

Richard Florida ►



**BEST-SELLING AUTHOR RICHARD FLORIDA AND  
HIGHLY REGARDED FORWARD THINKER ANDREW  
ZOLLI REIMAGINE TRANSNATIONAL CULTURALISM.**

# THE VISIONARY & THE FUTURIST



▲ **Andrew Zolli**

IT'S SURPRISING AND THRILLING WHEN A demographer gets famous, and seriously famous at that. Richard Florida's book, *The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community and Everyday Life*, (Perseus Books Group, 2002), catapulted the H. John Heinz III School of public policy and management professor into the national spotlight last year. Florida's star rose as he wove a social and economic cautionary tale from a fundamental of data on what people value. His work focuses on insights that more and more people's evolving self-image and identity—some 40 million of them in this country—is a creative one, putting intellect, judgment and esthetic sensibility into action as they pursue their livelihoods. This evolution changes basic value propositions underlying local, national and global economies—present and future. Central to Florida's compelling theory of the "Rise" and, imminently, the "Flight" of the creative class—a new book due in January—is the notion that true diversity is essential for organizations and places to attract cultural creatives.

Now, we know many of our ways of thinking about multiculturalism, and the models built to negotiate the space, are outdated—even obsolete. What Florida tries to tell us is that organizations, cities, regions, nations face challenges today, challenges that

are critical to their ultimate health and well-being. Self-recognition, stripped of bureaucratic rhetoric, seems to be the best way to see what people really value.

When it comes to taking steps to be more a part of the "Rise" of the creative class and less a part of the "Flight," Florida's loath to paint a panacea. "Trying to attract the biotech engineer by offering everything from cash incentives to latte bars—that's not going to work," he says. "It's not sufficient to go after just the high-end workers, just us; one of these engineers once told me. 'In order to attract people in general, and especially people from foreign cultures and foreign countries, all classes need to be welcomed and to feel actively engaged in a place, because that's when a community is created.' He went on: 'People like us [referring here specifically to Indian-born engineers] want to live in a community where there are lots of immigrants of lots of classes and lots of skill-levels, from all walks of life. We want thriving churches and restaurants, music and groceries, schools where kids can meet other kids. We don't want to be seen just as a group of software engineers—that's elitist and racist at the same time—we want everyone welcomed.'"

We asked Richard Florida to join in conversation with *American Demographics'* resident futurist, Andrew Zolli. Simple questions. Straightforward responses. And, yes, some really challenging conclusions.

**ZOLLI:** To ground us, how big is the creative class? How do we measure it? What is the size of its economic contribution, domestically and worldwide? Is that contribution growing?

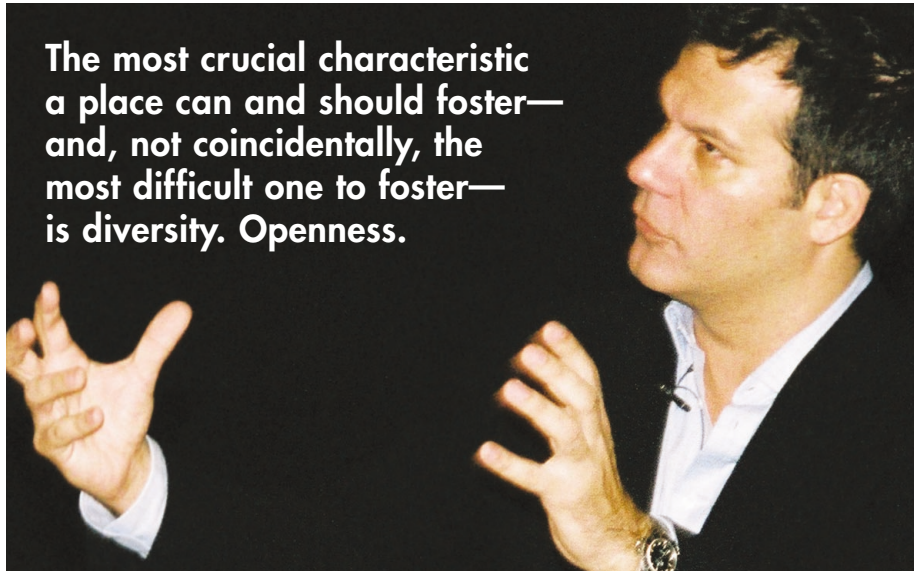
**FLORIDA:** In the U.S., the creative class is roughly 40 million people, or 30 percent of the workforce. The term “creative class” itself refers to idea- or innovation-based occupations, such as artists, engineers, designers, lawyers, knowledge-based professionals, health care, law, etc. Kevin Stolarick of Carnegie Mellon University estimated the economic impact of various class groups on U.S. wages and surprised us with his finding that the creative class accounts for just about half of all U.S. wages and salaries, or \$1.7 trillion. That contribution will only grow in the near and distant future. According to Stolarick’s predictions, which are based on extremely reliable Bureau of Labor stats, the creative class—which added 20 million jobs over past couple decades—is projected to continue at an equally rapid pace.

As for worldwide, that’s a much harder thing to really get a grasp on. There are all kinds of problems with the way stats are collected, translating—or I should say, not translating—across borders. Nonetheless, we estimate that the creative class amounts to anywhere between 20 percent and 40 percent of a nation’s workforce in most advanced, developed nations. This is a huge proportion, bigger than in the U.S. in several cases, which I’ll dive more deeply into in my next book, *The Flight of the Creative Class*. [More on that below.]

**ZOLLI:** How do communities attract the creative class? Or do they home-grow? Do cities need a creative class strategy? If so, what elements are part of that?

**FLORIDA:** Of course certain things will always attract creative people: strong music and film scenes, good architecture, a high quality of life in general. But the point is not just to attract [some sort of] creative saviors from other regions. It’s to make the place itself more creative, which will do two things: One, organically grow a city’s or a region’s own creativity and, two, serve

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as fertile ground for those who do wish to transplant there.

Strategies and planned amenities are rarely wholly successful at creating this kind of environment. Now, they help, of course. But they help in more subtle ways than we usually think of. By being a more socially, politically and civically open place, where anyone feels comfortable getting into public affairs. By not squelching what organic talent does exist, but instead giving it venues to express itself, whether in auditoriums, bars or parks. Education is, of course, a key component. Every place needs good K-12 and a good university or community college, the kind of places that constantly enrich both the lives and the labor skills of their communities.

Above and beyond anything else, the most crucial characteristic a place can and should foster—and, not coincidentally, the most difficult one to foster—is diversity. What I call Tolerance in my Three Ts of economic growth. [Talent and Technology are the other two.] Openness. An openness to new ideas, and therefore to new cultural, social, political and economic opportunities. We never know where the next Big Idea will come from, and for that reason, beyond just the moral imperative, of course, it’s important to welcome the input of all parts of a population, regardless of age, race, religion, sexual orientation, gender, family structure, geographic location, socioeconomic

class, etc. Every human being is creative; it’s part of what makes us human beings. The cities that figure that out early on and embrace tolerance, openness, inclusiveness and diversity as economic growth strategies are the ones that will go far in the Creative Age.

**ZOLLI:** Aren’t creatives highly mobile? If they are, how are cities and towns supposed to hold on to them? Aren’t some cultural creatives intrinsically nomadic?

**FLORIDA:** People are highly mobile, period. Especially in the U.S. People in this country move at a phenomenal rate, and in this day and age they don’t just move across state borders. People will move now across international borders, whether to pursue better economic opportunities, higher standards of living or whatever.

But, yes, people whose creative skills are in high demand are especially mobile; their skills and the basic laws of supply and demand allow them to be. And with this willingness to move on an international scale, the question becomes how to compete globally. Again, this is what my next book will focus on, these trends.

So the point is not exactly to “hold on” in a paternalistic sense, because the nature of today’s creative economy is such that people will always move in and out. But if you grow the kind of open and inclusive place I mentioned before,



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there's a much better chance, statistically, that several things will happen. People who left your place to go explore the world, which is a very healthy thing both culturally and economically, will come back. People who hear about your place and wish to seek economic opportunities will do so, if the corresponding quality-of-life factors—everything from education and environment to music scene and cinema, depending on which demographic you're talking about—are in place.

Perhaps the most difficult task to undertake, though, and I say difficult because it's a much more long-term strategy, one which takes patience and a committed community, is to home-grow talent. Not just to encourage and inspire young creative talent, but then to go a step further and make sure that talent, from day one, has an outlet to plug that encouragement and inspiration into. To create more smart kids—and I use smart in the very loose sense of the term, to describe everything from accountants to opera singers to innovative floor managers—and then to create more smart jobs for those kids, because those are the people who will stick around.

Trying to attract the biotech engineer by offering everything from cash incentives to latte bars, that's not going to work. "It's not sufficient to go after just the high-end workers, just us," one of these engineers once told me. "In order to attract people in general, and especially people from foreign cultures and foreign countries, all classes need to be welcomed and to feel actively engaged in a

place, because that's when a community is created." He went on: "People like us [referring here specifically to Indian-born engineers] want to live in a community where there are lots of immigrants of lots of classes and lots of skill-levels, from all walks of life. We want thriving churches and restaurants, music and groceries, schools where kids can meet other kids. We don't want to be seen just as a group of software engineers—that's elitist and racist at the same time—we want everyone

welcomed." That's probably one of the most telling things I've ever heard in years of focus groups. If you build it—the community, the place—they will come. And they will stay.

**ZOLLI: It seems as if the creative class is linked to the dematerialization of the economy, to the rise of design and brand experience and critical business issues. But we can't dematerialize the economy forever. What is a healthy balance between cultural creatives and people filling other roles in the economy?**

**FLORIDA:** Good point. But as a visit to any garbage dump will show you, the economy is still truly material. The distinction between a material and dematerialized economy is, I think, a false one.

Think about this. My father worked for decades in an eyeglass factory, where everyone made things with his—and they were all men—hands. Labor-intensive, physical products. Now, if you look on the street these days, more people wear eyeglasses than ever before. Not just that. There are more cars, more fridges and more stoves. Collectively, we have so much stuff we can't figure out where to put it all.

The fact of the matter is that the people who make those things have changed: factories like the one my father worked at have become more automated and productive. And, as my years at Carnegie Mellon taught me, the workforce driving those factories is no longer always a blue-collar worker like my dad, but often people who

write software code. You'll see my point in a second, I think.

More than 10 years ago, when I was writing on the revitalization of Midwestern industries, I visited I/N Tek, a cold-rolling steel mill that makes steel coils without a single human being touching them. Twenty years ago, there would have been hundreds of men touching and molding and shifting and moving the steel. Where had all the people disappeared to?

The manager of the plant told me that, now, the men sat in air-conditioned booths listening to Miles Davis and watching computer screens. This factory is a "living laboratory," his words, where workers, researchers and engineers work together to automate, monitor, improve and motivate the production process.

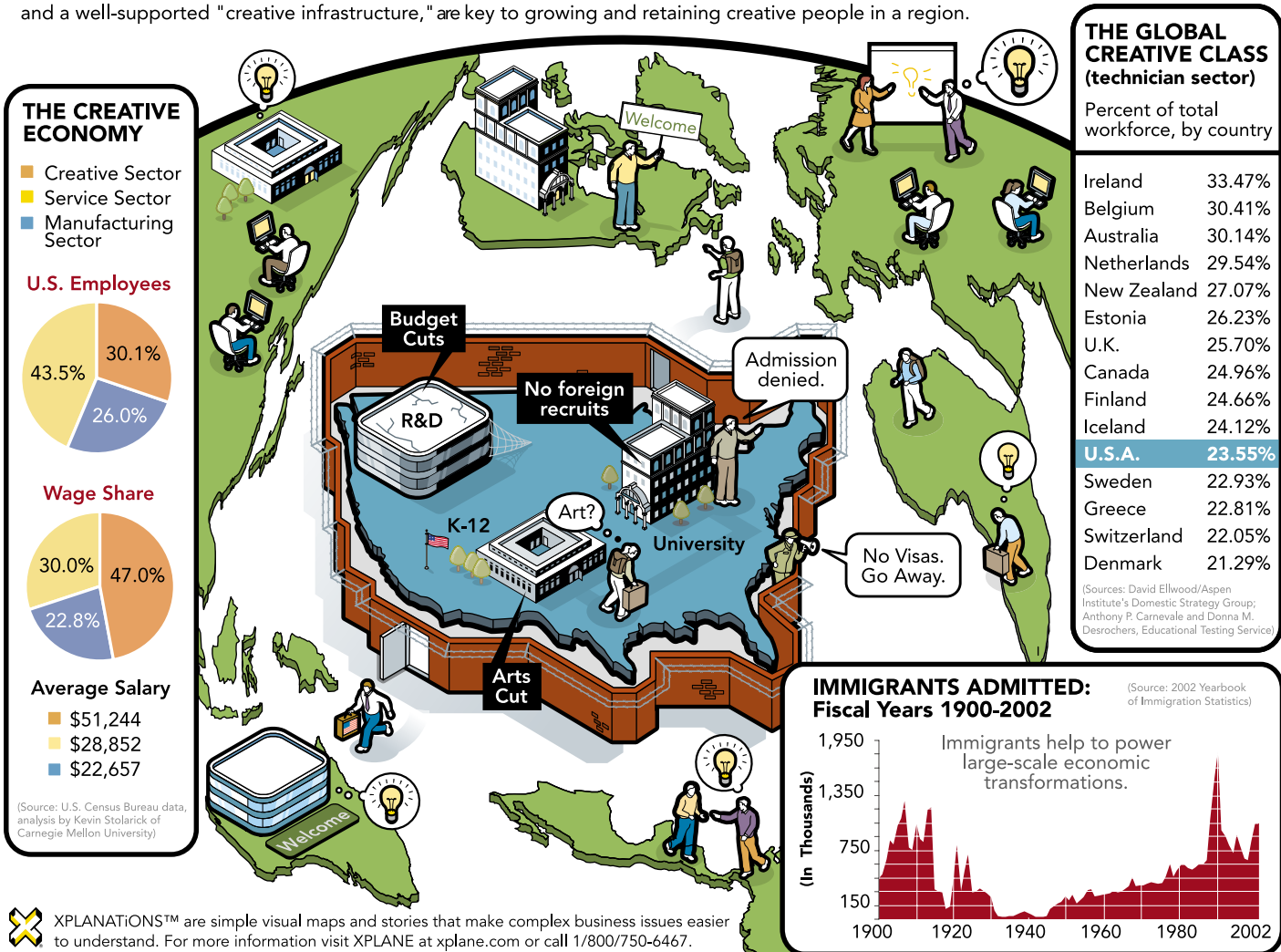
So, materials and dematerialization—and the people who oversee all of these processes—go together. They are not diametrically opposed, as people often worry. We are not all going to be taken over by robots and automation, because people are even more essential than ever to the processes that make our lives hum, whether you're talking about making steel or semiconductors.

The punch line here is the following: because it takes less people to produce the material portion of the economy, more and more people and their productive efforts are freed up to go into the improving portion—the experiential, the aesthetic, the world-saving problem-solving. The Big Issues, we'll call them. This strikes some people as elitist or shallow, but it's not just yuppies with luxury time in sushi bars in New York. It's more time to spend with kids in Pittsburgh, or more time to cook meat and potatoes, or worship God, or start a jazz quartet, or travel to other lands, or go bass fishing, or do any one of the million different things that human beings all across the world like to do with their free time. And the best thing is that advances in luxury time tend to eventually produce economic advances, too. Most parents today would say that their kids have greater opportunities than they did. And, in my opinion, it's a great thing that more of us can focus on solving the world's health-care or disease or geopolitical problems, for instance, because not as many of us are tied up with purely material or survival concerns. It's not that the need for food, water and shelter disap-

# The Future of the Global Creative Class?

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The Creative Class has a huge impact on the U.S. and world economies. Openness, as seen in immigration levels, and a well-supported "creative infrastructure," are key to growing and retaining creative people in a region.



pears with dematerialization; on the contrary, dematerialization is predicated on a certain level of material well-being. The two are mutually beneficial and reinforcing.

**ZOLLI:** The stereotype of a creative—black turtleneck, French cigarette, etc.—seems out of touch with the normative values of many U.S. communities. Is there chafing around the creative class? Or is this stereotype just that, a stereotype? If there is chafing, how do you see this trend playing out?

**FLORIDA:** Ha! Well, of course there's a tiny little grain of truth behind most stereotypes. But beyond anything except the most superficial level, this particular stereotype is cute, but silly. When I interviewed people, creative workers, for *The Rise of*

the Creative Class, they themselves chafed at the idea of black turtlenecks and geeky software engineers. Not that those people aren't nice people, but just that the creative class—and, indeed, human creativity, inherent in all of us—is so much more expansive than any caricature could ever get at.

Now, in all times of great economic and social change, there's bound to be some chafing. Some of that chafing has been exacerbated by the creative class, and by the people trying to "lure" these types to their city. But communities make a terrible mistake, I think, when they pronounce themselves "hip" or "with it," or when they start up a neighborhood district with latte bars and Frisbee fields. I don't think there are many of them actually doing this, really, they're too smart to

think that would have much of an effect on creative class people anyway.

Because, in the end, the thing creative people, like all people, in this country want is to be a part of the New American Dream. The old Dream we know well: a good job and a nice house, maybe 2.5 kids, maybe a picket fence [well, I mean, as long as we're having fun with stereotypes here...] The new dream is a career you love, a great place to live, in a community that lets you and your family be yourselves.

For my new book, I've been looking at this idea of a culture war in the United States. There's a tiny nugget of truth to it, but I think it's in large part a figment of our imaginations. Generally speaking, Americans—whether left, right, up, down, gay, straight, black, white, old, young,

and so on—want the social, political, and economic freedom and the cultural and political frameworks with which to pursue their dreams. And they want others to have that, too.

The things that bring people joy and satisfaction and fulfillment across society are not that terribly different, or, rather, they are vastly different manifestations of the same idea. A good way to make a living at a career they love or at least respect, a place to live to be themselves, with whomever they want and doing the things they enjoy. This crystallizes in very different ways for different people, of course. But there's a basic desire to, in the larger sense, express oneself economically, socially, politically, culturally, etc. There aren't that many people who choose to express themselves through black turtlenecks these days, so I think it befits all of us to focus on the things that we have in common. Still, a good stereotype is always a fun dialogue starter.

**ZOLLI:** In the 1970s, cities were worried about "white flight." Should we be worried about Creative Class flight? If so, where are they going?

**FLORIDA:** Absolutely. They're flying everywhere. And they're not just white. They're every color of the rainbow, and they're headed in every different direction. The real challenge that faces us is no longer just the shift of the population from the urban centers to the suburbs [as some were worried about in the '70s]. A number of urban centers are, for the first time in years, actually attracting people back into



**The root of American advantage has been this country's ability to in-source. We attract the best and the brightest in culture, finance, media, design, etc. from around the world.**

their inner orbits. And, generally speaking, in leading creative class centers, these people are the ones with higher incomes.

And at the same time, the suburbs are becoming more diverse. A recent Brookings Institution study indicates that suburbs are much more ethnically mixed than anyone would have thought [they call them melting-pot suburbs], and many suburbs around major cities have in fact become the new Ellis Islands of the economy. All is transitional, and we shouldn't worry about any of it.

Which is all to say that most of our old notions about where certain kinds of people move or don't move are breaking down. But one thing that we do see as a pattern now is what Robert Cushing, formerly of the University of Texas, called "the talent exchange." This is the shift of

talented and creative people from some regions to others. What's interesting is that these highly-skilled (and therefore generally higher-earning) people are moving in one direction, while the lower-skilled people are moving in the other. It's a sort of economic gentrification.

A new Brookings Institution study confirmed just this trend. The study broke the 100 largest metros in the U.S. down into several categories. A rarefied few are high-income havens [my own designation],

but many more are places like St. Louis, Buffalo and Louisville, that are stressed cities where low-income wage earners predominate. Only 13 metros in the U.S. are "balanced," with equal proportions of high- and low-income households.

So, while in most suburbs and most cities, we may be more ethnically mixed than ever before, the real dividing line in the U.S.—as people like William Julius Wilson long ago said—continues to be economic class. This is the divide we must overcome, because, as I mentioned earlier with the example of the Indian biotech engineer, nobody likes to live in a place that is too horribly divided in one way or another. Some kind of "flight," whether white, black, brown, or creative, is inevitable, and will always be an issue so long as we live in a free market system.

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What we should really be concentrating on is how to better the lives of a greater number of our country's citizens, so that we can all live in the kinds of places that inspire us to be and think and live and work to our fullest potentials.

**ZOLLI: Outsourcing is on everyone's mind these days. Are creative jobs and industries more or less outsourceable? What happens if America loses its creative class edge? Is it already doing so?**

**FLORIDA:** This is in part what my new book *The Flight of the Creative Class* is about. Outsourcing, pardon my blasphemy, is a "same old, same old" issue. We live in a global economy, and as economists like David Ricardo said centuries ago, companies will locate their companies where they can gain the best comparative advantage. Textiles move from Massachusetts to the South to Mexico to China. Cars moved from the industrial heartlands of the U.S. and even Europe to Eastern Europe and Mexico and so on. Virtually every disk drive we use is made in Singapore. This is nothing new. And, in the long run, it is good for all of us, especially those countries whose standards of living are boosted as a result.

Now, that's hard to say to a middle-class family like the one I grew up in. But we have to admit to ourselves that these same forces that seem to hurt us in some ways are also what allow us to continue to thrive as a country, and be on the cutting edge of all industries.

I say this because the root of American advantage has always been this country's ability to in-source. We attract, and have always attracted, the best and the brightest in culture, finance, media, design, etc. from around the world. We complain about the outsourcing of jobs to India for good reasons that hit close to home. But without these same dynamics that shift some jobs away from our country's shores we wouldn't reap the enormous benefits of the flip side of that coin: the energies of entrepreneurs like Vinod Khosla, cofounder of Sun Microsystems, etc. This single individual has created unimaginable amounts of wealth—tens of billions of dollars, by even conservative estimates. And our population benefits from this.

A recent Harvard study suggested that the Indian diaspora in the U.S. would

account for one-third of all income tax returns in India, if those people were still in India. That's a huge, huge impact, and yet it's only one small part of the international force that allows all of us in this country to benefit economically. It's no coincidence that the rest of the world has often looked on the U.S. with jealousy or admiration as the world's great talent-sucking machine.

My new book argues, though, that for the first time in our young history we may be losing what has always been our historic advantage: the ability to attract the best and brightest from around the world.

While the two major parties and most political figures have their eyes on the wrong ball—outsourcing—we're seeing our ability to attract the best and brightest erode, little by little, for two reasons: One, other countries have caught on and are progressing by leaps and bounds in attracting these people, and two, given the tragedy of 9/11 and other international politics, we are ham-handedly creating an environment that is no longer conducive and open. My new book will detail these trends, and the impact they will have on the American economy.

**ZOLLI: Some have criticized your research as being influenced by the "go-go Internet rush of the late '90s." How has your original research held up? Have there been any surprises?**

**FLORIDA:** I've always said the creative economy is no panacea. Anyone who's read *The Rise of the Creative Class* knows that. And, because I made such a disclaimer, the ideas first presented in *Rise* have held up amazingly well. What I was talking about in that book were 100-year trends, large-scale shifts in the way our economy and society function. It wasn't about Red Bull in the freezers or climbing walls in the rec room at high-tech startups. It was about capitalism at large, and for that reason I'm pretty happy with how it's held its own for almost three years now. What kind of a long-term impact the book has, we'll just have to wait and see.

But remember, my book was completed after the Internet bust, so in that way I had an advantage, knowing that the Internet and the new high-tech venture capital economy was not going to save us all...or even some of us, for that matter. I was

already forced to deal with that reality, which made it more important to wrestle with the underlying forces that set that particular bubble into motion, rather than merely the bubble itself.

Certain detractors of the book don't like the phrase creative class. It irritates them. And I can understand why this might be, if you don't look past the title of the book. If you do actually crack the cover, I think it becomes apparent that this isn't some homage to the go-go '90s. Getting back to the phrase creative class: in a country that is so dominated and divided by class as ours, I think we have to rediscover the courage to bring the idea of "class" back into the discussion. How else are we to get past these socioeconomic divides?

So, yes, in a way it actually scared me to use that dirty C-word. I was actually afraid of the reaction I knew it would provoke. But there's another reason I ended up choosing that term anyway. It was what I could best describe as a kind of infuriation with the elitism of terms like "the knowledge economy," "the knowledge worker," "high-tech economy," etc. Creativity casts a broader net, bringing more kinds of intelligence into the mix, and reminding us of the fact that every human being is creative. And even if only 30 percent of us have the good fortune to be monetarily compensated for doing idea-work, still the potential for that exists in every human being, and manifests in a million different ways.

The one big surprise I would note, and ultimately the revelation that led me to write *The Flight of the Creative Class*, was that this system of competing regions that I described in *Rise* has taken off in a truly global way. It's no longer Austin versus Seattle versus San Francisco in the battle for economic advantage. Now it's Austin versus Sydney versus Toronto versus Bangalore, and so on. This creative economy, literally hundreds of years in making, has absolutely blown up recently, and it will be interesting to observe over the next several decades what that means for America's role in the global economy.

**ZOLLI: Your next book looks at the Creative Class through a global lens. Can you give us a preview of some of its ideas?**

**FLORIDA:** See above. ■