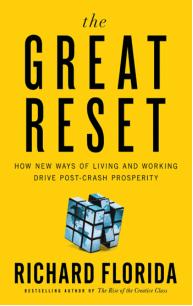


Richard Florida's Creative Destruction, Spatial Fix and The Great Reset

BY <u>Greg Lindsay</u>



What doesn't kill cities during this crisis will make them stronger. This is Richard Florida's diagnosis in *The Great Reset*, which picks up where his last foray into pop economic geography, *Who's Your City?* left off.

Only this time, America and Canada are staggering out of the worst recession in a generation, with a double-dip (or worse) still a possibility. Florida, a professor of creativity and business at the University of Toronto's Rotman School of Management, is of course best known for <u>The</u> <u>Rise of the Creative Class</u>, which led hundreds of anxious cities to pursue his "three T's" of technology, talent, and tolerance, a formula all-too-often reduced to christening "arts districts" and fruitlessly luring gays. Florida became an academic rock star by suggesting any city could be creative and prosper (a message <u>which earned him a</u>

takedown by The American Prospect in January). No longer.

Now he sounds like Karl Marx at times, contending urban form and geography are the physical expressions of relentless economic growth and innovation. Every era has a "<u>spatial fix</u>" of cities, infrastructure and transportation that is a manifestation of capitalism's progress, i.e. how and where we live is the result of what we produce and consume. Spatial fixes are only temporary – their obsolescence invariably leads to crisis and a "reset" as old landscapes are replaced by new ones. But Florida seems more inspired by Joseph Schumpeter, arguing these gales of creative destruction inevitably leave society in a better place than where it was before.

The first reset was the Long Depression of 1873, which led to electricity, Bessemer steel, and the high-rise cities of the industrial age. The second was the Great Depression, which cleared the way for suburban postwar prosperity. This was the spatial fix just ended. "We can literally feel the demise of the old suburban way of life all around us," he writes.

The Great Reset imagines a North America literally shaped by the needs of the creative class – a new landscape of dense cities and their surrounding mega-regions, connected by broadband and high-speed rail. Where Florida's last book explored the "personalities" of

cities, this time he picks Darwinian winners and losers: New York, Silicon Valley, Toronto, and college towns will survive; Detroit and exurban Phoenix or Las Vegas will not. "The places that thrive today," he writes, "are those with the highest velocity of ideas, the highest density of talented and creative people, and the highest rate of metabolism."

But the resulting spatial fix is less about the death of suburbia than it is the death of bluecollar manufacturing jobs and the coma of the housing sector. Manufacturing employment in America is nearly half what it was ten years ago, and even though those jobs have vanished, the cities and their underwater homes haven't. As Florida notes, "a house that can't be sold becomes an economic trap, preventing people from moving freely to economic opportunity."



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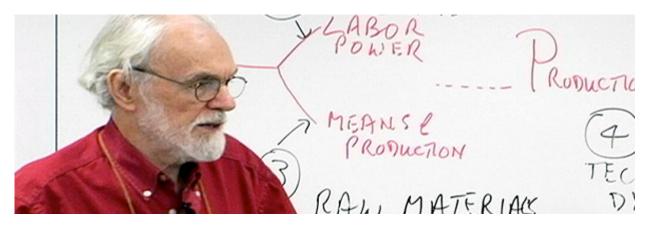
Where will those opportunities be? In the increasingly denser cores and suburbs of megacities. He imagines an expanded service sector and an increasingly mobile workforce employed by it. He envisions Detroit emptying out while Vancouver, Seattle and Portland become a single labor market. He calls for policies to support this trend, including the end to the American obsession with home ownership (and the abolition of the mortgage tax credit) and increased funding for high-speed rail, which would effectively turn Philadelphia into the sixth borough of New York and connect Detroit's unemployed skilled workers to Chicago.

Because what matters to Florida is ideas--at least measured in terms of innovation, patents, wages and GDP--and dense, walkable cities appear to be the best urban form for creating them. Drawing on the research of Geoffrey West, a physicist at the Santa Fe Institute, Florida makes much of the fact that dense cities <u>become more efficient the</u> larger they get. "By any measure," West and his co-authors wrote, "the larger a city's population, the greater the innovation and wealth creation per person." Their growth becomes "superlinear" so long as they manage not to choke on their own congestion. (Steven Johnson will take a crack at this topic in his next book, taking Florida's argument one step further and <u>asking how we can design cities</u> to make their inhabitants smarter).

So what does the spatial fix of the Great Reset look like? What the New Urbanists and their fellow travelers have been pushing for all along: dense districts filled with apartments, traversed on foot or by bicycle, where all of the work can be done locally by wire or Wi-Fi, or perhaps across town or in the next city over, which you'll commute to by rail. They'll also be greener cities, as density is inherently energy-efficient (a trope inspired by David Owen's <u>Green Metropolis</u>).

The "spatial fix" idea is not his own, a fact Florida readily admits. He appropriated the idea from the more obscure economic geographer <u>David Harvey</u>, a committed neo-Marxist who coined the phrase in the 1970s to describe the physical manifestations of capitalism, globalization, and neoliberalism. "Fix" has several meanings in this case, of which Florida uses two: fixing a crisis, and fixing an urban order in space and time. Both are temporary. "They work for a time but ultimately come up against their own limits," he writes. "And then the cycle starts over again. As is the case today."

But Harvey offers another meaning, which Florida glosses over because of its disquieting implications: the junkie's fix. Capitalism, Harvey <u>writes</u>, "is addicted to geographical expansion much as it is addicted to technological change and endless expansion through economic growth. Globalization is the contemporary version of capitalism's long-standing and never-ending search for a spatial fix to its crisis tendencies." This has been the case in America since at least 1492.



While Florida acknowledges that every spatial fix embodies a more intensive use of space, his prognosis for America downplays expansion--while he predicts the continued growth of mega-regions, we're taking trains and riding bikes instead of driving. Harvey would likely tear this veil to shreds, arguing that behind the façade of a green, clean, innovating America is the true global spatial fix including China's smokestacks, Dubai's pleasure domes, and a planet of slums.

In an email, Florida told me he hasn't met Harvery, but agrees with Harvey that the new spatial fix is a global one, "much as the old one was. This is what I was getting at in my earlier work on the spiky world. The world is increasingly unequal, and that inequality [is] reflected and reinforced by the geography of class at a global scale."

"My main purpose in *The Great Reset* was more basic, or straightforward," he explained. "I was/am trying to bring the whole question of geography, the rise of new urban infrastructure, of new economic landscapes, and the new ways of life which are embedded in them, into the broader conversation going on in the USA, Canada and the world today about recovery. Most people understand Keynes and think well... government spending is key; others note Schumpeter's view of innovation as underpinning those great gales of creative destruction. I was simply trying to say, wait a minute, those things are important, but alone they cannot underpin a true recovery. That depends on a new way of life and a new way of living."

Instead, Florida has expanded Schumpeter's view to include urbanism – some cities will blown away by gales of creative destruction. It's a tough message to swallow if you live in Detroit or the small cities of the Rust Belt – or the favelas of Rio or the slums of Lagos. In Harvey's new book *The Engima of Capital*, <u>he notes</u> that Schumpeter agreed with Marx that capitalism possesses the potential for both creation and true destruction, but argued creativity held the upper hand. Florida sees creation where Harvey sees destruction. For all our sakes, we had best hope Florida is right.