

Creative Capital: The Key to Prosperity

By Richard Florida

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The U.S. university system is a prime source of scientific, social and creative leadership from around the world. But Richard Florida, author of "The Flight of the Creative Class," warns that it is heading in the wrong direction. He says the U.S. intellectual infrastructure is eroding as leaders overlook the enormous economic potential of universities.

Our modern conception of what universities could or should be has been somewhat limited.

The tendency to see universities primarily as the laboratories of new research and technology has grown particularly acute in the last 20 years.

They do indeed serve our society as technological and scientific laboratories — and amazingly productive ones. But they are much more than that.

Universities also do a remarkable job of fostering the other two "t's" of economic growth — talent and tolerance.

Beyond book smarts

On the one hand, they are undeniably powerful talent magnets, attracting the best and brightest to our shores. They are the Ellis Islands of the creative age.

A huge percentage of the high-tech entrepreneurs that power places like Silicon Valley, Austin, Texas and the Research Triangle came here originally to attend graduate school.

Beacons for the world's brightest

Not surprisingly, almost all of our leading creative regions have one or more great universities — hence their incredible potential to continually incorporate top talent from every corner of the earth.

Unfortunately, we now seem to want to send our top foreign talent packing.

“When you graduate from Stanford University with an advanced degree in the sciences or engineering, we then make you go home,” venture capitalist John Doerr told Silicon Valley’s Technet Innovation Summit. “We should be stapling a green card to your diploma.”

Higher-education institutions are also the community entities that, perhaps more than any other, have opened up city after city and college town after college town to the world.

Melting pots

In this respect, they are bastions and breeders of tolerance. A university — with its tendency toward openness to ideas, people and practices not always considered mainstream — is a natural source of diversity, whether ethnic, socio-economic or cultural.

People who see creative centers as somehow aligned with the coasts are always surprised to see how highly places such as Iowa City, Iowa, Champagne, Illinois and Corvallis, Oregon rank in creativity indices.

Foundations for the future

In case after case, this occurs when states and communities were forward-looking enough to support great institutions of higher education early on.

In this sense, universities and colleges don't serve just the economic winners of the creative age. They represent the key building blocks that cities such as Cleveland, St. Louis and Pittsburgh can use to rebuild.

Kevin Stolarick and his research team found that the “higher education-knowledge-learning cluster” is always among the top employers of both creative class workers and service-sector workers in major U.S. regions.

Regional renaissance

I was once asked what I thought might be one of the keys to saving Detroit's economy. My answer was simple: Ann Arbor.

What I mean by this is not that Detroit's downtown and neighborhoods aren't important (they are, of course, crucial), but that the future of the Detroit region in the creative age lies more with the technology, talent and tolerance engine that is Ann Arbor than in stadiums and a refurbished Renaissance center in downtown Detroit.

A hard sell

But how many political and business leaders in these kinds of regions are ready to act on this? How many of them are willing to believe that their future lies more in something as apparently abstract as using their universities as teachers and exemplars of tolerance?

Where is the devotion to rebuilding our communities, economies and culture around such institutions in any kind of meaningful or authentic way, when it so much easier to build a stadium, downtown mall, industrial park or business incubator?

The latter category delivers — at first glance — more immediate results. In this way it seems we're again locked into an industrial-age materialist mindset that has trouble accounting for the benefits of the more intangible creative age.

Little government support

As a result, higher education doesn't make the cut in tough economic times. State after state consistently cuts its public higher-education budget, and the resulting system of U.S. universities is made less and less accessible to those whom it could benefit the most.

The federal government expands research funding at the margins while restricting access and politicizing cutting-edge scientific issues like stem-cell research. China and India, in the meantime, are pumping money into their universities and graduate schools.

Face reality

How much longer can we rest on our laurels? It's hard to say. It's certainly true that we built the world's greatest university system and still maintain a commanding lead in that respect.

But now we're letting this most crucial component of our creative infrastructure atrophy even as others are biting at our heels more and more aggressively.

At best, we're teaching the world's citizens and then forcing them to go back to their home countries. At worst, we're conditioning those students not to come here in the first place.

And we're giving ample reason to our own population to begin seeking educational opportunities elsewhere. This is not bad in and of itself, of course.

Dispirited pupils

We need more than anything to foster globally minded young people in this day and age.

But it would be preferable if they went abroad proud of their country and looking to come back and share their insights — rather than discouraged by our increasing political and economic isolationism and frustrated by the rising costs of learning skills and ideas that would be beneficial to all.

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