

A Crucial choice: Where to live?

'Economic geographer' Richard Florida says location matters more than ever in today's global economy, which is powered by a surprisingly small number of places

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New York Times columnist Thomas Friedman put a new spin on globalization when he wrote his bestseller *The World Is Flat*.

Friedman's thesis was simple enough: Thanks to advances in technology, the global playing field has been levelled, allowing Bangalore and Beijing to compete on equal terms with Boston and Baltimore.

"When the world is flat, you can innovate without having to emigrate," he wrote.

But what if Friedman is flat wrong? What if place matters more than ever in today's global landscape?

After all, cities worldwide are undergoing explosive growth. More and more people are choosing to live in urban areas, and their choices increasingly depend on what those urban areas provide.

"In terms of both sheer economic horsepower and cutting-edge innovation," writes Richard Florida in *Who's Your City*, "today's global economy is powered by a surprisingly small number of places."

Florida, a University of Toronto business professor,

describes himself as "an economic geographer." His principal interest is the importance of place - why and how people choose where they live.

And his research leads him to conclude that the world isn't flat at all, it's full of spikes.

Today's key economic factors - talent, innovation and

creativity - are not distributed evenly across the globe, they are concentrated in a relatively small number of locations where activity spikes.

Think of finance in New York and London, the entertainment industry in Los Angeles and the fashion business in Milan and Paris.

In this spiky world, globalization has two sides. Routine economic functions may be spreading more widely across the globe, but specialized activities like innovation, scientific research, design, finance and media seek the creative spark that comes from what he calls "clustering force."

The key is not only to understand how and why these clusters form, but to deal with the inevitable tensions that result.

What we are witnessing, Florida says, is a new sorting process that separates economic and social classes both

domestically and globally.

People living in the economic cluster around Shanghai live immeasurably better than peasants in the Chinese countryside. India's spikes - like Bangalore, Hyderabad and Mumbai - are pulling away from the rest of the country in terms of economic opportunities.

The biggest challenge for policy-makers, he argues, will be finding a way to deal with this growing divide between the peaks and the valleys - between the educated and creative classes clustering together and the have-nots elsewhere.

It's a challenge that's intensifying.

Cities have always been the natural economic engines of the world, but now we're seeing the rise of mega-regions like the Boston-New York-Washington corridor, creating even larger and more dynamic clusters of economic activity.

Unlike biological organisms, all of which slow down as they grow larger, cities become wealthier and more creative the bigger they get, he argues. Florida predicts that by 2025, the world will be considerably more concentrated around mega-regions than it is today.

Adding to the sorting process is the fact that the creative, urban class is mobile and can seek the best opportunities worldwide, while the rest of humanity finds itself increasingly rooted in one place.

These are substantial issues, but once Florida raises them, he moves on to other topics, like what makes one city more attractive than another. The reader is left wishing for more discussion of the social and political issues.

Another drawback of the book is that it's largely geared to a U.S. audience. For example, it features various indices and ratings that measure American cities as destinations for the young, gays and lesbians, families and empty nesters.

Even so, there's plenty to chew on. In a chapter titled Cities Have Personalities, Too, Florida enters the largely uncharted terrain of trying to measure how and why urban areas have their own psychological traits.

His thesis - that where you live may be a more important decision than who you choose to marry or what career you choose to pursue - is a debatable one.

But he does present an impressive amount of research in arguing that place is key to personal happiness and that people have the ability to choose the place that's right for them.

Peter Hadekel is a business columnist for The Gazette.

WHO'S YOUR CITY?

How the Creative Economy Is Making Where You Live the Most Important Decision of Your Life

By Richard Florida

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