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The Creativity Bubble



Richard Florida chats about Karl Kautsky, Karl Marx, and other urban creative types.

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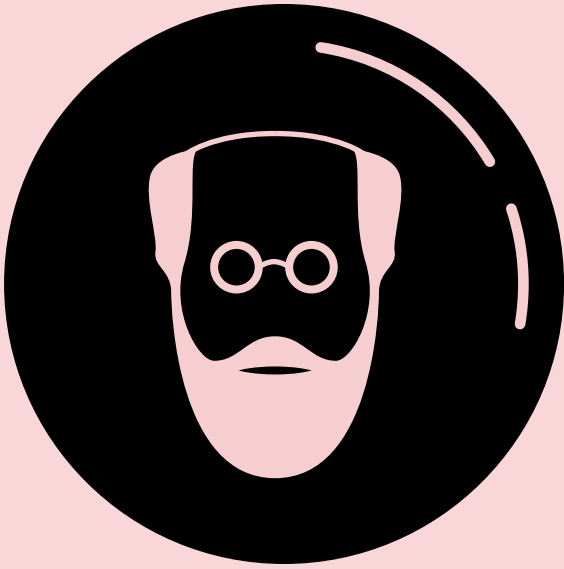
Richard Florida burst into the mainstream with 2002's *The Rise of the Creative Class*. Over the past decade, his ideas about what drives economic growth have spawned new policy prescriptions in American cities. Florida's most controversial claim is that the urban "creative class" — which he says comprises 35 percent of the US labor force — is at the root of new economic growth.

For Florida, the "economic revolution" of the new creative economy is occurring in tandem with an "urban revolution." Major metropolitan areas, he maintains, have become the de facto form of social organization in the post-industrial era; they are the place where the creative class lives, works, and most importantly, clusters together.

The essence of Florida's idea is simple: creative class prosperity, located within the economic and social structures unique to the urban environment, attracts new waves of creative class immigration, in turn expanding urban colonies of prosperity. Thus, cities provide the scaffolding not only for the day-to-day life and happiness of the creative class; they are the engines of prosperity itself.

One can see the appeal of such an idea to urban policy makers as well as to the fortunate members of the creative class: they are the designated knights of a promising future, and they bear the bitter-sweet responsibility to better the world for us all.

Florida's "Three T's" — technology, talent, and tolerance — serve as the analytical factors that determine his "creativity index" of economic development in cities. It follows that progressive policy decisions aimed at nurturing an open-minded urban ecology of arts and culture that appeal to the tastes of the creative class — charming Wi-Fi equipped cafés, vintage boutiques, cozy galleries, and music venues — are seen not only as an effect of economic prosperity, as a cause of it.



At least from the publication of *The Rise of the Creative Class* in 2002 until the 2008 crisis, it seemed to follow that any downtrodden city possessed the potential to stem depopulation and instead attract the creative class with the right combination of infrastructure and cultural investments. The well-paying jobs would follow on the heels of their arrival.

Of course, the flipside to a successful city in the creative age is the displacement of the non-creative class and widening inequality in our cities, a problem that Florida freely admits. The popularity of his urban prescriptions have drawn ire from both the Left and Right, the former regarding him as a “neoliberal dressed in black”; the latter accusing him of neglecting family values through his trumpeting of hip gays and minorities as integral to urban economic growth.

No doubt Richard Florida is filled with good intentions. Yet the broadly progressive truism that he claims motivates his work — creativity, a universally innate human trait, deserves the chance to be realized — is challenged by his acceptance of neoliberal capitalism and market logic as the inevitable economic situation that the creative class is obliged to shape from within.

The shortcomings of such an understanding are glaring. We’re left to wonder how redistributive concessions could ever be won from above, without an account of non-creative class political agitation from below.

What follows is a condensed and edited transcript of my conversation with Florida, where he generously gave me the opportunity to ask him to elaborate on some of the political implications of his work.





ERIN SCHELL RICHARD FLORIDA

You have said previously that “we’re living right now through the greatest economic transformation in human history.” What changes in the state are accompanying this economic transformation?

I’ve been interested in the big structural shifts in capitalism since I was an undergraduate at Rutgers, and I came at that pretty much from a Marxist or neo-Marxian point of view.

I read all of Marx, I read all of Schumpeter, I took classes in Hegel and Marx, and the Frankfurt School, and what I came to understand is that the biggest problem we confront intellectually is how capitalism changes. And that happens in these big disruptive bursts. The classic ones would be the rise of modern industry in the nineteenth century, and then in US terms, the great crises of, say, the 1870s or the 1890s and the Great Depression of the 1930s.

I began to believe, and many people began to believe, with Keynesian demand management and smart economic policy, that this wouldn’t happen again. Lo and behold, in 2008, we had a crash on the same order of magnitude of those ...

What I’ve been *really* interested in is understanding why capitalism does not collapse, and why capitalism is able to remake itself. Early on, then, I got very interested in Joseph Schumpeter and his theory of how capitalism revolutionizes itself, mainly through creative destruction, powered by these great entrepreneurs.

There’s a great economist of innovation called Christopher Freeman. I met Chris Freeman as a young scholar, and what Freeman said to me, which was really interesting, I asked him, “How did you come to Joseph Schumpeter?” And he said, “Well I was basically a Marxist, but when I wrote stuff about Marx, nobody would publish my articles. When I substituted the name ‘Schumpeter’ for ‘Marx,’ my papers would get published everywhere.”

What I thought Schumpeter did was very interestingly point to the fact that capitalism doesn’t collapse necessarily in the way Marx predicted, but it’s able to self-revolutionize because it can generate new technologies, new industries.

What I tried to do, successfully or unsuccessfully, is to marry this notion of what Marx and Schumpeter were talking about with modern urban studies. And what I think I came to figure out — whether you guys like it or not — is that the industrial corporation and the factory were the arena for Marxian innovation, the Schumpeter innovation, and Marxian class conflict in the older phase of capitalism.

In this new stage of capitalism — call it the knowledge economy, the postindustrial economy, whatever — place itself has become the key social and economic organizing unit: where the knowledge workers congregate, where the infrastructure of capitalism is built (like roads, density, communications, etc). And this packing in of people, à la Jane Jacobs and Robert Lucas, it is place itself that supplants, becomes the social and economic organizing unit of modern capitalism, analogous to the factory.



What I've tried to do is show how place plays that role in both the growth of capitalism, the dynamism of capitalism, and its instability. And there, I tried to marry the insights of Jane Jacobs and, a little bit, the insights of David Harvey. So I see this crisis not so much a crisis that's expressed in the economy, but a crisis that is expressed in this contestation over place.

When I wrote *The Rise of the Creative Class*, all I could focus on was the dynamics of place in leading this Schumpeterian reinvention of capitalism. I could not have predicted that this same reinvention of capitalism would lead to a similar, analogous kind of crisis that we saw in 2008. Right now, I think we're seeing an expression of that crisis, of capitalism trying to remake itself around dynamic cities and urban areas.

I was hoping you could discuss some of the political implications of your concept "quality of place," as a more specified measure of a city's economic potential than "quality of life." What I have in mind here is — we're speaking to you from New York City, where famously, Rudy Giuliani and Bill Bratton, our once-again police commissioner implemented "broken windows laws" that crackdown on petty crime like loitering and graffiti.

Giuliani essentially made homelessness illegal, and Michael Bloomberg just in 2009 was giving one-way tickets to homeless people to leave the city, which could be seen as a kind of spatial solution, I suppose. So I'm just wondering how you would respond —

Disgusting. I mean, one word: disgusting. I was a huge opponent of people like Rudy Giuliani. I have much more respect for Mike Bloomberg, and I actually quite like the current mayor, and am a big fan of the comptroller, Scott Stringer. If you saw, Scott and I just did an event on building a more inclusive and creative New York. So I am extremely aware of the issues of inclusivity, as well as diversity and quality of place, and I would say I've become one of the leading champions of this.

What I've decided to do, to be quite honest, is instead of raising many of these issues in an oppositional way, to try to phrase them within the logic of capitalist economic development. Some might call me a neoliberal. I don't like that label. But all I tried to do was phrase issues that would broaden the debate about urbanism in ways that mayors and economic developers could accept — rather than trying to combat them in a directly oppositional way, which I think, by the way, is useful.

I thought I could use my influence in a different way. There was a debate between Rosa Luxemburg, and Trotsky and Lenin, and Karl Kautsky. I saw myself following a more Kautskyite position — reform within the system.

When I talk about quality of place, I talk about quality of place for everyone. My critics can shape and twist this. But I'm talking about parks for everyone, green space for everyone, cities for everyone, cities that are diverse and open without regard to race and ethnicity, and how those things actually, ironically, propel development.

The open-minded, the tolerant, the diverse city, where people have access, becomes a better city that people feel more connected to, and are more productive. Because many of the innovations that drive capitalism don't come from — and this is what the whole idea of the creative class is about — classifying people by education level and college degrees, but by the kind of work they do.



This is directly derived from Marx: what are the kinds of occupations that define the classes? Much of creativity doesn't come from the high-minded software engineer, or biotechnician, but it comes from the street, and this is a defining characteristic of American urban areas.

I think I've been very unfairly criticized for not dealing with socioeconomic inequality. I think I've been one of the first urbanists, modern urbanists, empirical urbanists, to point to socioeconomic inequality. I said it was a direct outgrowth of the clustering of knowledge and creative workers, and their competition. In *Rise of the Creative Class*, I said that place would become the arena for class conflict in modern capitalism, and I think I didn't quite know how that would play out. I cautioned city leaders and the creative class to be well aware over that contestation over space.

You seem to designate the creative class as the universal class — by which I mean the primary agent of social transformation and social change — i.e. the revolutionary class. Yet at the same time there appears to be a rejection of class struggle in your analysis.

I've heard you say previously, and I'm paraphrasing, that it's not about division, it's about the working class, the service class, and the creative class all coming and working together as a team, in cities. Given the structural limitations capitalism puts upon the non-creative classes, how do you envision the service and working classes —

There's a difference between the one percent and the creative class. Going back to Marx, if you really want to think about how I formulated this, I went back to the *Grundrisse*. Already in the *Grundrisse* Marx is pointing to the rise of social and collective knowledge. Remember, he looked at the factory as a collectivity, as a place of intersubjective production.

What I began to believe was that as factory production declines to what we have now — 5 or 6 percent of Americans involved in direct factory production, getting to what agriculture was in the thirties or forties — that there was another kind of intersubjective production that binds people together, and it's human creativity.

I think, empirically, I had to make a call. And the empirical call was I had to document people who were paid in some way to use their creativity and dub them a socioeconomic class, in contrast to the lower-income service class, who are not paid. They should be paid to use their creativity; we have to extend the boundaries of that class. I believe that every human being is creative.

I'd say the central contradiction of capitalism — I say this in *The Rise of the Creative Class*, completely overlooked — is the attempt to impose top-down order, corporate direction, corporate control over the full flourishing of human creativity — this conflict between organization and creativity.

If Marx saw the working class as the universal class, I think the creative class — the notion that every human being is creative — is an even broader class.



I think what you just spoke to, about this contradiction — the mistake of trying to institutionalize an ordering from above, rather than harnessing creativity from below — points back to my first question that I'm hoping to push you on regarding the political implications of your work.

I've heard you say previously that we should really have mayors leading the way in steering economic growth, with the help of the federal government subordinated to their leadership. But my fear is that instead of serving the function of redistribution, the role of the state then becomes one of surveillance and securitization; to serve and protect the boundaries of the creative class, legitimized through the rhetoric of universal creativity —

Let me give you a simple answer, and then you can push me more. I've come to have a very different reaction to a lot of my friends about cities being able to do it all. I don't think cities and mayors can do it all. I think they have limited powers, and I think that we need a really progressive urban policy around this. The contours of that progressive urban policy are hard to specify, and in my next book I'm going to work on it more. Clearly it has to be concerned with inequality, it has to be concerned with segregation. We have to be concerned with concentrated poverty, which increasingly looks to me like a problem that is even more devastating than gentrification.

This is where I say the urban optimists and the urban pessimists, we have to come together. We can't stay in this oppositional position. We have got to come together and figure out a new route for federal policy. Will it be perfectly progressive policy? No. But I think we have to come together on this, and I do think it means taking care of the people being left behind.

As you know, the biggest element of my work recently has been trying to look at what is happening with the group I call the service class that no one wants to focus on. People want to talk about knowledge workers, education, manufacturing, the industrial working class, but nearly half of us toil in these low-wage, contingent, minimum-wage, low-skilled, routine service jobs.

And I've written a lot about the need for global minimum wages that are tagged for the cost of living, and I've written a lot about the need for an effective strategy to upgrade those jobs. So yeah, I think that state policy now, you're right — and I think it's not just the security state, it's this modern, quote unquote ... "smart city of sensors," and total 24 by 7 security. I mean, this is something that would make Orwell shutter. So yeah, we need to do something, but in the absence of some kind of unified, urban progressive —

It's interesting to me, I feel like I'm part of the leadership of that kind of movement, and in some ways I feel excluded from it. I feel like people are putting me with the conservatives. I call it the narcissism of small differences. We need to come together.

In my next book, it's something I'm looking at in a very clear-eyed, open-minded, and hopefully hard-nosed fashion.