



[John M. Eger](#)

Endowed Chair of Communications and Public Policy at San Diego State

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[It's the Creative Economy, Stupid](#)

During the Clinton presidency democratic strategist James Carville, was fond of saying, "It's the economy, stupid."

Much the same could be said today.

The stimulus and all the federal policies in the world will not help if all we do is prop up the old economy. It is rather the new economy, the creative economy begging for attention.

John Howkins, author of *The Creative Economy* (2001), says that anyone with a good idea can make money. He defines creative industries as occupations like advertising, architecture, graphic design, filmmaking, authors, painters and the like which you can count in the few millions. Richard Florida, author of *The Rise of the Creative Class* (2004), claims 38 million people as among the new creative class.

In what is clearly a more expansive definition of the term "creative," Florida includes professionals in "business and finance, law, healthcare and related fields." These people "engage in complex problem solving that involves a great deal of independent judgment and requires high levels of education or human capital... all are members of the creative class," he says.

George Bernard Shaw said, "If you laid all the economists in the world end to end, they still wouldn't reach a conclusion." However, it does not matter in the short term what we call this new economy. It is a new economy to be sure, requiring creativity, imagination and innovation. There is a trend here, like a tsunami really, shaping our world and our workforce as never before.

Daniel Bell, author and Harvard sociologist, in his 1973 book *The Coming Post-Industrial Society*, looked backward in time and noted how the invention of the cotton gin by Eli Whitney transformed the farm, forced people into the cities and created what we now call the Industrial Revolution. Computers and telecommunications, like the cotton gin of an earlier era, were bringing about yet another shift in the economy that he called the post-industrial society. Bell's treatise was the first significant effort to identify structural changes in society leading to the Information Age.

Yet here we are struggling to define yet another shift in the basic structure of the world's economy. We know it's global, and Thomas Friedman of the *New York Times* has told us it's "flat." But it is creativity -- simply defined as "the quality or ability to create or invent something original" -- that best defines the characteristic most of us need to succeed in the new economy.

What is important is that we -- as well as President Obama -- recognize that a whole new economy and society based upon creativity and innovation is emerging and that, as a consequence, it is of vital importance that we reinvent our communities, our schools, our businesses, our government to meet the challenges such major structural shifts are compelling.

Every man, woman and child needs to know and understand that the tectonic plates of the world's economy have shifted. The task of recreating any city -- housing, transportation, roads and bridges, clean water electricity, schools etc. -- is enormous. The task of creating a knowledge city, a creative and innovative community, is equally complex.

Yet cities must prepare their citizens to take ownership of their communities, build the broadband communications structures the workplace needs, and educate the next generation of leaders and workers to meet the new global challenges of what just has now been termed the Creative and Innovative Economy.

These are the ingredients so essential to developing and attracting the type of bright and creative people that generate new patents and inventions, innovative world-class products and services and the finance and marketing plans to support them.

Nothing less will ensure America's dominant economic, social and political position in the 21st century.

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