The Legal Personality of Cities and Reforming the Federation

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Abstract

In October 2014, the Committee for Economic Development of Australia (CEDA) published a report on reforming our federal system. While the report touches on the themes of local government and subsidiarity, providing valuable contributions in this regard, it does not address the 'powerlessness' of what this author suggests is the nucleus of our federalism: the city-region. In this paper, the legal status of cities will be analysed both descriptively and prescriptively. The key proposition is that the Commonwealth is largely a network of cities that power our political, social, and economic systems. Reforming our federalism would hence not only necessitate creating more 'alpha', or world-class cities, but also affording these cities a wider (asymmetrical) margin of autonomy. Bringing about such change, though it appears radical, may be easier to institutionalise than proposals for change that rely on the vagaries of constitutional amendments.

Keywords: charter cities, city-regions, federalism, subsidiarity

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I. Introduction

This paper is about charter cities. More precisely, it is about creating charter cities in Australia. A charter city is a city-region (a city and its hinterland) that is governed through its own political system according to a charter bestowed on it through state and Commonwealth parliaments. The charter represents an international treaty (under the United Nations) that devolves most functions of governance to the city for an extended period of time (for example, 100 years), which is open for renewal. This would allow the city to have its own legal system including currency, immigration laws (including refugee quotas), employment laws, etc. The city remains under Australian sovereignty but could have a separate citizenship that does not lead to any residency rights in Australia. In essence, charter cities, which 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), allow Australia to leverage the power of different legal systems to the end of boosting economic development, especially in the regions.

There are two paths to developing charter cities in Australia: providing greater autonomy to existing larger cities and setting up green field cities. An example of the latter would be to set up a new charter city ('NCC') in the north western part of Western Australia, where an area of around 1,000 square kilometres (roughly the size of Hong Kong) could be set up as a separate body politic in public-private partnership between the Commonwealth, Western Australia and Singapore (where land is a critical issue), and private international investors, through a 'NCC Company' formed for the purpose of developing the city. This proposition is radically different from the current international (and Australian) approach to economic development. Currently, Australia focuses on free trade agreements and specific sectors for growth opportunities. This approach focuses instead on extending multi-governance systems within Australia as a means of boosting economic growth. Instead of searching for increased exports overseas, this method increases exports to overseas-like charter cities, but on Australian soil (mostly in hitherto barren, uninhabited areas or areas with low economic activity)—much closer to the source of our exports. With Australia being a democracy under the rule of law, such a partnership is not only less volatile, but is also a drawing card for potential investors in a new charter city.

But this NCC proposition could apply to existing conurbations (namely, capital cities and their hinterland). A charter city such as a Greater Melbourne or Greater Sydney would have similar positive effects from having a legal system custom-tailored to their economic makeup. Positive externalities from such devolution flow to the regions where states can now focus their resources on these areas rather than to be cross-subsidising what are already world-class cities elsewhere. Under this vision, Australian state and Commonwealth governments role is first and foremost to create new charter cities, both on green field sites and from existing metropolitan areas and then to concentrate on governing and developing other regions.

Apart from rationalising the work of the national and state governments, another advantage of this approach is that the proposed charter cities are easier to introduce than proposals requiring amendments to the Australian Constitution (for example, changing the number of states). A new charter city does not require any direct government outlay nor ongoing expenditure. This would instead be obtained through private partners investing in NCC. In return the city is given a wide

margin of autonomy. This NCC would still contribute directly to Commonwealth and state revenue through 'rents' on the leased area, but also provide an outlet for Australian labour and exports. Some of these cities could even develop to become 'showcases' for certain industries, or even certain technologies (for example green or environmental friendly technologies).

The rest of this paper outlines the historical context of charter cities and recent development. The paper ends with some recommendations.

II.   Issues with Australian Federalism

Reforming the Federation seems to be once again a national priority. A full 125 years has passed since Sir Henry Parkes delivered a speech at Tenterfield that advocated for a political process that led to the Federation. On 27 October 2014, the Australian Prime Minster delivered another speech at Tenterfield that called for a bipartisan reform plan to fix the Federation (Crowe 2014). Big items on the agenda include tax reform, improving health, education, and state services. On the same day, The Committee for the Economic Development of Australia (CEDA), a bipartisan, non-profit, national 'think-tank', published a report on the Federation that details some reform options (CEDA 2014). Stephen Martin, CEDA chief executive, also announced that there will be a series of federal conventions in 2015 to build consensus for change (CEDA 2014, p. 26), matching the government timetable to produce a white paper on reforming the federation at the end of 2015, which will be a standing item on the Council of Australian Governments (COAG) agenda, and which is expected to be closely aligned with the White Paper on Reforming Australia's Tax System (Prime-Minister 2014).[1] Earlier in the year, on 28 June 2014, the Office of the Prime Minister released the Terms of Reference for this white paper. These Terms, which have been developed in collaboration with States and Territories, identify the objectives and issues to be considered. The key objective is to clarify the roles and responsibilities of States and Territories to "ensure that, as far as possible, [they] are sovereign in their own sphere" (Prime-Minister 2014). Today, Australia is a very different nation facing new challenges. Salient changes include the restructuring of industries, and the growing proportion of older people and people from other parts of the world that make Australia home. These changes require a new thinking on centralisation as the main strategy for dealing with greater complexity. The Terms envisage improving economic productivity by creating a more efficient and effective federation, which includes ensuring that the federal system "enhances governments' autonomy, flexibility and political accountability" (Prime-Minister 2014).

The white paper is expected to consider four issues. First, is the feasibility of a governance architecture that could limit "Commonwealth policies and funding to core national interest matters"; second, is minimising the overlap between different tiers of government; and third, designing the revenue structures around agreed, mutually exclusive, roles and responsibilities. The last issue pertains to designing equity and sustainability into responsibility areas where overlap is unavoidable (Prime-Minister 2014). These issues are expected to be addressed using principles and criteria such

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[1] The Green (Discussion) Paper was released earlier this year.

as subsidiarity, equity, efficiency, and effectiveness; accountability, durability, and fiscal sustainability (Prime-Minister 2014).

The CEDA report incorporates a number of proposals. Lucy Hughes Turnbull AO[2] comes closest to the ruminations in this paper. She explains that while "Eighty per cent of our population live in cities with more than 100 thousand people", and that "Our cities generate 80 per cent of our GDP", Australian cities are "held back by inadequate systems of governance" where "three of the four large metropolitan areas —Sydney, Melbourne, and Perth" have local governments on a "too small scale to do other than very locally focused place management", adding that "only Brisbane has a city government that actually governs the whole city" (Hughes Turnbull 2014, p. 128). Citing how the British Government felt the need to re-established the Greater London Authority, Hughes Turnbull acknowledges that "Our cities are a matter of strategic national importance and deserve a lot more 'big city thinking'", and recommends "a new federal compact that acknowledges the importance of strong metropolitan governance, and for a clear understanding of which level of government is responsible for what" (Hughes Turnbull 2014, p. 129). However, Hughes Turnbull stops short of clarifying the fact that empowering cities requires a move from seeing them as 'body corporates', as stipulated under Local Government Acts,[3] to seeing them as 'body politics' with a jurisdiction to which the state and federal governments are only subsidiary. A 'body politic' is "a group of people regarded in a political (rather than private) sense and organized under a common governmental authority" (Black 2004). She cites Edward Glaeser's book *The Triumph of the City* in support of the importance of cities to a nation's economic success. In that book, Glaeser gives examples of a number of successful cities from around the world. In particular, he discusses the model of Singapore, a city-state that has full representation on the United Nations since 1965. He however then states 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" (Glaeser 2011 pp. 231-2). It is exactly this point that needs to be address. The issue is understanding the link between the power of cities and their legal status.

III. The Legal Personality of Cities

In this section I take a closer look at the legal personality of cities throughout the past, up to the present day, and further beyond. By legal personality I mean 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 human beings or artificial entities. In Australian common law a legal person can include a body politic and a body corporate.[4] The assertion in this section is that throughout history, cities oscillated between strong and weak personalities. The strong personalities dominated

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[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.

[3] For example Local Government Act 2009 (Qld), section 11.

[4] *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.

when higher orders of political organisation were undergoing crises, while the 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 body corporate (Derham 1958; Hager 1988; Hallis 1930; Klabbers 2005; Maitland 1900; Nijman 2004). 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 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.

To give the analysis some informative structure, the status of cities is mapped along a two dimensional continuum of (1) economic independence, and (2) political independence. Together, economic and political independence represent a proxy for jurisdiction, i.e. "a government's general power to exercise authority over all persons and things within its territory; especially, a state's power to create interests that will be recognised under common-law principles as valid in other states" (Black 2004, p. 867). Hence cities are distinguished from towns and villages not by their size, but by possessing privileges of self-governance (Friedrichs 1981, p. 109), nor did the size of a given city have any bearing on its importance or influence (Friedrichs 1981, p. 124). The city in essence participates consciously in the making of history (Mumford 1961, p. 576). Or as put by Oswald Spengler, a city has a soul (1969, p. 66). According to Max Weber (Weber 1969, p. 38), the city ideal-type displays autonomous legal, economic and political systems were (small scale) democracy represents a viable alternative to (large scale) bureaucracy. This continuum reflects not only the fact that there are potentially as many legal personalities for cities as there are cities, but that there are different ideal types for different cities. To simplify the analysis further, without any loss of generality, the continuum is digitised into three models: the territorial city, the charter city, and the sovereign (fully autonomous) city. This analytical framework is shown in Figure 1. The success of cities under all three models depends more or less upon their ability to exercise control over their economic surplus (Griffeth & Thomas 1981, p. xvi).[5] In fact there were chiefly three ways for cities to succeed in the international economic system of their time. Cities could either be trade sites, for example Troyes and Provins historically, and Singapore and Hong Kong in our time; or become powerful industrial exporters, for example the textile towns of Flanders, or today the oil-rich

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[5] This was a necessary but not sufficient condition. Other conditions such as location, resource endowment would have also mattered.

emirates of the Persian Gulf; or function as commercial shippers transferring goods between different markets, for example Genoa and Venice (Abu-Lughod 1989, pp. 129-130).

Moreover, one can discern a cycle of shifting from the sovereign city, the default mode of organisation, to the charter city and eventually to the territorial city. The shift can be explained largely by understanding the mutuality between cities and territorial nation-states. Nation-states brought about a new scale of war in which cities became political dependent on these state. Losing this political independence shifted city-states to the status of charter cities. But this was only a transient phase from which territorial states proceeded to extinguish the economic independence of their cities through the fiction of national consciousness. The stripping of political independence can be clearly seen in the military advantage that France and Spain had in the Italian wars of the 1490s, while the loss of economic independence can be seen in the first half of the seventeenth century in the destruction of German cities in the Thirty Years' War. Even when the state was organised around mercantilism rather than pure military concerns as the favoured mechanism for economic growth, the territorial state was the favoured model. This was clear in the Dutch Republic and the rise of Amsterdam as world city (Taylor 1995, pp. 50-52). By the time of the industrial revolution, the transformation of cities to creatures of the state, to territorial cities where growth is driven from without rather than from within, was now complete (Sennett 1969, p. 4).

However, the cycle does not stop there. It continues through a phase were we see another rise of city-states. A harbinger of this process can be seen in the twentieth century where the number of polities doubled (Taylor 1995, p. 56). Countries in Europe, including Great Britain, are being increasingly challenged by sub-national identities (Marx 1997). There is now not only a growing interdependence between the global and the local scales, but even their fusion into a glocal dimension (Beauregard 1995, p. 239). Moreover, the original security function of territorial nation-states is becoming more and more redundant with territories being guaranteed by an increasingly influential international law.
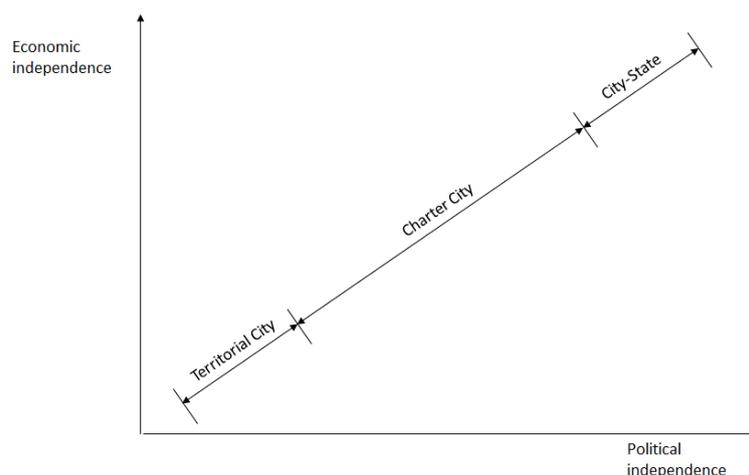

Figure 1: The analytical framework showing three types of cities

In a clear departure from the historical trend where cities were created not by governments but by their own 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. 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 has been attempts in the nineteenth and twentieth century to model American cities after European 'free' cities; when large American cities faced an urban crisis 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, and hence the 'home rule' given to American cities did not alleviate the powerlessness of American cities. The most liberal plans for home rule reserved to the state power that would be most injurious to the city, such as police power and the power to regulate elections and local finances (Brooks 1915, p. 239).

Throughout the 1980s and 1990s, in many jurisdictions but most notably in the United Kingdom and New Zealand, there was another central government intervention that saw local governments, especially metropolitan authorities, become even more powerless. Any political devolution focussed almost exclusively on regional autonomy, such as in the case of Scotland (Caulfield & Larsen 2002). In Australia, local governments were reduced to property servicing functions, although economic pressures saw larger units of government through amalgamation. The same mega city amalgamations can also be seen in Canada and New Zealand (Caulfield & Larsen 2002).

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 powers have traditionally been severely limited by the courts. In fact the US Supreme Court has excessively emphasized the absolute power states have over cities.[7] 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

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[6] Although some were created by proto-governments or groups of elites that were akin to governments.
[7] See for example *Hunter v City of Pittsburgh* (1907) 207 US 161, 178-179, cited in Frug, GE 1999, *City Making: Building Communities without Building Walls* Princeton University Press Princeton. at 17.

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 of these 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).

The archipelago analogy applies not only to Australia (Judah 2014), but more generally to all 'world systems', where 'world cities' (privileged cities that have a global economic status driven by innovation) steer political and economic processes on a global scale (Knox 1995, p. 6). World systems theory (Wallerstein 2007) is multidisciplinary approach where the analysis of economic, social and political change is based on an archipelago of 'world cities' rather than the nation-states existing at any given time. The 'world cities' hypothesis was introduced by John Friedmann in the 1980s where he argued that cities articulate larger regional, national, and international economies (Friedmann 1986). The hypothesis represents the political economy of the global urban system (Simon 1995, p. 132). World cities are large, urbanised regions that are defined by dense patterns of interaction rather than by political-administrative boundaries.

The 'connectivity' we see today between 'world cities' under processes of globalisation has been the norm under 'world systems' throughout history. For example, the world system that existed between 1250 and 1350 was an archipelago of 'world cities' (Abu-Lughod 1989, p. 353). An earlier example at the beginning of the Common Era was the system where cities in the Roman Empire, the Han Empire, and India dominated world commerce, although this system had a much lower level of interaction between these constituent parts. An important insight from this world system archipelago is its cyclical emergence and collapse, largely through fluctuations in population levels (due to pandemics, wars, or even 'social engineering') where emphasis swings between rural and urban centres, or between immigrant and indigenous populations. World systems rise when economic integration increases, sometimes driven by military might, and collapse when connections along older pathways increase, although collapse does not necessarily return the world to the status quo ante.

In 1915 one scholar commenting on the unsatisfactory governance structures for cities within US states was inspired by the German federal system to ask the following question: "Why should we not look forward to the entire separation of metropolitan cities such as New York, Chicago, and

Philadelphia from state ties, and their erection into free city commonwealths within our federal system?" adding that "Hamburg, Bremen and Lübeck … are splendid examples of municipal progress and self-development in freedom" (Brooks 1915, pp. 230-231). While his proposal would have been deemed unconstitutional if only because it would have been perceived to advocate secession, the real issue—not addressed by this scholar, is how to design a governance structure that would pave the way to such a reality.

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). This approach is discussed below using jurisprudence under the Constitution of the Republic of South Africa of 1996. The second front is international, where there is an emerging field of law that acknowledges city-regions as independent international actors. To be sure, 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 for creating legal frameworks to govern city-regions, namely local government law, has been through domestic instruments. The main objective of such rules, under the classic doctrine of state responsibility, was to prevent exposing (sovereign) nation states to liability under international law for the conduct of their sub-national governments that are not directly obligated to comply with international law. Traditionally, international law bestowed a legal personality only on sovereign nation states (with a few exceptions). A key requirement for recognition being that the political entity has no government above it. This resulted in strict domestic regulation of sub-national governments (Frug & Barron 2006, p. 18).

The traditional approach where local government is simply an administrative division of the state is now being replaced by an approach, driven largely by globalisation (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).[8] Unlike these other disciplines, however, international local government law emphasises the dual legal nature of city-regions as both sub-national governments

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[8] 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" (at pp. 3, 60-61), this author argues that international local government law enables city-regions to become *independent* international actors (as stated by Frug and Barron on page 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.

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 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 2005-2006, p. 899).

IV.   Proposals

Proposal I: Establish a first (pilot) charter city, NCC, for example in the north west of Western Australia as a public-private partnership between Australia and Singapore, and international investors (for example large multinational companies such as GE, Apple, Samsung, Mitsubishi, Google, Pfizer). Singapore is an ideal partner given its small size (718 km^2), high density (8,000 per km^2), and knowhow.

Proposal II: Consolidate the governance structures in our largest conurbations to create 'super cities' that have their own (asymmetric) charters, and are able to participate directly in the 'world system'. For example, Sydney would become a charter city (the Sydney Charter City, or SCC) with its own legislative, executive and judicial institutions, separate from New South Wales and the Commonwealth,[9] although still under Australian sovereignty. Another example is the Brisbane Charter City (BCC), which would become a mega city that stretches from the Sunshine Coast in the North, to the Gold Coast in the South, and to Toowoomba in the West. State capitals as a result are then moved to the regions, which may include much deeper inland.

V.   Summing up and future research

The key issues with the Australian federal system can be highlighted 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

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[9] There could however be issues as to whether this is constitutionally possible.

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. [10]

If we are serious about developing the regions, we need to create new cities, charter cities, with their ability to adjust their governance institutions to each region's *sui generis* socio-economic needs. Cities do not need to be the size of Sydney or Melbourne. The key criterion is that they have a wider margin of autonomy, than towns and villages. Charter cities could have even a wider, charter entrenched, autonomy. Every region must have a city at its nucleus, in order for it to function autonomously, and hence prosper. The current approach of one-size-fits-all of policy dispensation only exacerbates the economic pathologies we witness today (especially low economic growth rates).

The next phase of this vision is to establish a national steering committee to look into the feasibility of charter cities in Australia, and begin the process of consultation on the same with our major trading partners. This is followed by designing a charter for a new charter city (NCC), establishing an NCC holding Company, and inviting legal tenders for development.

It would not be unreasonable to expect the NCC to become a physical reality by 2020. This is of course contingent on buy in from the Commonwealth and State governments, as well as private investors.

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[10] For data on city populations refer to the ABS 2011 census.

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