

# CULTURAL WEEKLY™

HOW OUR CREATIVE CULTURE INTERSECTS MEDIA, MONEY, TECHNOLOGY & ENTERTAINMENT

## [Richard Florida: More Transformations Ahead](#)

by Adam Leipzig

*Richard Florida, professor at University of Toronto and NYU, and senior editor of The Atlantic, was in London when we caught up with each other. His book, [The Rise of the Creative Class](#), transformed my thinking about how creative people work and affect society; the tenth anniversary edition, [The Rise of the Creative Class – Revisited](#), goes even further and helps us understand how to focus our efforts in the coming decade.*



*Photo by Jaime Hogge.*

*Adam Leipzig: In your newest book, you talk about how class is everything, and we have three classes – Working, Service and Creative. Is that a new class structure that's emerged in the past decade?*

*Richard Florida:* It's a long-term trend – a really long term trend, actually. The Creative Class, which includes workers in science and technology, the professions and knowledge work and arts, culture, media and entertainment, has more than 40 million members, about a third of the workforce. This is up from the 38 million and 30 percent of the workforce I reported in 2001. This is a significant gain, but when you take the long view, the scale of the Creative Class's rise is truly astonishing. Since the founding of this nation, around the turn of the 19th century, the creative class amounted for 5-10 percent of the workforce. It had only grown to 16 percent by 1960 and was still less than 20 percent. Since 1980, even with the crisis, the United States added more than TWENTY million creative class jobs.

The Service Class is bigger in numbers — about 60 million workers, or 47 percent of the workforce, up from 55.2 million workers and 43 percent of the workforce a decade ago. Unfortunately, Service Class jobs — food servers, janitors and groundskeepers, home health aids, security guards — are both the fastest-growing job categories and the worst paying. As the Creative and the Service classes have grown, the blue collar Working Class has collapsed. With only 26 million members, it's declined 20 percent from the 33 percent I counted in 2001. The share of the workforce that's engaged in direct production — good-paying factory jobs, in other words — is even smaller, just six percent. The trajectory of the working class is looking more and more like that of Agriculture workers, who account for less than one percent of the workforce now. It's these changes that are behind the growing inequality and class divide we see in America today.

*AL: There's a subset of the Creative Class we might call the Artist Class – these are the people for whom creative-expressive work is a primary or secondary source of income (writers, producers, designers, painters, actors, etc.). What can you tell us about this Artist Class, and ways it may be unique within the larger Creative Class?*

*RF:* There's a subset of the Creative Class I call the “Super-Creative Core.” It includes artists and designers, musicians, entertainers and media types as well as scientists and technologists. This group accounts for about 19 percent. My team and I have done a great deal of research on artists and where they cluster. It is our view that artists and musicians, because they are so very mobile, provide key insights into the operation of the knowledge-based creative economy. Studying them can reveal important insights that studying high-tech industries and technology workers may not.

*AL: One of the problems for the Artist Class is low wages. For example, Los Angeles, one of the top metro areas for Creative Class people, isn't in the top 5 for Creative Class wages. Is that just a matter of over-supply and insufficient demand, or is there something else going on?*

*RF:* Great question: The book covers this in great detail. Most artists, writers, and actors make significantly less than, say, high-end computer programmers. Artists, designers, entertainers, and media workers earn about half (\$52,290 per year in 2010) of what those in management

occupations do, and considerably less than lawyers and engineers. But the pay differences within the Creative Class pale next to those between the Creative Class and the Working Classes.

LA also dominates in terms of artists broadly. I talk about that too in the revised edition. Research my team and I have conducted show that two US metros, LA and NY, have a huge huge advantage in arts and cultural workers, much more than their size accounts for.

Though LA has movies — and more than its share of super-rich creatives — it doesn't have the kind of Creative Class concentration that a metro like San Jose, in the heart of Silicon Valley, does. That said, LA ranks eighth nationally, with an average Creative Class wage of \$80,859.

One of the other things I learned since writing this book is that artists, and artistic creatives broadly are one of three core groups in the Creative Class that has a powerful effect metro wages. Artists and cultural creatives along with scientists and technologists and business and management workers are associated with higher regional wages and incomes overall.

*AL: What are the biggest obstacles to raising wages for the Artist Class? Is it training in how to create work that's marketable and learning how to bring it to market? I might even expand this question to the Artist-Entrepreneur group, because I find that artists and entrepreneurs are cut from the same cloth, and face similar challenges. Artists have to be entrepreneurial to make a living these days, while entrepreneurs make headway through creative/artistic emotional connections with their markets.*

*RF: Exactly, the key is to combine the three of the core skills of the creative class. It his something Steve Jobs and Apple have showed all of us really. The most successful artists and musicians which we have studied in even greater detail have great artistic talent, but also combine that by adding or partnering with management and technological talent. Entrepreneurial and management skill is a key especially in artistic fields. This blending to technological, economic and artistic creativity is what really lies behind the power of the creative class*

Everyone needs to learn entrepreneurial skills and I have long argued that they should be taught in school. Entrepreneurialism is the best hope for service workers who are looking for a way up—from pushing a lawn mower to organizing a grass cutting service, from stocking the shelves in a grocery store to opening your own bodega. Governments provide all sorts of services for high tech startups — loans, incubators, tax incentives. They should do the same for Mom & Pop grocery stores, nail parlors, and messenger services—and for artists as well. A rapper who wants to open a small recording studio, an artisan who wants to sell their creations from a storefront, a writer who wants to start an editing service can benefit enormously from those types of services.

*AL: Will you let me play amateur economist? The Labor Theory of Value doesn't take creativity into account. When you buy a pair of Nikes that have cost \$5 to produce in a factory in Vietnam, why do you pay \$100? For their creativity, design, and innovation, and the marketing involved in selling you all of these attributes. So I'd like to propose a [Creativity Theory of Value](#). The Creativity Theory of Value holds that the value of anything is the product of the Creativity involved in creating it multiplied by the Labor required to produce it. In mathematical terms, we*

*could express it as:  $C * L = V$  where  $C$  is Creativity,  $L$  is Labor and  $V$  is Value. This would allow us to determine a Creativity Index for products and services.*

*RF: I think that creativity does fit with the Labor Theory of Value, broadly. I quote Marx early on in the revised edition about this – his remarks in the Grundrisse (more than a hundred and fifty years ago) anticipating the rise of knowledge and creative work as a basic force of production.*

I always say that where Marx saw physical work as not only the source of value but as the ultimate thing that binds people together intersubjectively, defines a universal class, the proletariat, and makes us human though expropriated and alienated. It is really creativity that is the key thing that differentiates human beings from other species and it is the thing we all share, every single one of us. Creativity is innate in humans, we create socially or intersubjectively, and we also do so across time – as we say in academe, “we stand on the shoulders of giants.” I cover all this in the edition.

Of course, creativity is still expropriated from creative workers. But many of us exploit ourselves, as I mention, we have internalized the new norms of work far more than the working class. I call this soft control – and it is very insidious. But the reality is that some people take many, many of the fruits of creative labor – in form of stock returns and royalties – while creative workers most of them can be paid for but a fraction of the overall value they produce. So that is where the labor theory of value still holds.

It seems to me one thing that could be done, especially with technology, is to more appropriately apportion royalties to the real producers of creative work, not just the owners of capital. High tech companies have done this to some degree for top engineers, by allowing them to have an ownership stake in their businesses. But of course it is not extended to include fully most scientists and technologists as well as artists and musicians or creatives broadly. This is the key arena of struggle in the future. It is also the ultimate contradiction of the creative economy. We produce creative value socially, but apportion its fruits or rewards individually. This is the core contradiction that remains at the heart of the creative-version of capitalism.

*[Adam Leipzig](#), *Cultural Weekly's* publisher and the former president of *National Geographic Films*, is working to build and support the community of creative people and entrepreneurs. He will be speaking at the [Commonwealth Club in San Francisco on October 9](#).*

*Photo by Jaime Hogge.*