



In the Coraline Economy we trust

Posted by [Barry Johnson, The Oregonian](#) March 01, 2009 13:43PM

Joe Cortright calls it the "Coraline Economy" -- a little tongue-in-cheek -- with the recent success of Laika studio's animated film project in mind.

The Coraline Economy will cushion the state from the direst economic effects of the Great Crunch. Not timber. Not computer chips. The creatives -- hanging at the local coffee shops and clubs and brewpubs, huddling in the corners and madly pounding their laptops -- will lead us back to prosperity.

They are designers (of shoes, apparel, industrial products, advertising and more), artists, musicians, comic book creators, architects and animators. And to both economist Cortright and Ethan Seltzer, director of Portland State's school of urban studies and planning, they represent more of the current economy than we might imagine and very likely more of the future economy.

That's the operating theory, at least.

It is built from two primary sources. Urbanist Jane Jacobs' idea of the successful city is central to the theory -- an adaptive place where new ideas and people gather in numbers and then are "tossed together in serendipitous ways," as Seltzer puts it. This sort of open city attracts creative people, according to the research of author Richard Florida, especially young creative people. And the more of them, the better-placed a city is for the next economy.

Portland has been the poster child for this sort of city during the past few decades. Florida, in his article in the [current issue of Atlantic Monthly magazine](#), assumes that the creative Cascadia Corridor from Vancouver, B.C., to Eugene will be one of the regions left standing when the Crunch subsides.

Florida's article cited Elizabeth Currid's case study of New York City, "[The Warhol Economy.](#)" Currid argues that New York City's cluster of fashion designers, musicians and visual artists, among others, was critical to the city's economy, even when the Masters of the Universe ran Wall Street (she has the graphs to prove it). The mechanics of the economy she describes underscore Jacobs' thinking: New York has dense,

interactive, urban neighborhoods where casual contact is possible along with major record labels, museums and national media outlets, and an emphasis on creativity.

She calls it the Warhol Economy, because late artist/savant Andy Warhol was among the first to formalize the elements at his Factory -- where artists, designers and the media gathered to plot the Next Big Thing.

We don't have the Warhol Economy in Portland. We have the Coraline Economy -- smaller, without the benefits of major media outlets and a different set of core businesses. But the principle is the same. It is what we have built since the deep "tear-it-down-to-the-studs" recession of the early 1980s, which ended the dominance of our resource-based economy, and led, Seltzer suggests, to today's service- and export-based economy.

Seltzer isn't naively optimistic about our prospects, though. He worries about keeping our key resource, the "smart, creative people" who will figure out how to adapt to the changing climate. He also thinks we need to make sure they mix with each other. "We need to link the artists and designers with the machinists and woodworkers," he says.

"Economists tend to give us the wrong words," Cortright says. "They talk about 'recession and recovery,' and that's not literally true. Many of the jobs that are lost will not come back." We will need to create new ones.

Which reminds me of a lesson recently learned from the School of Jazz: One creative solution isn't the end of the process. It's an invitation to yet better solutions to more and more difficult problems. And that's a central premise of the Coraline Economy, too.

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