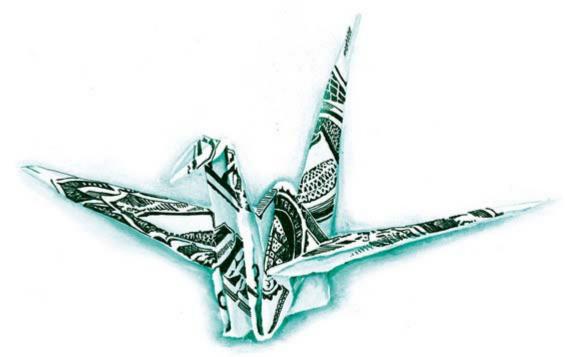
Chronogram

Chronicler of the Creative Class

An Interview with Richard Florida

by Carl Frankel and illustrations by Jason Cring, August 27, 2010



The urban studies theorist Richard Florida isn't from the city. Born to a working-class family in New Jersey, he earned his PhD from Columbia University, taught for years at Pittsburgh's Carnegie Mellon University, and is currently a professor at the University of Toronto's Rotman School of Management.

Florida first came into the public eye with the 2002 publication of *The Rise of the Creative Class*, in which he argued that high concentrations of creative people are what drive the success of metropolitan regions. Since then, Florida's star has continued to rise with the publication of follow-up books, including the wryly titled *Who's Your City?*

Florida's latest offering is *The Great Reset: How New Ways of Living and Working Drive Post-Crash Prosperity*. It frames the current economic crisis in the context of previous bust-and-recovery cycles beginning in the 1870s and 1930s, respectively. Florida argues that we are heading toward a third "Reset," driven by the creative class and likely to produce a step-change in our values and where and how we conduct our lives.

We caught up with Florida recently to discuss *The Great Reset*. Here's what he had to tell us.

Richard, you were born to a working-class family in New Jersey. No academic thinks in a vacuum. How, if at all, did your upbringing shape your take on the economic and social issues you analyze?

I was born in Newark, New Jersey, more specifically, in the Italian district of North Newark. It was a very real, walkable, ethnic Italian neighborhood. My parents then moved around 1960, when I was about three, to North Arlington, a mixed-ethnic Italian, Polish and Irish working-class suburb with migrants from Newark and Jersey City.

My upbringing has affected my thinking extensively. I watched the city of Newark, which had a quite functional downtown and neighborhoods, fall victim to racial tension and riots (provoked by the police), and collapse completely. I also watched the factory my father worked in, which employed hundreds of working-class men and women— Italian, German, Irish, Portuguese, Puerto Rican, Hispanic, and Black—begin a long decline and ultimately shutter its doors. These were my fundamental influences. I wanted to make sense of this. After I read all the books in my Catholic school library and local public library, which took me to the age of about 13, my father started taking me on weekends to the Newark Public Library, where I would peruse the stacks and read everything I could about urban affairs.

The Great Reset seems to have been written in part to provide a sense of perspective on our current depression—a word I use in both its psychological and economic senses. In a time when people feel daunted, to put it mildly, by our economic circumstances, The Great Reset appears intended to provide a sense of context-and also some optimism. Is this a fair assessment? Why should we feel optimistic? Economies and societies invariably remake themselves in the wake of a crisis. It's a necessary component of rebound and recovery. Outmoded industries and tired consumption habits make way for new goods and services, and for new careers and forms of employment. Meanwhile, the population realigns itself in the landscape. All these developments are connected to lifestyle changes. Each of the previous two Resets-one in the 1870s, the other after the Great Depression-were vibrant periods of innovation. Inventors and entrepreneurs rushed to fill the voids left by struggling industries with new ideas and new technologies that led to new forms of infrastructure such as railroads, subways, and highway systems. All that innovation powers economic growth. The same thing has to happen today—and if past is prologue, it will. The new core products of the creative age-biotechnologies, educational services, entertainment, and informationneed to fuel our future economic vitality.

At this moment one-fifth of Pakistan is under water. There's this thing called climate change, and though our media and citizenry are doing a superb job of denying this, it's already at a theater near you. Global warming isn't mentioned in your book. A plausible case could be made that if your analysis had included this "exogenous factor," your conclusions would be much less optimistic. Your thoughts on this? We have to live better and be better environmental stewards. As I meet with city officials and economic development leaders, my message about sustainability is clear: Sustainability has to be a common practice rather than an added value in the future. Many of the economic forces—the concentration of assets, for example—will require us to evaluate our choices and needs more holistically. For example, infrastructure will have to develop and adapt to our new economic reality. Green buildings, better urban planning, and more recycling are already changing the way we live and work in our communities. We will see a return to denser communities and more value being placed on walkable communities—this will be critical to the revitalization of many of our outlying suburbs and communities that are deteriorating.

The Great Reset also appears to be a call for step-change, or breakthrough thinking. Out with the old, in with the new! It is a call for boldness. Agreed? If so, why is this so important?

Yes, we have to be bold. Most important, we have to define wealth and success differently and develop new approaches to consumption. This will be critical to our ability to be happy and drive further innovation. Things that have always signified wealth and security—homeownership, new cars, luxury goods—have become a burden for many people and will be replaced by more experiential consumption like travel and recreation, self-improvement, and so on. By divesting themselves of big-ticket possessions that have been keeping them tied down, people will gain a new freedom to lead more meaningful lives. Changes in consumption and lifestyle are key to Great Resets.

One of the central passages of your book, as I see it, is on page 84: "So what can be done? Instead of spending millions to lure or bail out factories, or hundreds of millions and in some cases billions to build stadiums, convention centers, and hotels, use that money to invest in local assets, spur local business and development, better employ local people and utilize their skills, and invest in improving quality of place." This strikes me as a concise and excellent summary of the "Go Local" credo that is viewed by many sustainability advocates as the necessary and inevitable antidote to global corporate capitalism. Is this a fair interpretation of your words? Do you agree with the aforementioned sustainability advocates? What role do you envision for the "Go Local" movement in the Great Reset?

I am not sure it as much as an endorsement of the "Go Local" movement as a call for maximizing the creativity of every individual. As I have written many times before, I believe every single human being is creative, and maximizing that creativity is critical to happiness and economic growth. Economic growth is driven by creativity, so if we want to increase it, we have to tap into the creativity of everyone. That's what makes me optimistic. For the first time in human history, the basic logic of our economy dictates that further economic development requires the further development and use of human creative capabilities. The great challenge of our time—a challenge for nations, enterprises, and individuals—is to find ways to tap into every human's creativity.

For the US, given that many of our jobs are now service oriented, this means finding ways to transform our 60 million service jobs, which make up 45 percent of US employment. We have to do this by rewarding workers financially, encouraging and

empowering creative participation, creating professional communities, and so on. We can look to any number of new companies—from Zappos to Starbucks—for examples of how this idea might play out. We need to do more to transform service jobs into creative, higher-paying, family supporting jobs of the future.

If you were to single out one single innovation for its likely positive impact on the Great Reset, what would that innovation be, and what will be its contribution? This has to be high-speed rail. It's not "new" per se, but it is so critical. We are the only major developed nation that isn't investing meaningfully in high-speed rail, and I believe we're making a mistake. Transportation systems that are fast and efficient and environmentally clean are going to enable the formation of the new megaregions that will be such an important part of how we resolve our economic crisis geographically. We need to be able to accelerate the movement of people, goods, and services—really, the movement of ideas, knowledge, and creativity—between our major population centers. We have to build these links.

The Hudson Valley is blessed by much natural beauty, a robust creative class, and proximity to New York City and Albany. It's dotted with microcities like Poughkeepsie, Newburgh, and Kingston that have reinvented themselves (or not) with varying degrees of success. Our industrial base has largely evaporated. Like a thousand other places, we're struggling to come up with effective strategies for creating regional prosperity. What path would you recommend for us? To compete effectively in this rapidly changing economy, communities have to increase their connectivity to their respective megaregion. This is crucial for long-term success. As I explained in *Who's Your City?* and reiterated in *The Great Reset*, economic activity is leading to the concentration of a select group of megaregions. Worldwide there are only 40 significant megaregions, which collectively are home to one-fifth of the world's population, two-thirds of the global economic output, and 85 percent of all worldwide innovation.

For smaller communities to compete in the growing global economy, they have to increase their connectivity to their respective megaregion and major economic engine. Communities and regions in the Hudson Valley should look to strengthen their position and advantage within the Boston-Washington, DC, mega-region, which ranks second in the world for economic output and scientific citations and eighth for innovation.