

# Unleashing the Creative Reservoir

The Rise of the Creative  
Class, Revisited

Richard Florida

# Our world is changing as dramatically as it has since the early days of the Industrial Revolution.

It isn't just the Internet or the rise of new technologies, or even globalization that is upending our jobs, lives, and communities—though all these things are important. Beneath the surface, unnoticed by many, is an even deeper force at work—the rise of creativity as a fundamental economic force and the rise of a new social class, the Creative Class.

When I first started writing *The Rise of the Creative Class* in 1999, I was struck by how much attention was being paid to surface-level changes, so I set out to focus on the long-lasting and truly tectonic forces that were changing the way we work and live. I believed it was the rise of this new class, and of creativity as an economic force, that was the underlying factor powering so many of the seemingly unrelated and epiphenomenal trends we had been witnessing; from the rise of new industries and businesses, to changes in the way we lived, worked, and consumed, extending into the rhythms, patterns, desires, and expectations that governed our daily lives.

In the decade since my book first appeared, a whole series of world-shattering events has occurred—from the collapse of the tech bubble and 9/11, to the economic and financial meltdown of 2008—any one of which might have been sufficient to derail or reverse the trends it described.

Instead, those trends have only become more deeply ensconced. At a time when the US unemployment rate topped 10 percent, the rate of unemployment for the Creative Class did not hit even 5 percent. By late 2011, the social media site LinkedIn reported that the word most used by its members to describe themselves was—you guessed it—“creative.” As *TechCrunch* put it: “In a time of high unemployment, when traditional skills can be outsourced or automated, creative skills remain highly sought after and highly valuable. We all want to be part of the Creative Class of programmers, designers, and information workers. The term used to mean artists and writers. Today, it means job stability.” The Creative Class has become truly global, numbering between one-third to nearly one-half of the workforce in the advanced nations of North America, Europe, Asia, and around the world.

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I could go on. But so much of what seemed shockingly new and outlandish when I first wrote about it—and that sent my critics into such a lather—has come to be viewed as the norm. My ideas that the talented were beginning to favor cities over suburbs, that urban centers were

challenging suburban industrial park nerdistans as locations for talent and high-tech industry, that older cities were starting to regain some of the ground they'd lost to Sunbelt boomtowns—were widely derided as ludicrous when I first began to write about them. Ten years later, all are seen more or less as the norm.

A decade ago, many critics dismissed my notion that a vibrant music scene frequently signals that a location also has the underlying preconditions associated with technological innovation and economic growth as a precious affectation. What possible pertinence, they sniffed, could such rarified matters have for economic development at large?

I caught a lot of flak for proposing that diversity—an openness to all kinds of people, no matter their gender, race, nationality, sexual orientation, or just plain geekiness—was not just a private virtue but an economic necessity. I earned notoriety for suggesting that a visible gay presence in a city can be seen as a leading indicator for rising housing values and high tech. Some were outraged at the very suggestion and accused me of everything from putting the proverbial cart before the horse to trying to undermine the conventional family, even Judeo-Christian civilization as we have come to know it. Popular opinion now favors gay marriage and a growing body of research notes the connection between diversity, innovation and economic growth.

I was accused of confusing chickens and eggs when I said that the secret to building better, more vibrant locations was best achieved not by attracting companies with handouts and tax breaks, but rather by building a “people climate” that could attract the diverse human talents that drive true prosperity.

I was roundly derided when I critiqued the conventional menu of downtown renewal through stadium complexes, generic retail districts and malls and countered instead that there was a simpler, less expensive path to revival by improving neighborhood conditions with smaller investments in everything from parks and bike paths to street-level culture that would make people’s everyday lives better, improve the underlying quality of place, and signal a community that is open, energized and diverse. The conventional wisdom insisted such things were the “frills and frivolities” that come about as *products* of economic development, not a way to spur it.

Ten years later, forward-looking communities, large and small alike, are busily reclaiming their disused waterfronts and industrial areas and transforming them into parks and green spaces.

At the same time, suburbs are seeking to remake themselves into better, more liveable communities by adding transit, shoring up their arts and culture scenes, and developing pedestrian-friendly town centers that are filled with the best features of cities.

Hand in hand with the revival of cities and the densification of suburbia, the dawning of the Creative Age has ushered in a newfound respect for livability and sustainability. This, too, is part and parcel of the deeper shift. The old Fordist industrial system premised on the exploitation of workers and nature—workers performing the same boring, exhausting tasks until they burned out, the environment treated as an inexhaustible wellspring of resources to be scoured out of the ground and a bottomless receptacle for waste—is giving way to a Creative Economy driven by the need to fully harness human resources and talent. As human capabilities and potential became a greater factor of production in the knowledge-based industries that began to emerge in the 1960s, manufacturing also evolved along a continuum from zero inventory to zero defects and, ultimately, to zero emissions. Waste became the enemy, as it should be. The Creative Ethos demands that we cultivate and utilize all of our natural and human resources.

Whereas some have dubbed the very concept of the Creative Class as elitist and accused me of privileging it over other classes or called me a “neo-liberal” with a naively optimistic faith in the power of markets, I assure you that neither is the case. The key thesis of my argument is as simple as it is basic: *Every human being is creative*. That the Creative Class enjoys vast privileges is true, but to acknowledge that fact is not to endorse it. The essential task before us is to unleash the creative energies, talent, and potential of everyone—to build a society that acknowledges and nurtures the innate creativity of each and every human being.

Creativity is a truly limitless resource, and it is something we all share. Scientists like to say that they “stand on the shoulders of giants.” So do we all. As a species, we build on the collective creativity not just of those in our own time but of those who have come before us.

Yet as I write these words, all is far from well: the great promise of the Creative Age is not being met. The economic meltdown of 2008 was not just a crisis of Wall Street, of risk-taking by banks, of wanton financial speculation, and of an economy debt-bingeing on housing and consumer goods, though all of those things were implicated, but a deeper crisis that ran to the roots of the old Fordist order and the very way of life it had engendered. At bottom, the crisis signaled the end of the old order and the beginnings of the new.

We are now in that strange interregnum when the old order has collapsed and the new order is not yet born. As steep as the levies that global outsourcing exact at home; as unfairly incommensurate as the returns to mental as compared to physical labor may be, we can't turn back the clock. The old order has failed; attempts to bail it out, to breathe new life into it or to somehow prop it back up are doomed to history's dustbin. A new global economic order is taking shape, but it is still confined within the brittle carapace of the old, with all of the outmoded, wasteful, oil-dependent, sprawling, unsustainable ways of life that went along with it.

Like other such epochal transformations, this one is fraught with challenges and difficulties, with winners and losers. In fact, it has intensified and magnified the economic, social, cultural, and geographic cleavages that already divide the classes—between nations, across regions, and within our cities and metro areas.

Such large-scale transformations occur across long time scales. My assessment is that the crisis we are living through is fully comparable to the Panic and Long Depression of the 1870s and the Great Depression of the 1930s, which took the better part of a generation to fully resolve.

If such economic resets are generational events, building more robust, fully articulated social and economic systems takes even longer. Although many focus on the social compact that emerged after the New Deal and World War II, they forget that it was more than a century in the making—and the product of sustained struggle. It can take on the order of seventy, eighty, even a hundred years before social change catches up to economic change and new, more robust institutions are built to undergird more widely shared prosperity. Viewed in retrospect, history always seems like a more linear process than it really was. We forget the detours and false starts and dead ends—the collapse of the Paris Commune in 1871; how Weimar Germany was upended by Hitler's rise; how Trotsky's revolutionary state devolved to Stalin's gulags.

The rise of a new economic and social order is a double-edged sword that cuts both ways: it unleashes incredible energies, pointing the way toward new paths for unprecedented growth and prosperity, but it also causes tremendous hardships and inequality along the way. We are in the midst of a painful and dangerous process, and one that is full of unknowns. My hope is that by understanding this new order, we can speed the transformation this time around.

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Still, that new order will not simply or automatically assert itself into existence. It will require new institutions, a new social compact, and a new way of life to bring it into being. We must turn our attention from a form of economic growth that is reflected in housing starts, automobile sales, energy consumption, and other crass material measures to a shared and sustainable prosperity that lifts human well-being and happiness across the board.

We must shift from a way of life that valorizes consumption, in which we take our identities from the branded characteristics of the goods we purchase, to one that enables us to develop our talents and our individuality, finding purpose through our work and other meaningful kinds of activities. Our fledgling creative economy needs to give way to a fully creative society—one that is more just, more equitable, more sustainable, and more prosperous: our economic future depends on it.

A great stumbling block in the United States has been the huge rise in inequality. Inequality reflects the stark divide in economic prospects between the classes—the demise of so many once high-paying Working Class jobs and the bifurcation of the labor market between higher-skilled, higher-wage Creative Class jobs and lower-skilled, lower-pay Service Class jobs in fields like food preparation, home health care, and retail sales, where more than 60 million Americans work, 45 percent of the labor force. The only way forward is to make all jobs creative jobs, unleashing the creativity and human potential inherent in service work, manufacturing work, farming, and every other form of human endeavor. We forget that manufacturing jobs weren't always good jobs. William Blake dubbed England's factories "satanic mills." We made them the good jobs that they became through collective effort and by building new institutions.

A new social compact—a *Creative Compact*—can turn our Creative Economy into a just and Creative Society, in which prosperity is widely shared.

While driven and shaped by economic logic, the key institutions and initiatives of the future will be shaped, as they always have, by human agency. They will be the products of political choices, which turn on political power. And the mobilizing force today—the leading force at the beachhead of social, cultural, and economic change—is the Creative Class. The problem up until now had been that the Creative Class was lacking in class consciousness. Thus far, its members have been content with personal betterment, staying fit, developing themselves, renovating their houses and apartments, questing after new experiences.

Although Creative Class people are generally liberal-minded, “solidarity” has not been the first word that comes to mind to describes them. But many are offended by inequality of opportunity and repelled by a system that is rigged against so many—and that is so wasteful of natural and human resources. The protracted economic crisis and outrageous inequality of our time has stirred up some of these dormant political energies. As the great historian Eric Hobsbawm noted, the Arab Spring and Occupy Wall Street have more to do with the Creative Class than they do with traditional Working Class movements. “The traditional left was geared to a kind of society that is no longer in existence or is going out of business,” he remarked. “It believed very largely in the mass labour movement as the carrier of the future. Well, we’ve been de-industrialised, so that’s no longer possible. The most effective mass mobilisations today are those which start from a new modernised middle class, and particularly the enormously swollen body of students.”

Of course, traditional Working Class movements still have considerable life in them and must be part of any more general movement for social change, but the driving force of change is the Creative Class—artists and cultural creatives, students, professionals. It’s time for us to grow up. We must evolve from an amorphous group of self-directed, albeit high-achieving individuals into a more cohesive, more responsible collective. We must recognize that, despite our differences, we share vital interests and concerns.

We cannot rely the Invisible Hand of market forces to guide us. Left alone, as it has been, the new economic and social order has generated and will continue to generate greater and greater inequalities: the social and economic divides within, across and between cities and nations will only grow worse. The grand challenge of our time is to build new institutional structures that can guide its emergence and channel its energies in ways that benefit society and its people broadly.

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Inequality has reached levels not seen since the Gilded Age. While much attention has been paid to the abuses taking place at the very top of the economic ladder, its persistence today is as much a factor of stagnation at the bottom of the economic ladder—of endemic and persistent poverty in America. Although all developed nations face some level of inequality, the United States is a statistical outlier (with just one or two other advanced nations) when it comes to its depth and implacability. Creativity and inequality, innovation and immiseration needn't go together as they have in the United States. In fact, the more general pattern, found in the preponderance of advanced nations, is for creativity to go alongside *less* rather than more inequality.

If the economic crisis has taught us anything, it's that putting our faith in the market alone will not work. New institutions are needed to harness powerful new economic forces, to address worsening class divides, and to make society and the economy work for all of us. We desperately need to institute and ratify a new social compact, entailing everything from investment in our human capital, the only real capital we have, to a new approach to education and learning. We need to recommit our economy to innovation, our society to openness and diversity, and we need to knit a new safety net for the truly disadvantaged. We need a complete break with the old Fordist order. It's time to forge a new society that reflects the demands, challenges, and opportunities of the Creative Age.

Reflexive resistance to government spending is beyond counterproductive; it is self-destructive. But we can't continue to waste our money on propping up the old order either. We have to start investing where it counts, in building and strengthening the new. We all have a tremendous role to play in influencing both the private and public investment decisions that will shape the emerging economic order—helping to ensure that it is as inclusive, equitable and efficient, as creative, sustainable, diverse, and forward looking as possible.

## The Creative Compact

The key to all of this is a new social compact that can provide a Creative Economy analog to the institutions of the 1930s, '40s, and '50s, those that accelerated and expanded the growth of the industrial economy and led to the last great age of prosperity. This Creative Compact would be dedicated to the creatification of everyone, expanding participation in the Creative Economy to industrial and service workers, leveraging new private and public investment in human infrastructure, innovation, education, and our cities while reaffirming and maintaining America's long-held commitment to diversity. It would restructure education, moving away from rote learning, overly bureaucratic schools and creativity-squelching standards. It would institute a new social safety net that invests in people and provides mobile benefits that follow workers from job to job. It would recast urban policy as a cornerstone of economic policy and ensure

that America remains a beacon for the best, brightest, most energetic and ambitious people from all over the the world.

The Creative Compact would help unleash the innovative and productive potential of people—our most precious economic resource—while addressing the many and worsening inequities that have been caused by our failure to adapt to new realities with new structures.

The idea that the world is flat, offering opportunity to all regardless of where they are located, is a wonderful dream, but the reality is one of increased concentration—by economic class and geographic location. Despite the incredible outpouring of innovation, productivity, and wealth the Creative Economy has produced to date, most of its benefits have been enjoyed by a privileged economic and geographic cohort.

It doesn't have to be this way. The challenges we face today may be different in their specifics, but they are by no means new. We have been through this before. The Industrial Revolution generated new technologies, new industries, and new productive potential alongside gross economic inequalities. Before the nascent industrial age could reach its full potential, the development of a much more broadly based urban-industrial society in which great masses of people could participate was required.

This industrial society did not emerge on its own, but was gradually spurred into existence over the emphatic and sometimes violent objections of entrenched groups. The broad social compact that came out of that struggle created new institutions and policies that coped with and mitigated industrial society's most onerous and divisive aspects, extending the benefits of its productivity to blue-collar workers and turning once terrible, low-paying manufacturing jobs into good, family supporting ones. It also established Social Security for older people, provided benefits for the disabled, and basic social welfare for the truly needy while protecting health and safety in the workplace. It spurred human capital accumulation by massively expanding the system of higher education, while providing federal investments for scientific research and development, a cornerstone of the innovation economy.

This new social compact squared the circle, turning the once-divided industrial economy into a middle-class society, allowing the broad base of the population to participate in it while enabling its tremendous expansion. Far from undermining business and subverting capitalism, by making home mortgages more available and investing in the development of the interstate highway system, this social compact encouraged the expansion of key mass production industries, from cars to appliances, undergirding a prolonged golden age of productivity and prosperity.

It's worth recalling that this new social compact did not stoke but actually banked the fires of class warfare. It emerged at a time when capitalism was not only in crisis, but when fascism

and communism were fighting to supplant it. Although some still cherish nostalgia for the fiery idealism of the revolutionary movements of the early twentieth century, the long sweep of history suggests that what appeared as a meeker, more tepid reformist impulse was not only more pragmatic, but better, comparatively speaking. Efforts to overthrow capitalism, either from the right or the left, devolved into chaos and unprecedented disasters. Efforts to temper capitalism—to harness its innovative Schumpeterian engines while spreading its benefits more widely—certainly didn't solve all of its problems or inequities, but they led to unprecedented prosperity and freedom.

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The new Creative Compact for our own age must be built across six key principles. I offer them here as a series of overarching precepts, not as a full-blown plan. The most effective strategies will emerge from the nitty-gritty, trial-and-error efforts that happen in the real world.

# 1. Invest in developing the full human potential and creative capabilities of every single human being.

First and foremost, before the United States or any other advanced nation can recover, prosper, and thrive, it must strive to tap the full creative capabilities of every one of its people. We can't simply write off the tens of millions of workers who toil in low-wage service jobs.

Some will counter that this will only make services more expensive. My response is simple: we can't afford *not* to do it. Decades ago, we collectively conceded that we would have to pay more for manufactured goods so that workers could have better wages and a broad middle-class could be born. The demand and productivity it spurred moved the whole economy forward. The same can be done today. Tapping into the innovative and creative capabilities of service workers and engaging them more fully will ultimately make them more productive. If we paid more for cars and consumer goods, why can't we pay a little bit more collectively to the people who prepare our food, look after our homes, and take care of our children and aging parents? Doing so will build a stronger middle class, enhance social cohesion, and create the demand that can help drive the economy forward. The service sector is the last frontier of innovation in our economy; it needs to be brought up to date, and upskilling its workers and upgrading their jobs is key to that. Creativity is our most precious resource; we can't afford to waste it in any sector of the economy.

We similarly need to put entrepreneurialism front and center on the economic agenda. Although many debate the relative merits of large versus small companies, it is clear that it is dynamic new firms that drive innovation, create new industries, and generate a huge share of all jobs. When policy makers think of entrepreneurship, they think in terms of high-tech start-ups of the Silicon Valley variety. Those are important. But we must support every kind of entrepreneurship. Fewer and fewer of us have the economic security once provided by large corporations to fall back on. If Industrial Age schools readied our children for the workforce, Creative Age schools must prepare them to manage their careers and build business of their own. The goal can no longer be just to get a job but rather to create a job—and to create more jobs for others.

We provide all sorts of assistance to technology-based entrepreneurs. Why not extend this to the broad range of new businesses? Instead of just building incubators for high-tech companies, why not underwrite neighborhood restaurants, mom-and-pop shops, hair and nail salons? Why not extend support to personal trainers, dieticians, therapists, musicians, artists, and lawn service providers? The list goes on and on. What kills new businesses most of the time is poor management, inattention to cost control, lack of marketing and sales skills. We need to offer all Americans, young and old, rich and poor, the tools they need to survive and thrive as creative entrepreneurs.

## **2. Make openness, diversity and inclusion a central part of the economic agenda.**

A growing body of economic research shows that diversity and openness power economic growth. Throughout our history, immigrants have spearheaded innovations and enterprise in everything from steel to semiconductors. Our policy makers need to do what the venture capitalist John Doerr said they should: staple a green card to the diplomas of every immigrant who graduates from one of our engineering schools. More than that, we need to make this country welcoming to all enterprising, energetic, and ambitious people.

## **3. Build an education system that spurs, not squelches, creativity.**

The most important investments we make are not in bridges, highways, and other physical assets, but in our human assets. Everyone agrees that education is important, but our definition of education must be broadened. Just as the United States once sank vast amounts of public and private funds into canals, railroads, highways, and other physical infrastructure to power industrial growth, it needs to massively increase its investments in its human creative capital.

Our current system of elementary and high-school education, as many have observed, is badly broken. It is not hard to see why: it is a complete and total relic of the industrial age, developed to stamp out workers for the Fordist industrial machine as if they were so many widgets on a, well, an assembly line. We need to rebuild our education system from the ground up—and on the principles of the Creative Economy. That means an educational system that is less focused on test scores and standards and more around active learning. And we need to stop blaming teachers for the problems created by an outmoded system. We need to support teachers, and education has to be about supporting students and their families with good teachers and mentors. We need to put their creativity—not rote learning, test preparation, and standards—first.

## 4. Build a social safety net for the Creative Economy.

A decade ago, Creative Class freelancers were hailed as the vanguard of an army of liberating entrepreneurs who were finding fun, freedom, and fulfillment on their own. The truth, as it always is, is much more complicated. Creatives and freelancers provide their own health care, disability insurance, and pensions—or they do without. And as Sara Horowitz of the Freelancers Union notes, there is “no unemployment during lean times; no protections from age, race, and gender discrimination; no enforcement from the Department of Labor when employers don’t pay; and the list goes on.”

This must change. A new social safety net is needed, one that does for the new reality of creative work what the New Deal safety net did for blue-collar workers eighty years ago.

It no longer makes any sense to tie benefits to a single employer. This worked when most employees stayed with one company for life, but the reality of work today is flexibility and mobility. A new social compact must start from the flexible, hyper-individualized, and contingent nature of work. That means health benefits that move with workers, and retirement accounts that do the same. This is good for workers, good for companies, and good for society as a whole.

## **5. Strengthen cities: promote density, clustering, and concentration.**

Cities are the key economic and social organizing units of the Creative Age. Clustering, density, interaction, mixed uses, and walkability operate alongside innovation and human capital to power economic growth. They speed the metabolism of daily life, accelerating the fortuitous combinations and recombinations—the constant jostling of people—that spur innovation, business formation, job creation, and economic growth.

So much public policy today promotes sprawl and decentralization. Cities need to be the centerpiece of economic policy, not an afterthought. If we want to enhance productivity and innovation,

we need to stop taxing the productive potential of our cities and metro areas to subsidize dumb sprawling growth. At the same time, we must be careful not to go too far, building massive skyscraper complexes that isolate people in vertical suburbs. At the local level, cities and communities need to stop subsidizing stadiums, convention centers, and other mega-projects that add little to their economies, and stop encouraging bland, generic development. They need to invest in people climates as well as business climates, promoting density, transit-oriented development, and walkability, creating green spaces and other public spaces, encouraging diversity and building real quality of place.

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Such investments are win-win-win propositions: they reinvigorate our older centers, take the pressure off the new ones, and result in a stronger overall system of cities. This is not just an agenda for big cities and downtown areas. Quality of place, density, walkability, open-mindedness and diversity are things large numbers of people not only desire but are willing to pay more for. This is an agenda that all kinds of communities—suburbs as well as cities, the Sun Belt and the Rust Belt both—can embrace and prosper from.

Our cities are also fulcrums for social and political innovation. Everyone recognizes that America's national government is dysfunctional. But cities and community governments actually work. When I meet local officials in my travels through America and around the world, I often can't tell who is a Democrat or a Republican, a liberal or a conservative—but I can always see who's solving problems and getting things done. The most important policy innovations no longer come from national legislatures or federal bureaucracies, but from cities and mayors crafting pragmatic, nonideological solutions to pressing social and economic problems.

Since its inception, America's decentered federalist system has encouraged experimentation and learning across states and cities. We may have more problems than we know what to do with, but we also have plenty of latitude to figure out how to deal with them. Countries with more centralized planning have never brought this kind of social and political creativity to the table. Our cities, competitive laboratories of democracy as they are, will continue to be the source of truly innovative solutions to our problems—from education and crime and safety to innovation and economic development.

Just as the best companies decentralize decision making to work groups on the factory floor, we need to give cities and neighborhoods the tools and resources they need to build their economies. In doing so, we'll be rebuilding the broader economy from the bottom up.

## 6. From growth for growth's sake to true prosperity: measure what really matters.

We need to get beyond the idea, handed down from the Industrial Revolution, that growth is good in and of itself. We have had our share of dumb growth, and growth without growth. We have polluted our environment, degraded our human as well as our natural assets, overbuilt housing, and watched our economy crater and collapse. This is all but a symptom of a deeper problem: how we think of, measure, and account for economic growth. That concept is a holdover from the industrial age, when pounding out more steel, more cars, more consumer durables seemed good proxies for growth, and when using more energy and generating more pollution were regarded as the unfortunate by-products of prosperity.

Today we live in an era where knowledge, innovation, creativity, and human potential drive the economy. We need to value and measure what really matters. And this is not a fringe idea. More and more economists—smart, leading, Nobel Prize-winning economists—and other social scientists and thinkers are coming around to the idea that prosperity turns on more than gross domestic product. New and better metrics of creativity, human potential, and true well-being are badly needed. Just as we devised new metrics for productivity, innovation, and growth during the Industrial Age, we need metrics that can capture the essence of prosperity in the Creative Age.

What we measure affects what we do, and if our measurements are flawed, our decisions may be distorted, too. Choices between promoting GDP and protecting the environment may be false choices once environmental degradation is appropriately included in our measurement of economic performance. We often draw inferences by looking at which policies have promoted economic growth, but if our metrics of performance are flawed, so too may be the inferences that we draw.

We need better measures of prosperity than raw output. We need measures that account for the real costs of growth. “There might be a problem even deeper than statistical narrowness,” Harvard’s Kenneth Rogoff wrote of our obsession with growth, and that is “the failure of modern growth theory to emphasize adequately that people are fundamentally social creatures. They evaluate their welfare based on what they see around them, not just on some absolute standard.” The University of Chicago economist Raghuram Rajan sums it up nicely: “The advanced countries have a choice. They can act as if all is well, except that their consumers are in a funk, and that ‘animal spirits’ must be revived through stimulus. Or they can treat the crisis as a wake-up call to fix all that has been papered over in the last few decades. For better or worse, the narrative that persuades these countries’ governments and publics will determine their future—and that of the global economy.”

This is not an either-or. It is making growth work for us, broadening it, making it smarter. We cannot stop the clock of history from ticking, we cannot impede the logic of capitalism, but we can utilize human capabilities that make us happier, that provide more and better experiences, and more purpose and meaning in our lives—not just more stuff.

That's what a new Creative Compact would do. But it cannot spring into life on its own. Building the necessary new institutions requires, as it always has, political action and human agency, both of which have been in short supply.

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# The Creative Class Comes of Age

There are signs that the Creative Class may at last be coming of age. The year 2011 was the turning point. The first half of the year saw the uprisings of the Arab Spring, which toppled some regimes and profoundly shook others. Then, in the fall, the Occupy Wall Street movement began in Manhattan's Zucotti Park. By October 15 it had spread to 951 cities in eighty-two countries. The vanguards of both movements were middle-class students and young professionals—highly educated, digitally savvy members of the Creative Class, though there were certain numbers of anarchists, dropouts, and frustrated Working Class people involved as well.

Their outcry was for more democracy and greater opportunity; their outrage was directed against old-line dictatorships in the Arab world and the obscene perquisites of the so-called “1 percent” in the West, which in the United States controls 40 percent of the nation's wealth and takes home one-fourth of its annual income. “It reminds me of 1848—another self-propelled revolution which started in one country, then spread all over the continent in a short time,” the historian Eric Hobsbawm remarked of the Arab Spring. “Two years after 1848, it looked as if it had all failed,” he added. “In the long run, it hadn't failed. A good deal of liberal advances had been made. So it was an immediate failure but a longer term partial success—though no longer in the form of a revolution.”

If the impetus for these uprisings came from the Creative Class, the movement also had a decidedly urban cast. Although social media—Facebook and Twitter—may have provided the fuel, these movements were conceived and brought to life in specific places. And not just any places—they took root in some of the largest and densest cities on the planet, New York and Cairo.

This is not unprecedented. Social and political movements have long arisen in cities—consider the Boston Massacre of 1770, the Paris Commune of 1871, the October Revolution of 1917 in St. Petersburg, the Chicago Convention in 1968, the Tiananmen Square uprising of 1989. At a time when technology was supposed to have erased place, it is staggering how rapidly these place-based movements came to the fore, caught on and spread to other cities. Such activism is a product of cities, of their density and ability to push people together in public spaces.

We are living at the dawn of a broad and fundamental transformation not just of our lifestyles but of the ways that production and consumption have underpinned them. It is a time of tremendous potential, but also of terrible risks. If the Creative Age is a revolutionary epoch, there can be no question that its beginnings have been less than auspicious. The old regime has left us with a degraded environment, a broken financial system, and a sclerotic political culture in thrall to special interests and its own prejudices. Two decades and counting after the fall of communism and the so-called end of history, the West is as culturally, economically, and politically riven as it's ever been.

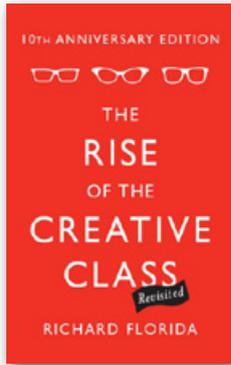
But its potential is literally without limits. Today, for perhaps the first time in human history, we have the opportunity to align economic and human development. This is embedded in and driven by the underlying logic of the Creative Economy—its further development turns on its ability to utilize ever more talent and more creative capacity. In the meantime, living as we are amid the ruins of the old order, we feel stuck and frustrated.

But the clock of history never stops ticking. Sooner or later, some city or nation is going to figure out what it takes to fully engage the full creative potential of its people. If we want to gain the advantages of precedence, we need to accelerate that process. Our future prosperity depends upon it.

New institutions are required to rebuild our economy and society. If the logic of economic development—which seeks out creativity in all of its many and varied forms—is on our side, the on-going social and political mobilization of the Creative Class and other segments of society provides the pragmatic impetus for it. When all is said and done, a new era of broadly shared prosperity turns on stoking the creative furnace that lies deep within each and every one of us.

**Only when we unleash that great reservoir of overlooked and underutilized human potential, can we truly enjoy not just sustained economic progress but a better, more meaningful, and more fulfilling way of life. 📖**

# Info



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**ABOUT THE AUTHOR** | Richard Florida is Director of the [Martin Prosperity Institute](#) and Professor of Business and Creativity at the Rotman School of Management, University of Toronto, and one of the world's leading public intellectuals on economic competitiveness, demographic trends, and cultural and technological innovation. Previously, Florida has held professorships at George Mason University and Carnegie Mellon University, and taught as a visiting professor at Harvard and MIT. His research provides unique, data-driven insight into the social, economic and demographic factors that drive the twenty-first century world economy.

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