jurisdictions on a small scale. On the other hand, ensuring city-regions are the primary unit of political organisation also forces cities to take regional considerations into account.

It was twentieth liberalism that brought about the current powerlessness of cities. Liberalism, with its model of the world as dualities, saw participatory democracy on a small scale like the city-region as unworkable. Cities with real power were intermediate

structures between the state and the individual. Through legal doctrine, liberalism proceeded to eliminate this intermediate structure and replace it with powerless, coercive instruments of the state (Frug, 1980, pp. 1074-1080).

City power is again on the ascendancy. Today we can discern a move towards empowering cities on two fronts: one is domestic where there is constitutional recognition, under cooperative models of federalism, of the local governments of city-regions as co-equal to federal and state governments, and the development of what is known as the 'doctrine of usurpation of jurisdiction.' The approach does not emphasise political autonomy but rather the idea of subsidiarity where general competence powers are extended to city-regions (Caulfield & Larsen, 2002). The second front is international, where there is an emerging field of law that acknowledges city-regions as independent international actors. International law has long had an *indirect* impact on cities, but now we see an emerging trend where cities are becoming distinct international actors almost co-equal to their nation states. International law is enlarging the nation-state club that dominated its institutions since their emergence, to admit sub-national governance structures, most notably city-regions, mainly through regulating the relationship between cities and their nation states.

The traditional approach where local government is simply an administrative division of the state is now being replaced by an approach, driven largely by globalization (as a modality of economic integration), where international institutions redefine the scope of domestic frameworks. This has come to be known as 'International Local Government Law', a hitherto uncodified interdisciplinary field that draws on comparative urban governance (which focuses on domestic rules) as well as on the 'world cities' hypothesis which highlights the impact of economic forces in shaping 'world systems' (Frug & Barron, 2006, p. 2).⁹ Unlike these other disciplines, however, international local government law emphasises the dual legal nature of city-regions as both sub-national governments and as independent international actors. This emerging field would determine both, who should regulate the legal framework for city-regions, and the nature of that framework. Examples of this approach include decisions by international arbitration tribunals regulating cities' land use. This international framework envisages (at least tentatively) empowering cities "principally as a mechanism for promoting private economic development" (Frug & Barron, 2006, p. 4).

International instruments such as the United Nations International Covenant on Civil and Political Rights (ICCPR) and the International Convention on Economic, Social and Cultural Rights (ICESCR), *inter alia*, are altering the relationship between cities and nation-states. City-regions are becoming "nodal points for radially distinct governance projects that have as their common goal to transform cities from mere subdivisions of sovereign states into legally empowered entities, able to advance goals and values that are different from their states" (Blank, 2006, p. 899).

The rest of this paper outlines the historical context of 'charter cities' and recent developments. Some specific implementation challenges are also addressed. The paper

ends with some recommendations.

The Economic Performance of Australian Cities and Their Governance Structures

A stepping stone for understanding the correlation between economic growth and city governance structures is amalgamation. A case in point is the amalgamation of Auckland, New Zealand. In 2009, a Royal Commission on Auckland Governance proposed changes to the local governance structure (Salmon, Bazley & Shand, 2009). The Commission's report reviews the economic literature on economic growth, both at the national and city-region levels. In particular, the Commission summarises the economic factors provided by cities. These factors could be divided into scale economies (e.g. larger plant sizes and larger parks and libraries), shared inputs (e.g. legal and accounting services and recreational facilities including theatres and restaurants), transaction costs (e.g. matching in labour markets and in large shopping malls), and statistical economies (e.g. lower unemployment and lower inventory levels). The Commission also refers to the centripetal and centrifugal forces of economic activity arising from agglomeration. In addition, the Commission adopts the distinction between the effects of localisation, which refers to congregations of similar firms, and urbanisation, which refers to diversity (congregations of different firms). However, in a given locale, these effects could - and usually do - work simultaneously.

While amalgamation does not necessarily lead to innovation, there is a large body of literature that looks specifically at the role of cities in innovation. A relatively recent review concludes that the literature is not definitive, in particular, due to definitional issues around cities and innovation (Shearmur, 2012). Such problems can be attenuated by focusing on a subset of cities, namely 'charter cities.' Focusing on subsets of innovation could also be informative. The difficulty, however, is that 'charter cities' are an 'ideal type.' Hence, we need to use a proxy construct, namely polycentricity (Aligica & Tarko, 2012), as it applies to existing levels of governance, and extrapolate its effect on innovation to that of 'charter cities.' For example, in the context of the United States, Derek Kauneckis showed that an increasingly proactive role for the states in setting the research agenda (as opposed to being implementation instruments of a national research program) is having positive effects on innovation (Kauneckis, 2009, June).

More broadly, we need to invoke an analogy between 'charter cities' and competitive markets. The latter, as Adam Smith would remind us, align the interests of private and public agents. In particular, 'charter cities' allow for the creation of competing legal systems. Under this analogy, we find evidence of enhancing innovation by competition between 'charter cities.' For example, Elinor Ostrom argues that "any governance system that is designed to regulate complex biological systems [such as cities] must have as much variety in the actions that it can take as there exists in the systems being regulated." (Ostrom, 1998, p. 150). Ostrom elaborates that "[a]mong the institutions that humans utilize for generating highly desirable future goods are open,

competitive markets. [These markets]...create incentives for innovation and entrepreneurship" (ibid.). This competition becomes more difficult when public goods are offered, but not impossible. Provided voters have (perfect) mobility and (perfect) information, they will move from one city to another, which maximizes their personal utility (Tiebout, 1956). Allowing cities to differentiate their public goods allows not only for efficiency gains but also for innovation to attract more residents.

Besides governance structures, there are other factors affecting the economic performance of cities. Storper (2013) identifies institutions as one of these factors. While institutions include legal systems, they go beyond. They include firms, markets, and social conventions. Porter (2003) joins in the emphasis on innovation, in particular in the performance of regions. He also emphasises the role of (trade industry) clusters (ibid.). This emphasis chimes with Putnam (2000) who emphasises culture as a predictor of economic development (Putnam, Leonardi & Nonetti, 1994). Putnam made the conjecture that social capital is a function of autonomous governance at the local level, especially as exemplified by free city-states in the Middle Ages (Guiso, Sapienza & Zingales 2008). Another insight comes from the literature on the resilience of regional and local economies to recessions. For example, Martin et al. suggest a complex array of factors (Martin, Sunley, Gardiner & Tyler, 2016). These include industrial and business structure (e.g. firm size and ownership, debt structure and financial strength, and supply chains), financial arrangements with national governments, equity market conditions, and labour market conditions (e.g. skill profiles, gender profile, and mobility). Martin et al. (ibid.) also identify governance structures as one of the factors of resilience, including national and local policies, and international regulatory arrangements.

Economic rationale plays a major part in informing our federal designs. To get the choices right, we need to mull over, if only briefly, the basis of this economic rationale.¹⁰ To this end, the next section delineates propositions leading to a 'federalism' centred on empowering 'city-regions' as the backbone political entities for state and federal governments.

Richest countries are more complex

Economic prosperity is related to economic complexity, especially as measured by the Economic Complexity Index (ECI). The ECI is a holistic measure developed at MIT and Harvard to express the accumulation of knowledge in a given country (Hausmann et al. 2011). Its creators suggest that modern societies are prosperous because they grasp a diversity of know-how which they could leverage to create smarter and better products. The top countries in the 2011 ECI ranking are also some of the richest economies in the world (by nominal per capita). The top five countries, in descending order, were: Japan, Germany, Switzerland, Sweden and Austria. In this ranking, Australia came in at 79 out of 86 ranked countries, below Chile and above Zimbabwe (ibid., p. 65).¹¹ The United Kingdom was ranked at 11, the United States at 13, Canada at 41, and New Zealand at 48. Even countries that are perceived to be dependent on

fossil fuels were ranked higher than Australia. Norway, for example, came in at 33, while Saudi Arabia at 68.

Complex economies require 'world cities'

'Fixing' the Australian Federation requires a federal design that allows economic complexity to emerge. This requirement, in turn, leads directly to the primacy of innovation. World cities are the nuclei of innovation worldwide (Bettencourt & West, 2011; Chakrabarti, 2013).

We can argue the nexus between complex economies and city-regions from a number of different angles. Here focus is on only one angle, probably, the most important one: innovation. In fact, by definition, cities are the social structures that stimulate innovation through individuality (Sennett, 1969, p. 6). Cities allow for 'public freedom' where citizens participate actively in decision-making (Arendt, 1965, p. 119). Cities are the microcosm of civilization. They release passions and energies. They enable public opinion to evolve beyond tradition and custom (Park, 1969, p. 139). The high population densities found in cities triggers an evolutionary process that leads to differentiation and specialisation (Wirth, 1969a, pp. 151-154). This is the basis of what later came to be known in the US as 'human ecology' (Wirth 1969b, p. 170), or in Europe as 'social morphology' (Dickinson, 2007 [1947], p. xiii). More precisely, innovation occurs in firms that are nurtured by city-regions (the core urban cities and their hinterland as an integrated entity). Glaeser cites the example of innovation seen in 18th century Manchester (England), which led to the Industrial Revolution, to suggest that cities are a superhighway for ideas which in turn leads to innovation (Glaeser, 2011).¹² The transfer of knowledge over long distances is costly, and hence innovation tends to cluster spatially (Beugelsdijk, 2007, p. 183). This is the essence of agglomeration economies. Cities cause productivity. An individual's productivity rises when he or she are near other individuals (Glaeser, 2008, p. 116).

The Innovation Cities Global Index (ICGI) measures the potential of cities as innovation economies and ranks 445 cities worldwide on innovation (2thinknow, 2014, p. 23). In the 2014 version, the top five cities were (in descending order): San Francisco, New York, London, Boston, and Paris. The top five complex economies (from the ECI) had the following cities in the top 100 (numbers refer to ranking): Japan (Tokyo 15, Kyoto 34, Osaka 37, Kobe 61, and Fukuoka 88); Germany (Munich 7, Berlin 13, Hamburg 18, Stuttgart 22, Frankfurt 30, Leipzig 33, Düsseldorf 43, Cologne 53, Dresden 72, Karlsruhe 75, Hannover 79); Switzerland (Zürich 59, Geneva 73); Sweden (Stockholm 16); and Austria (Vienna 6). In comparison, Australia had only Sydney (17), Melbourne (23), and Brisbane (60). When we take the size of Australia (in total square kilometres) into account, it becomes somewhat clearer that we have a fatal imbalance in the strength of our cities' innovation. The other state capitals are ranked low in the ICGI: Adelaide (160), Perth (183), Canberra (188), and Hobart (278), with Darwin not even making it to the list. These indicators point to the crux of the problem: the Federation is unable to produce the type of cities that can take the lead on innovation, and by doing

so push this nation into its rightful place among the leading economies of the twenty-first century.

Australia needs to: (1) empower existing Australian cities, and (2) create 'charter cities' in Australia. The best definition of empowerment is what is known as a 'global city,' namely a city that has a direct effect on global affairs (Sassen, 2001). Such cities exhibit a level of infrastructure concentration that enables them to influence global processes (Sassen, 1995). Such cities function as the "organising nodes of a global economic system" (Friedmann, 1995, p. 25),¹³ defined by dense patterns of interaction between people, goods and information (Keeling, 1995). Such cities are linked in a single network (Smith & Timberlake, 1995, pp. 80 and 88),¹⁴ sometimes referred to as a 'world-system,' which sharpens the competition between them (Friedmann, 1995; Wallerstein, 1983). The spatial dispersion of economic activities and global integration has contributed to the strategic role of these cities in the current world-system (Sassen, 1997).

The Globalization and World Cities Research (GaWC) Network, a think-tank at Loughborough University in England, provides one of the oldest rankings of such cities (Taylor, 2003). According to the Globalization and World Cities Research (GaWC) Network ranking of 2012, the highest ranked global cities, the Alpha cities, are the following (GaWC, 2012):

- Alpha++ London, New York.
- Alpha + Hong Kong, Paris, Singapore, Shanghai, Tokyo, Beijing, Sydney, Dubai.
- Alpha Seoul, Johannesburg, Buenos Aires, Vienna, San Francisco, Istanbul, Jakarta, Zurich, Warsaw, Washington, Melbourne, New Delhi, Miami, Barcelona, Bangkok, Boston, Dublin, Taipei, Munich, Stockholm, Prague, Atlanta.

At first glance there seems to be very little in common between these cities. This requires a delineation of the GaWC model, and how it ranks cities. The GaWC model is a city-centric flow model, as opposed to a model based on the boundaries of nation-states. The model ranks cities based on their "advanced producer services," using an interlocking network model (Taylor, 2001). These 'advanced producer services' include accounting, advertising, finance, insurance, and law applied in transnational contexts. In particular, the model interprets cities as being nodes, but not as primary actors. The model evaluates the presence of 'advanced producer service' firms in cities, and the size of this presence. In other words (Beaverstock, Smith, and Taylor 2000; cited in Taylor, 2001, p. 183):

World cities have become centres for the production and consumption of the advanced services in the organisation of global capital. As locales for service innovations in such areas as multi-jurisdictional law and new financial instruments, world cities constitute concentrations of information and

knowledge necessary for new service productions by advanced producer service firms.

In the words of Saskia Sassen (1991, 126), these cities have "a particular component in their economic base" which gives them a "specific role in the current phase of the world economy" (cited in Taylor, 2001). The model uses indirect measures of flows to compute a city's network connectivity, which is a measure of a city's integration into the world city network. These connectivity measures are then used to classify cities into levels of world city network integration, as follows:

- Alpha++ cities stand out as more integrated than all other cities and constitute their own high level of integration.
- Alpha+ cities are highly integrated cities that complement Alpha ++ cities, largely filling in advanced service needs for Asia Pacific.
- Alpha & Alpha- cities are very important world cities that link major economic regions and states into the world economy.

There are also Beta and Gamma level cities. Beta cities are instrumental in linking their region or state into the world economy. Gamma cities are either cities that link smaller regions or states into the world-economy or cities whose major global capacity is not in advanced producer services.

Some might argue that Alpha cities function within national jurisdictions. Why would we require 'charter cities'? The answer starts from a historical perspective. First, nation-states are not necessary for the creation of Alpha cities. Probably, the Hanseatic League is the quintessential example (Harreld, 2015). Historically, territorial states were the League's nemesis. From the 16th century, with the ascendancy of the Westphalian model of sovereignty that led to the Peace of Westphalia in 1648, the League succumbed to the political authority of nation-states. The last formal meeting of the League took place in 1669 (Dollinger, 2000). Second, Alpha cities *used* to function within national jurisdictions. That is not the case anymore. The contemporary city is no more 'installed' in a territory. The city is diverging from its historical model as part of a larger 'national' framework. Today, cities are about the economic flows permeating the world-system, and hence are perennially on the move. Today, cities are about a continuous percolation of a non-resident, migrant, population that seem to be exponentially growing in all directions. Perulli (2012) illustrates the point with statistics on the number of migrants worldwide, and how they concentrate in global cities. Global cities are transcending the limitations imposed by the nation-state and its constructs of citizenship and sovereignty. Ideas such as the 'fatherland' and 'our country' are being replaced by economic considerations. Third, cities such as Singapore and Hong Kong are classified as Alpha + cities and share a specific characteristic. They did not need to go through the long evolutionary path of other Alpha + cities like Paris and Beijing. They achieved their status within one or maybe two generations. Notwithstanding, all

Alpha + cities enjoyed—and some continue to enjoy—a privileged position. The position of the *capital* city. Both Sydney and Dubai are capitals of their states.

To summarise, a key fact to highlight from the GaWC ranking is the very high scores that many city-states have achieved: Hong Kong, Singapore, and Dubai (Alpha +). Next, this fact is analysed further to ascertain the type of empowerment that could lead to such Alpha cities.

The principle of subsidiarity empowers cities

In 2013, Benjamin Barber, an eminent American political scientist, argued that cities can save the world from a deepening crisis of democracy. According to Barber, the nation-state is failing to perform both on the local and global scales (Barber, 2013). He advocates a world where "cities, the most networked and interconnected of our political associations, defined above all by collaboration and pragmatism, by creativity and multiculturalism, do what states cannot" (Barber, 2013, p. 4). Barber's vision is being advocated by global organizations such as the United Cities and Local Governments network (UCLG) and the Cities Alliance. The UCLG is a global network of cities, local and regional governments. The network's mission is to be "the united voice and world advocate of democratic local self-government, promoting its values, objectives and interests, through cooperation between local governments, and within the wider international community."¹⁵ In 2010, the UCLG called for cities to be self-governed (UCLG, 2010). Similarly, the Alliance, which was launched in 1999 by the World Bank and the United Nations Human Settlements Programme (UN-Habitat) as a global partnership, continues to promote the role of cities in sustainable development.¹⁶

The principle of subsidiarity provides the mechanism to fulfill the vision shared by Barber, the UCLG, and the Cities Alliance. The approach is not too remote from the one espoused by 'charter cities.' It is, in fact, similar to what Baruch Spinoza proposed in the 17th century in his analysis of the Dutch Federation that existed between 1581 and 1795 (Gussen, 2013).

The origins of the principle of subsidiarity could be traced back to ancient Greece if not even all the way back to the Sumerian city-states (Gussen 2013; 2014b; 2015a; 2015b; 2015c). Subsidiarity entails the following decision rule: as much freedom as possible and as much state as necessary (Dölken 2013, p. 3). Put differently, subsidiarity envisages so much expertise in the ever smaller social units as possible, and as much competence for ever larger social units as necessary (Dölken, 2013, pp. 3-4). Subsidiarity is hence an analytical principle to decide the optimal size for political, legal and social organisation, although it has a legal presumption in favour of smaller community units (Dölken, 2013, p. 8). Some suggest, however, that the fundamental purpose of the principle is "to reinforce the right of local government to take the first legislative action" (Bayer, 2003, p. 1459). These different representations of subsidiarity can be reconciled when the principle is understood as both a principle for constitutional design and a guiding principle for sharing power between different

entities.

In Australia, there has already been a healthy debate on the application of the principle of subsidiarity for reforming the Federation (Gussen, 2016b). For example, Evans (2012) suggests borrowing from the German '*Bundesrat*' model where there is a strong constitutional link between the Senate and the states. To be precise, Evans proposes to have the Commonwealth Senate comprised of members of the executive branches of the Australian states (ibid., pp. 303-304). This constitutional link would give Australian states immense powers to influence political decision-making. However, Evans does not make a connection between the efficient application of subsidiarity and city power, nor suggests any need for increasing the current number of Australian states (total of six).

Why Sign Up to Such an Arrangement?

State and Commonwealth governments have many incentives for creating 'charter cities.' A hypothetical could probably best illustrate the most salient of these. Note however that numerous issues are not spelled out in the scenario below. The intention is only to *illustrate* the main incentives. These are inevitably a function of constitutional designs. Some options are more commonsensical than others. The following scenario attempts to flesh out the former.

Imagine that it has been decided to create a greenfield charter city in the northwest of Western Australia (Gussen, 2017, January 24). The charter city is christened *Dilga* (after the *Karadjeri* goddess of fertility and growth). Dilga is to be developed by a holding Charter City Company (CCC), which is a joint venture between four groups. First, there is the government of Western Australia. They obtain equity in CCC by providing 1000 square kilometres on which Dilga is to be built (roughly the size of Hong Kong). The Commonwealth government obtains equity by constructing and operating a military base next to Dilga, and by providing ongoing defence and security (intelligence) services for the city. The third partner is the government of Singapore. Singapore obtains CCC equity by providing Dilga's infrastructure, includes ports, airports, roads, and electricity. The assets provided by each party account for 25% of the total equity. The last 25% comes from the private sector in exchange for rights to utilise Dilga's land and infrastructure. Dilga increases its equity (in agreement with the original partners) by selling new shares in CCC, as well as through debt instruments. The city makes its profit through a mix of city-owned corporations and tax revenue. All four partners share in this profit.

Dilga is finally fully functional. It requires a steady stream of natural resources such as iron ore, gas, and petroleum. Western Australia capitalises on the new market that is much closer to the source. Savings in transportation cost alone are creating a competitive advantage. Dilga is playing a growing role on the international stage too. It is absorbing Australia's refugee quota. Dilga is also becoming a showcase for green technologies, especially renewable energy resources, and efficient seawater desalination

plants.

On the 50th anniversary of promulgating the Dilgan Constitution, Australia is creating 'charter cities' on every continent. Recently, they secured a concession for a CCC in Libya, where a new 'charter city' (yet to be named) is being created using the 'hands on' expertise gained in places like Dilga. Australia is seen as a trustworthy partner. A 'network' of 'charter cities' is adding considerable growth to the Australian economy, both directly, in new labour markets, and in synergies.

Why Opt for Charters Rather Than Agglomeration?

A useful comparison presents itself with the UK. The *Cities and Local Government Act 2016* (UK) (CLGA 2016) received the Royal Assent in January 2016. The philosophy behind the CLGA can be gleaned from previous Acts, including the Local Democracy, Economic Development and Construction Act 2009 (UK) (LDEDCA 2009). Part 6 of the LDEDCA 2009 stipulates for the creation of corporate bodies called 'combined authorities,' which are intended to improve the efficiency and effectiveness of transport and economic development by enabling local authorities to work jointly. The LDEDCA 2009 was preceded by the Local Government Act 2000 (UK) (LGA 2000), which was intended to reform the local government in Wales and England. The LGA 2000 innovation was to give constituencies the option of directly electing mayors. The LGA 2000 was followed by the Local Government Act 2003 (UK) which created the concept of 'business improvement districts' (BID). These special zones are intended to provide business services supplemental to those provided by municipalities. These added services are funded through additional taxes levied on occupiers within the boundaries of the district. These Acts were followed by the Localism Act (2011) (UK) which aimed at devolving powers to local authorities.

The CLGA 2016 operationalises these objectives through a deal-making approach between the UK government and local governments, which is envisaged to lead to asymmetrical outcomes, based on local preferences. So far, the primary example of such deals is the Greater Manchester Combined Authority (GMCA). From 2017, the GMCA is expected to receive new powers and funding streams for economic growth and social care (including health). Similar deals have been struck between the Government and the Cornwall Council, the Sheffield City Region Combined Authority, and the West Yorkshire Combined Authority. Other deals include the Liverpool City Region Combined Authority. The Authority's first ever mayoral election was held on 4 May 2017.

While the objective is efficiency gains through amalgamation, this *should* be a step toward competitiveness-globally. As these city-regions gain more competencies, it would only be reasonable for further devolution to occur. In the long-run, these city-regions will resemble 'charter cities' with unique legal identities.

Should we then opt for amalgamation instead of charter cities? Both envisage

efficiency gains from economies of scale, of scope, and from network (agglomeration) effects, where the amalgamation of numerous local government areas (LGA) into one strong 'regional' government streamlines economic activity through an integrated approach to infrastructure development (Dollery, 2009). Amalgamation is a cost-saving measure. It relates to governance structures that are not recognised constitutionally. Hence, unlike the charter option, amalgamation has been happening very much on an 'ongoing basis' (Dollery, 2009). Amalgamation has been happening all along. Did it propel our cities into 'global city' status? Would more amalgamation, for example in the case of Melbourne and Sydney, bring the envisaged economic productivity? The answer comes from Jane Jacobs, who opposed the City of Toronto Bill 103 (to amalgamate six municipalities into one large city) (Schumacher, 1999 [1973], pp. 52-3). Neither Jacobs nor a referendum in the six municipalities, showing opposition to the merger by more than 3:1, were successful in persuading the Standing Committee of the negative externalities of amalgamation. The *City of Toronto Act 1997* (O) was passed, and the 'supercity' of Toronto came into existence on 1 January 1998.¹⁷ Ten years later, a similar amalgamation created the Auckland 'supercity' (Gussen, 2010).

So, how did the restructuring affect the fortunes of Toronto and Auckland? In the decade following amalgamation (2000-2010), Toronto registered negative growth in its productivity (Kelman, 2000; Bish, 2001). It would be insightful to also mention that Montréal too had undergone a similar amalgamation in the period between 2002 and 2005 (Sancton, 2004). A report on the Auckland 'super city' seems to suggest similar results (Neill et al. 2013, p. 19). By 2020, it would be interesting to see how Auckland's productivity stacks up against that of Toronto, or for that matter, other cities that had undergone amalgamation.

To summarise, 'charter cities' provide not only cost savings similar to those from amalgamation, but also productivity gains, which are not available through amalgamation. 'Charter cities' allow our urban agglomerations to have tailor-made economic policies to the end of elevating them to 'Alpha' cities.

Implementation Issues

There are potential implementation issues that need to be addressed before 'charter cities' are introduced in Australia. These include cheap labour, immigration, and competition with Australian goods. This section considers these issues in some detail, together with possible mitigation strategies.

The creation of 'charter cities' is driven by efficiency and equity considerations. If 'charter cities' can attract labour at wages lower than those elsewhere in Australia, how would that affect equitable considerations? The issue is not specific to 'charter cities.' More and more, trade agreements are putting Australian wages in direct competition with cheap labour overseas. Our policies are hence geared towards competitive advantages from exports (natural resources), rather than goods and services. While this rationale also applies in the case of 'charter cities,' these cities can increase wages given

potential savings in other costs, especially transportation. Businesses producing in China would find it more cost-effective to relocate closer to Australian and South-East Asian markets.

As to competition between 'charter cities' and Australian exports, we need a closer look at economic complexity. According to the MIT Observatory of Economic Complexity (OEC), Australia ranks 79th out of 186 countries (Hausmann et al., 2011), because its economy is heavily dependent on exporting raw materials. Introducing 'charter cities' does not affect these resources. However, Australia's economic complexity could be enhanced by such cities. 'Charter cities' export added value finished products. Imagine if we can have 'charter cities' with financial centres like those in Dubai, or information technology clusters like those in Silicon Valley. Private capital would commit to such projects, given the assurances of autonomy that come directly from the governance structure of 'charter cities.'

Another issue facing implementation is that of immigrants. 'Charter cities' should have autonomy over their immigration policies. Greenfield 'charter cities,' in particular, will require large immigration inflows. How will this affect Australian citizens and their quality of life? Here, there are two points to be made. First, 'charter cities' require a rethinking of the concept of 'citizenship.' Immigrants to 'charter cities' do not access any rights (to public goods) within Australia.¹⁸ Australian citizens who choose to live outside 'charter cities' will not experience any added burden on the provision of public goods. Second, citizens of 'charter cities' have a say in their immigration policies—both directly and indirectly. Directly, through formal *vox populi* processes such as elections; and indirectly, through voting 'with their feet.'

How can the 'charter city' system be driven through the policy-making process in Australia? The starting point is to emphasise that 'charter cities' do not alter the boundaries of existing Australian states, nor introduces new Commonwealth states. In particular, the *Australian Constitution* stipulates for a specific (and cumbersome) process where there are any (territorial) changes to the existing states.¹⁹ Rienstra and Williams (2015) provide a detailed analysis of this process. The relevant part is Chapter VI of the Constitution. Opting to create 'charter cities' instead of new states is likely to circumvent the (legal) requirements of this Chapter. Introducing 'charter cities' is more akin to the introduction of local government areas (LGAs). LGAs are introduced by ordinary legislation in state parliaments. For example, the *City of Brisbane Act 2010* (Qld) was passed by the Queensland unicameral parliament by a simple majority. However, for Brisbane to be reconstituted as a 'charter city' would require a 'basic law' through which state and Commonwealth governments devolve laws to the 'charter city.' Such devolution is likely to require parallel legislation by Queensland and the Commonwealth. It would not require referenda as under Chapter VI of the Constitution, although pragmatically, a broad consultation process, especially with affected constituencies, is envisaged.

In summary, there will be implementation issues when it comes to introducing 'charter cities' in Australia. However, such issues could be resolved through legal instruments imposed on these cities by their charters. Admittedly, this is a process of trial and error. However, arriving at the right mix of policies to enable both efficiency and equity is not necessarily an impossible task.

Summing Up and Future Research

The key issues with the Australian federal system can be underlined by the following comparison. In 990 CE, Europe had one city of 10,000 inhabitants for every twenty or thirty states. In 1490 CE, one such city existed for every one or two states. By 1890, the average state in Europe had about 60 cities of 10,000 inhabitants or more (Tilly, 1992, p. 51). In comparison, in Queensland, which has an area larger than France, Germany, and Italy combined, there are less than 25 such cities—today. The whole Australian continent has roughly around 114 cities of 10,000 inhabitants or more, less than what two average European states had more than a century ago. While there are historical and geographical limitations as to the comparison between Queensland and Europe, the historical and contextual development of Australian cities makes them a natural candidate for a 'charter city' status.

Sydney, in particular, is of interest to our discussion, given that it was the first European settlement in Australia. Sydney's economy was always based on trade and distribution, rather than manufacturing, like its English or American counterparts. This gave the city a natural edge towards advanced producer services such as accounting and finance, which brought it the Alpha + classification it enjoys today. Enabling Sydney to differentiate its legal system through a 'charter city' status will enable it to become even more integrated into the global economy, by attracting more producer services based on more favourable regulatory and fiscal environments. Sydney was the first city to be incorporated in Australia, in 1842. It was established in 1788 as a penal colony and had its first Charter of Justice in 1814. By the 1820s it became a bustling seaport with a population of around 12,000 (Frost, 1990, p. 3). Its primary function was to act as the base for opening up new farmland. Sydney and the other state capitals played a pivotal role as links between the United Kingdom, and the natural resources in Australia. To this date, they continue to play the same role, even though China has largely replaced the United Kingdom as our major trading partner. As suggested by Lionel Frost, "[w]ithout the demand generated by British industrial and urban growth, and the inputs provided by Britain [such as labour, capital and technology], Australia would have followed a very different path of economic development" (Frost, 1990, p. 4), probably more analogous to that seen in New England, with its emphasis on innovation (Gussen, 2014a). From the very beginning, Sydney was a commercial-tertiary centre rather than an industrial city like those in England or New England. It was a centre for labour intensive services such as transport and processing – what could be thought of as the predecessor to GaWC model's 'advanced producer services.' Sydney played the role of food and raw material provider in the Atlantic-cantered economy of the 19th century.

Today, Sydney's economy is largely geared towards trading, finance and distribution.

'Charter cities' do not need to be the size of Sydney or Melbourne. The key criterion is that they have a wider *asymmetrical* margin of autonomy – an autonomy wider than that afforded to territorial towns and villages. The current policy approach of one-size-fits-all only exacerbates the economic pathologies we witness today (especially low economic growth rates).

Corresponding author: Dr. Benjamin F. Gussen, Email: Benjamin.Gussen@usq.edu.au

Notes

1. Organisms construct larger structures by 'anabolism' (also known as 'biosynthesis'). This process increases an organism's size by differentiating cells. These processes allow the formation of more complex molecules, which in turn leads to growth. In this analogy, cities constitute the cellular scale. Providing these cities with their own basic law (Charter), allows them to differentiate. This in turn allows Australia more leverage over economic complexity. For further information on anabolic pathways and developmental biology, see Campbell (1996, p. 90), Wolpert (2011) and Koyutürk et al. (2012).
2. Hughes Turnbull is a former Lord Mayor of Sydney, a former deputy chair of the Council of Australian Government's City Expert Advisory Panel, and a board member of the US Studies Centre at Sydney University and the Australian Technology Park. Her husband, Malcolm Turnbull, is the current Prime Minister of Australia.
3. For example, s 11, *Local Government Act 2009* (Qld).
4. See *Acts Interpretation Act 1901* (Cth), s 2C; *Acts Interpretation Act 1954* (Qld), Schedule 1; *Interpretation Act 1987* (NSW), s 21; *Acts Interpretation Act 1915* (SA), s 4.
5. Historically, this control over economic surplus was a necessary but not sufficient condition for economic prosperity. Other conditions such as location and resource endowment would have also mattered.
6. Although historically, some cities were created by proto-governments or groups of elites that were akin to governments.
7. For the Dillion Doctrine, see, for example, Gere (1982).
8. See for example *Hunter v City of Pittsburgh* (1907) 207 US 161, 178-179, cited in Frug (1999, p. 17).
9. Although Frug and Barron suggest that international local government law "should not be evaluated in terms of whether the world is enhancing or limiting local power. The focus instead should be on the kinds of cities that international local government law is trying to create" (Frug & Barron, 2006, pp. 3, 60-61), this author argues that international local government law enables city-regions to become *independent* international actors (ibid., p. 2), which would make sense only if we empower them to act in such capacity. This author suggests that international local government law does in fact empower city-regions rather than simply making cities creatures of international statutes rather than domestic ones.
10. On this point, see also Gussen (2013; 2016a; 2016, July).
11. See the UN Statistics Division, National Accounts Main Aggregates Database. Available from: <http://unstats.un.org/unsd/snaama/selbasicFast.asp>.
12. Note that the use of 'city' and 'city-region' does not carry a size qualifier (neither in terms of population nor area). The difference between a city and a town (like Manchester was at the dawn of the Industrial Revolution) is not size. It is jurisdictional differentiation that gives a city its identity.
13. The term 'world city' or 'Weltstadt' can be traced back to the Johann Wolfgang von Goethe who used it to refer to the cultural eminence of Paris and Rome. See King (1995, p. 219).
14. A network is a system of nodes with connecting links. The network that cities form has a particular type

of topology called 'scale-free topology,' which refers to the distribution principle of how many links there are per any given node in the network. These networks follow a power law distribution and hence are scale invariant. See Ottino (2003, p. 296).

15. See <https://www.uclg.org>.

16. See <http://www.citiesalliance.org>.

17. Boudreau, Keil & Young (2009) provide a good account of the Toronto amalgamation and its background. There are also interesting arguments in Milroy (2002) as to the rights of Toronto citizens to oppose this amalgamation.

18. People who are already Australian citizens would be entitled to hold parallel citizenships in 'charter cities.'

19. See clause 9, *Commonwealth of Australia Constitution Act 1900* (Imp). In particular, Chapter VI.

References

- 2thinknow. (2014). *Innovation Cities Index*. Retrieved March 9, 2017, from: <http://www.innovation-cities.com/innovation-cities-index-2014-global/8889>
- Abu-Lughod, J.L. (1989). *Before European Hegemony: The World System A.D. 1250-1350*. Oxford: Oxford University Press.
- Aligica, P. & Tarko, V. (2012). Polycentricity: From Polanyi to Ostrom, and Beyond. *Governance*, 25(2), 237-62.
- Arendt, H. (1965). *On Revolution*. New York: Penguin Books.
- Barber, B. (2013). *If Mayors Ruled the World: Dysfunctional Nations, Rising Cities*. New Haven: Yale University Press.
- Bayer, J. (2003). Re-balancing State and Federal Power: Toward A Political Principle of Subsidiarity in the United States. *American University Law Review*, 53, 1421-1472.
- Beaverstock, J.V., Smith, R.G. & Taylor, P.J. (2000). World City Network: A New Metageography? *Annals, Association of American Geographers*, 90, 123-134.
- Bettencourt, L.M.A. & West, G.B. (2011). Bigger Cities Do More with Less. *Scientific American*, 305(3), 52-53.
- Beugelsdijk, S. (2007). The Regional Environment and a Firm's Innovative Performance: A Plea for a Multilevel Interactionist Approach. *Economic Geography*, 83(2), 181-199.
- Bish, R.L. (2001). Local Government Amalgamations: Discredited Nineteenth-Century Ideals Alive in the Twenty-First. *The Urban Papers*, Toronto: C.D. Howe Institute, Commentary No. 150.
- Blank, Y. (2006). The City and the World. *Columbia Journal of Transnational Law*, 44, 875-939.
- Body politic. (2004). In *Black's Law Dictionary* (8th ed.). St. Paul, MN: West Thomson.
- Boudreau, J.-A., Keil, R. & Young, D. (2009). *Changing Toronto: Governing Urban Neoliberalism*. Toronto: University of Toronto Press.
- Brooks, R.C. (1915). Metropolitan Free Cities. *Political Science Quarterly*, 30(2), 222-234.
- Campbell, N. (1996). *Biology* (4th ed.). New York: Benjamin/Cummings.
- Caulfield, J. & Larsen, H.O. (Eds). (2002). *Local Government at the Millennium*. Opladen: Springer.
- CEDA. (2014). *A Federation for the 21st Century*. Committee for the Economic Development of Australia, Melbourne.
- Chakrabarti, V. (2013). *A Country of Cities: A Manifesto for Urban America*. New York: Metropolis Books.
- Crowe, D. (2014). Federation 'Starving' States. *The Australian*, 27 October 2014.
- Dickinson, R.E. (2007) [1947]. *City, Region and Regionalism*. London: Routledge.
- Dollery, B. (2009). *Local Government Amalgamation*, Centre for Local Government, School of Business, Economics and Public Policy, University of New England, Armidale, New South Wales.
- Dollinger, P. (2000). *The German Hansa*. New York: Routledge.

- Dölken, C. (2013). Subsidiarität und Institutionenökonomik. Zu einer sozialtheoretischen und - ethischen Präzisierung des Subsidiaritätsprinzips. *Jahrbuch für christliche Sozialwissenschaften*, 54. Online-Supplement [S. 1-20]. Online verfügbar unter: <http://www.unimuenster.de/Ejournals/index.php/jcsw/article/view/656/pdf>.
- Evans, M. (2012). *The Use of the Principle of Subsidiarity in the Reformation of Australia's Federal System of Government* (Unpublished PhD Thesis). Curtin University, Perth, Western Australia.
- Friedmann, J. (1995). Where We Stand: A Decade of World City Research. In Knox, P.L. & Taylor, P.J. (Eds.), *World Cities in a World-System*, 21-47. Cambridge: Cambridge University Press.
- Frost, L. (1990). *Australian Cities in Comparative Review*. Ringwood, Victoria: McPhee Gribble.
- Frug, G.E. (1980). The City as a Legal Concept, *Harvard Law Review*, 93(6), 1057-1154.
- Frug, G.E. (1999). *City Making: Building Communities without Building Walls*. Princeton: Princeton University Press.
- Frug, G.E. & Barron, D.J. (2006). International Local Government Law, *The Urban Lawyer*, 38(1), 1-62.
- GaWC. (2012). *The World According to GaWC*. Retrieved March 10, 2017, from <http://www.lboro.ac.uk/gawc/world2012t.html>.
- Gere, E.A., Jr. (1982). Dillon's Rule and the Cooley Doctrine: Reflections of the Political Culture, *Journal of Urban History*, 8(3), 271-298.
- Glaeser, E. (2008). *Cities, Agglomeration and Spatial Equilibrium*. Oxford: Oxford University Press.
- Glaeser, E. (2011). *The Triumph of the City*. New York: Penguin Press.
- Golub, S. (2006). The Legal Empowerment Alternative. In Carothers, T. (Ed.), *Promoting the Rule of Law Abroad: In Search of Knowledge*. Washington, DC: Carnegie Endowment for International Peace.
- Golub, S. (2010). What is Legal Empowerment? An Introduction. In Golub, S. (Ed.), *Legal Empowerment: Practitioners' Perspectives*, 9-18. Rome: International Development Law Organization (IDLO).
- Griffith, R. & Thomas, C.G. (Eds.) (1981). *The City-State in Five Cultures*. Santa Barbara, CA: ABC Clío.
- Guiso, L., Sapienza, P. & Zingales, L. (2008). *Long Term Persistence* (Working Paper 14278). National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w14278>
- Gussen, B.F. (2010). *Submission No A31129 to House of Representatives Select Committee on Auckland Governance Legislation, 17 February*, New Zealand Parliament, Auckland.
- Gussen, B.F. (2012). The Marginalisation of Localism in the Current Response to the Ecological Crisis, *New Zealand Journal of Environmental Law*, 16, 167-201.
- Gussen, B.F. (2013). On the Problem of Scale: Spinozistic Sovereignty as the Logical Foundation of Constitutional Economics, *The Journal of Philosophical Economics*, 7(1), 1-19.
- Gussen, B.F. (2014a). The Evolutionary Economic Implications of Constitutional Designs: Lessons from the Constitutional Morphogenesis of New England and New Zealand, *Perspectives on Federalism*, 6(2), E319-E46.
- Gussen, B.F. (2014b). Subsidiarity as a Constitutional Principle in New Zealand, *New Zealand Journal of Public and International Law*, 12(1), 123-144.
- Gussen, B.F. (2015a). Is Subsidiarity a *Conditio Sine Qua Non* for Sustainability? *Policy Studies*, 36(4), 384-398.
- Gussen, B.F. (2015b). On the Problem of Scale: The Inextricable Link between Environmental and Constitutional Laws, *New Zealand Journal of Public and International Law*, 13(1), 39-63.
- Gussen, B.F. (2015c). The State is the Fiduciary of the People, *Public Law*, (3), 440-457.
- Gussen, B.F. (2016a). Two Strategies for Diffusing Tension in the Middle East, *Harvard Journal of Middle Eastern Politics and Policy*, 5, 8-11.
- Gussen, B.F. (2016b). *Australian Constitutionalism between Subsidiarity and Federalism*, *Monash University Law Review*, 42(2), 383-418.
- Gussen, B.F. (2016, July). *An Economic Model for Constitutional Designs: From Nation-states to an 'Olympic World System'*. Paper presented at the Coase-Sandor Summer Institute in Law and Economics on Research Methods in Law and Economics, Chicago, Illinois.
- Gussen, B.F. (2017, January 24). A proposal for a Singaporean 'charter city' in Australia. *Straits Times*, p. A21.
- Harreld, D.J. (Ed.) (2015). *A Companion to the Hanseatic League*. Leiden: Brill.
- Hausmann, R., Hidalgo, C.A., Bustos, S., Coscia, M., Chung, S., Jimenez, J., Simoes, A. & Yildirim, M.A. (2011). *The Atlas of Economic Complexity: Mapping Paths to Prosperity*. Cambridge, MA: Harvard University Press.
- Hughes Turnbull, L. (2014). The Need for Strong Metropolitan Governance within the Federation. In CEDA (Ed.), *A Federation for the 21st Century, 127-134*. Melbourne: CEDA.
- Kauneckis, D. (2009, June). *The Polycentricity of Innovation: Explaining Variation in the New Role of the States in Science and Technology Policy*. Paper presented at the Workshop on the Workshop (WOW4), Bloomington, Indiana.
- Keeling, D.J. (1995). Transport and the World City Paradigm. In Knox, P.L. & Taylor, P.J. (Eds.), *World Cities in a World-System*, 115-131. Cambridge: Cambridge University Press.
- Kelman, W.L. (2000). Municipal Mergers: The New City of Toronto Experience, *Institute of Transportation Engineers (ITE) Journal*, 70(5), 43-47.
- King, A.D. (1995). Representing World Cities: Cultural Theory/Social Practice. In Knox, P.L. & Taylor, P.J. (Eds.), *World Cities in a World-System*, 215-231. Cambridge: Cambridge University Press.
- Koyutürk, M., Subramaniam, S., & Grama, A. (2012). Introduction to Network Biology. In M. Koyutürk, S. Subramaniam & A. Grama (Eds.), *Functional Coherence of Molecular Networks in Bioinformatics*, 1-13. New York: Springer.
- Martin, R., Sunley, P., Gardiner, B. & Tyler, P. (2016) How Regions React to Recessions: Resilience and the Role of Economic Structure, *Regional Studies*, 50(4), 561-85.
- Milroy, B.M. (2002). Toronto's Legal Challenge to Amalgamation. In Andrew, C., Graham, K. A., & Phillips, S. D. (Eds.), *Urban Affairs: Back on the Policy Agenda*, 157-178. Montreal: McGill-Queen's University Press.
- Neill, C., Crothers, C., McGregor, J., Hanna, K., Fletcher, M. & Wilson, D. (2013). *Super City? State of Auckland Report*. School of Social Sciences and Public Policy, Faculty of Culture and Society, AUT University, Auckland. Retrieved March 11, 2017, from http://aut.researchgateway.ac.nz/bitstream/handle/10292/6207/Super%20City%20Report_final.pdf?sequence=2&isAllowed=y
- Ostrom, E. (1998). Scales, Polycentricity, and Incentives: Designing Complexity. In Guruswamy, L.D. & McNeely, J.A. (Eds.), *Protection of Global Biodiversity: Converging Strategies*, 149-167. Durham: Duke University Press.
- Ottino, J.M. (2003). Complex Systems, *American Institute of Chemical Engineers*, 49(2), 292-299.
- Park, R. (1969). Human Migration and the Marginal Man. In Sennett, R. (Ed.), *Classic Essays on the Culture of Cities*, 131-42. Englewood Cliffs, NJ: Prentice-Hall.
- Paton, G.W. (1973). *A Textbook of Jurisprudence* (4th ed.). Oxford: Oxford University Press.
- Perulli, P. (2012). The Ontology of Global City-Region: A Critique of Statehood. *GaWC Research Bulletin*, 415. Retrieved January, 7, 2017 from <http://www.lboro.ac.uk/gawc/rb/rb415.html>.
- Porter, M. (2003). The Economic Performance of Regions, *Regional Studies*, 37(6-7), 545-546.
- Putnam, R.D. (2000). *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon & Schuster.
- Putnam, R.D., Leonardi, R. & Nonetti, R.Y. (1994). *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press.
- Rienstra, A. & Williams, G. (2015). Redrawing the Federation: Creating New States from Australia's Existing States, *Sydney Law Review*, 37, 357-387.
- Salmon, P., Bazley, M. & Shand, D. (2009). *Royal Commission on Auckland Governance Report* (Vols. 1-4). Auckland.
- Sancton, A. (2004). Beyond the Municipal: Governance for Canadian Cities, *Options Politiques*, 25(2), 26-31.

- Sassen, S. (1991). *The Global City: New York, London, Tokyo*. Princeton: Princeton University Press.
- Sassen, S. (1995). On Concentration and Centrality in the Global City. In Knox, P.L. & Taylor, P.J. (Eds.), *World Cities in a World-System*, 63-75. Cambridge: Cambridge University Press.
- Sassen, S. (1997). The New Centrality: The Impact of Telematics and Globalization. In Droege, P. (Ed.), *Intelligent Environments: Spatial Aspects of the Information Revolution*, 19-27. Amsterdam: Elsevier.
- Sassen, S. (2001). *The Global City: New York, London, Tokyo*. Princeton: Princeton University Press.
- Schumacher, E.F. (1999). [1973] *Small is Beautiful: Economics as if People Mattered*. Point Roberts, WA: Hartley and Marks.
- Sennett, R. (Ed.) (1969). *Classic Essays on the Culture of Cities*. Englewood Cliffs, NJ: Prentice-Hall.
- Shearmur, R. (2012). Are Cities the Front of Innovation? A Critical Review of the Literature on Cities and Innovation, *Cities*, 29, S9-S18.
- Smith, D.A. & Timberlake, M. (1995). Cities in Global Matrices: Toward Mapping the World-System's City System. In P.L. Knox & P.J. Taylor, (Eds.), *World Cities in a World-System*, 79-97. Cambridge: Cambridge University Press.
- Storper, M. (2013). *Keys to the City: How Economics, Institutions, Social Interaction, and Politics Shape Development*. Princeton: Princeton University Press.
- Taylor, P.J. (2001). Specification of the World City Network. *Geographical Analysis*, 33(2), 181-194. Also published as *GaWC Research Bulletin*, 23. Available from <http://www.lboro.ac.uk/gawc/rb/rb23.html>.
- Taylor, P.J. (2003). *World City Network: A Global Urban Analysis*. London: Routledge.
- Tiebout, C.M. (1956). A Pure Theory of Local Expenditures. *The Journal of Political Economy*, 64(5), 416-424.
- Tilly, C. (1992). *Coercion, Capital and European States, A.D. 990-1992*. Cambridge, MA: Blackwell.
- UCLG. (2010). The City of 2030 - Our Manifesto. *Proceedings of the 3rd United Cities and Local Governments (UCLG) Congress- The World Summit of Local and Regional leaders*, New Mexico, 17-20 November. Retrieved March 9, 2017, from https://www.uclg.org/sites/default/files/manifestorecommendations_en.pdf.
- Wallerstein, I. (1983). *Historical Capitalism*. London: Verso.
- Wirth, L. (1969a). Urbanism as a Way of Life. In Sonnett, R. (Ed.), *Classic Essays on the Culture of Cities*, 143-164. Englewood Cliffs, NJ: Prentice-Hall.
- Wirth, L. (1969b). Human Ecology. In Sonnett, R. (Ed.), *Classic Essays on the Culture of Cities*, 170-179. Englewood Cliffs, NJ: Prentice-Hall.
- Wolpert, L. (2011). *Developmental Biology: A Very Short Introduction*. Oxford: Oxford University Press.