



CHARTER CITIES
— INSTITUTE —



2019

Annual Report



Letter From The Executive Director

Dear Supporters and Friends,

I'm pleased to inform you of our rapid growth in 2019. We've jump-started the charter cities conversation and have begun working with some great new city developments. In tech terms, we've found product market fit.

Our goal at the Charter Cities Institute is to improve human flourishing by facilitating the development of dozens of new cities with competitive business environments. A growing number of different actors, including new city developers, governments, entrepreneurs, investors, and international development experts are interested in charter cities, but approaching the idea from different angles. Unfortunately, the stakeholders are siloed, limiting the progress which could be accomplished with effective coordination. By bringing the stakeholders together, it's possible to develop shared mental models and build a set of best practices for charter cities which can help launch dozens of charter cities in the coming years.

In 2019, we've seen our stakeholder-focused strategy begin to pay dividends. We've been approached by a half dozen new city developments interested in some form of partnership. We've had governments ask us to help develop charter cities. We've seen companies founded and change their mission because of our engagement.

While our ultimate goal is to help lift tens of millions of people out of poverty by creating the conditions for economic growth, it is important to remember the human element of why we're doing this. Tamara Winter, our Communications Lead, has a great [post](#) about how her experience as a Nigerian immigrant has inspired her to work on charter cities for those not lucky enough to have the opportunity to migrate.

Just like Y Combinator helped create a blueprint for startups, we believe we can create a blueprint for charter cities. This requires embedding charter cities in the minds of politicians in emerging markets, developing draft legislation and a draft city charter, building a demand-driven alternative to overbearing urban planning that limits the growth potential of too many new city developments, and facilitating connections to investors interested in financing charter cities.

While we've made great progress, we're still in the early stages of building the ecosystem for charter cities. Next year we will build on our momentum, continue helping new city developments reach their milestones, and make charter cities the topic no one can ignore. This has only been possible because of supporters like you. Thank you.

Mark Lutter
Dr. Mark Lutter

Highlights Of 2019

Internal Updates

Rebranding

In September we relaunched formally as the Charter Cities Institute! This change reflected our renewed, exclusive focus on building the ecosystem for charter cities. The new name and our new [website](#) has been very popular among friends and supporters.

Expanding the team

Our staff is growing! In 2019 we doubled in size, hiring [Kurtis Lockhart](#) and [Jeffrey Mason](#) as the first members of our research team. We plan to continue building out the team in 2020.



In November the team took a day trip to Monticello to learn from institutional design expert Thomas Jefferson!

Events

Charter Cities Washington DC Forum

This half-day event hosted at the National Press Club advanced the case for charter cities to a DC-based audience. Mwiya Musokotwane spoke about about Nkwashi, his new city development in Zambia.

Charter Cities San Francisco Summit

Founders Fund was gracious enough to host our first Charter Cities Summit in February. The summit introduced charter cities to a selective audience of friends in the world's center of innovation, San Francisco. 8VC hosted the subsequent happy hour.



RadicalxChange

Both Mark and Tamara were speakers at the RadicalxChange conference in March. Mark participated in a panel on the future of cities.



Media Appearances

80,000 Hours

In March, Mark and Tamara joined 80,000 Hours Research Director Robert Wiblin on the 80,000 Hours podcast to discuss charter cities. The podcast is one of the best introductions to charter cities and is why Kurtis Lockhart joined the team!

Interview with Radio 702 in South Africa

In October, Mark and Tamara joined Radio 702's Bongani Bingwa in Johannesburg to discuss the potential for charter cities in Africa. Mark and Tamara explain the economic successes of reforms in Singapore, Hong Kong, and elsewhere and how those lessons can be applied to Africa.

1517 Fund

In April, Mark was featured on the 1517 Fund Podcast with 1517 Fund General Partner Michael Gibson to discuss what a charter city is, why you would want to start one, how to start one, and what the future of charter cities will look like.

Newzroom Afrika

Also in October, Mark and Tamara appeared on Newzroom Afrika, a South African news network, to discuss charter cities and the Institute's upcoming conference in Johannesburg.



Projects

Charter Cities Business Plan Contest

In October we announced the winners of the Charter Cities Business Plan Contest. The contest was launched to identify teams around the world with forward-looking and viable charter city plans.

1st prize and \$25,000 was awarded to Enyimba Economic City in Nigeria, 2nd prize and \$10,000 to Blackstone Charter Cities in Australia, and 3rd prize to Novgorod New Hanse Town in Russia. We are excited to begin working with all three teams as each begins to execute their charter city plans.



Nkwashi

In 2019 the Charter Cities Institute continued its partnership with Nkwashi, a Zambian new city development outside of Lusaka. Led by Thebe Investment Management CEO Mwiya Musokotwane, Nkwashi is currently under construction and will be home to 100,000 people upon completion.

In the Pipeline

We have a number of potential projects and partnerships in the pipeline that we aim to develop in 2020, in addition to continuing to work with Nkwashi and the Business Plan Contest winners.



[The Case for Charter Cities Within the Effective Altruist Framework](#)

In this paper, Jeffrey Mason argues that charter cities aren't just a strong poverty reduction mechanism—they're cost effective too. He makes an initial effort to quantify the effectiveness of the Charter Cities Institute based on modeling used by charity evaluator GiveWell.

[Give Charter Cities a Second Look](#)

In this essay for *City Journal*, Mark argues that charter cities deserve another look after Paul Romer moved on from the idea after several projects stalled. Mark argues that charter city projects should be pursued as locally-led public-private partnerships that embrace local institutional developments.

[A Beginner's Guide to Building New Cities](#)

Published in Exponents magazine, Mark presents a thorough overview of charter cities. He explains how urbanization is one of the biggest challenges facing the developing world, and how building new cities can help meet that challenge.

[Make Honduras Great](#)

Mark and Honduran attorney Jorge Colindres propose building charter cities to help solve the country's migration crisis. They examine Honduras' Zones for Employment and Economic Development (ZEDE) legislation and develop a timeline and cost estimates for setting up a charter city administration.

Public Speaking

Ecuador

Mark was invited to Ecuador by Charter Cities Institute Board Member Dr. Santiago Jose Gangotena to give a series of presentations on charter cities. Mark first gave a talk to 120 of students and young professionals at the Universidad San Francisco de Quito on charter cities.



Australian Taxpayers Alliance

Tamara traveled to Sydney for the 17th World Taxpayers Conference, where she spoke about the potential for charter cities to open up developing markets and the ways in which cronyism distorts markets and reduces productivity.

1517 Fund

Mark led a discussion on charter cities to a number of young entrepreneurs.

Savoy Club

Tamara gave an enthralling presentation at the Savoy Club about how to capture magic in building cities and the lessons of failed and successful attempts for charter cities.

Endorsements



Gyude **Moore**

Senior Policy Fellow at the Center for Global Development
Former Minister of Public Works for Liberia

The Charter Cities Institute is driving change around the role of cities in development. Special economic zones have been shown to work, what if we were to expand them to encompass entire municipalities?

Michael **Castle Miller**

Founder and CEO of Politas Consulting
Founder of Refugee Cities

CCI is providing valuable thought leadership and on-the-ground assistance to advance charter cities. I greatly appreciate their efforts to use these cities as spaces for prosperity, justice, sustainability, and inclusion.



Mwiya **Musokotwane**

Co-Founder and CEO of Thebe Investment Management
Developer of Nkwashi

The Charter Cities Institute has been a great ally of ours. Mark and the team have introduced us to a host of very interesting institutions, individuals, and events that have all proven to be useful to us.



Recognition

Pioneer

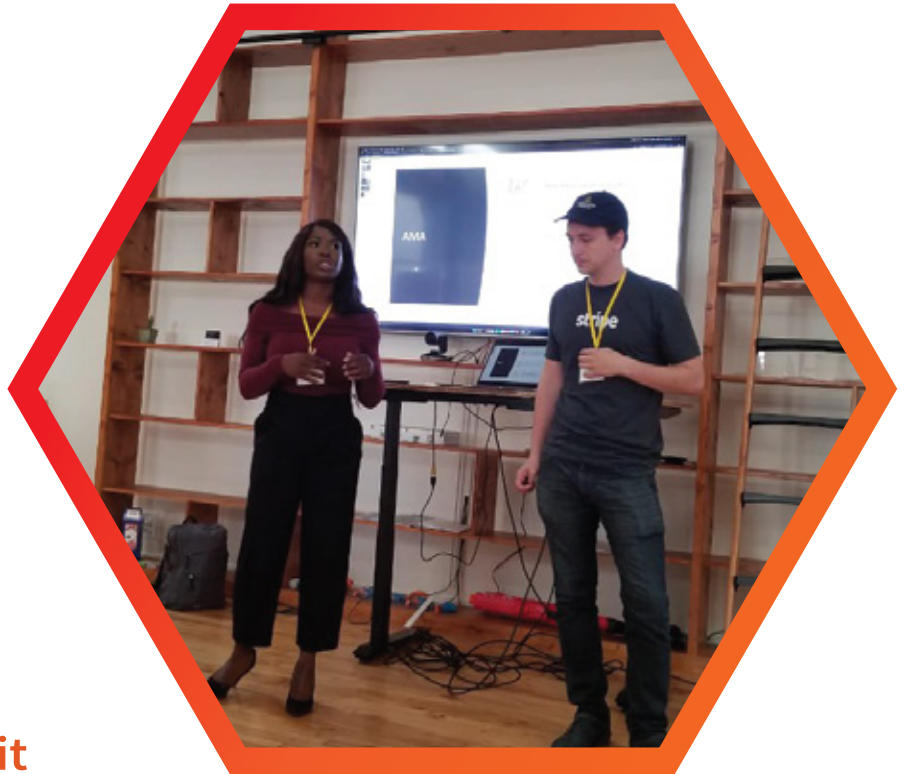
Mark and Tamara won Pioneer, a funding competition for creative projects and startup companies. They participated in a conference in October for a select number of winners, including presenting the Charter Cities Institute at a 'Demo Day'.

YC 120

Mark and Tamara participated in YC 120, a weekend retreat organized by Y Combinator. They discussed how to build a startup with a number of other founders.

Emergent Ventures Summit

Mark attended the Emergent Ventures Summit, an event for Emergent Ventures grant winners. These grants are awarded by Tyler Cowen through the Mercatus Center at George Mason University to jumpstart high-risk, high-reward ideas that advance prosperity, opportunity, and well-being.



Looking Ahead To 2020

While we've had great success in 2019, we're looking forward to accelerating our growth in 2020.

Our goals are:

- ◆ Entering the mainstream discussion with higher profile media coverage.
- ◆ Getting better access to new city developments and governments.
- ◆ Effective execution in drafting and applying new governance systems to our partners.
- ◆ The inaugural **Charter Cities Conference** on March 17-18 in Johannesburg, South Africa.

Thank you for your support over the past year. We hope you will continue helping us build the ecosystem for charter cities in 2020 by visiting chartercitiesinstitute.org/donate.