Dangerously Irrelevant

The world is spiky

[cross-posted at the TechLearning blog]

I'm working my way through Dr. Richard Florida's new book, <u>Who's Your City?</u> Many of you may be familiar with Dr. Florida's previous books, <u>The Rise of the Creative Class</u> and <u>The Flight of the Creative Class</u>. I typically recommend one or both (along with some other texts) to school leaders who wish to learn more about global workforce changes.

Dr. Florida notes that the world isn't as '<u>flat</u>' as we have been led to believe. Instead, the world is rather spiky. As he describes in his opening chapter (and in his excellent <u>article in The Atlantic Monthly</u>), half of the world's population now lives in urban areas, up from about 3 percent two hundred years ago. Indeed, in industrialized countries, this percentage is around 75%, not 50%. This is societal shift on a massive scale.

So what? Why does it matter that the world is spiky rather than flat? Well, as Florida describes, often it actually does matter where you live (unlike what Friedman sometimes says in <u>The World Is Flat</u>). For example, we are seeing the emergence of 'mega-regions,' areas like the <u>Boston-New York-Washington, DC corridor</u> or the <u>Amsterdam-Antwerp-Brussel region</u> that not only are the 'powerhouses behind national economies; they're behind the global economy as well' (p. 24). There are only a couple of dozen 'places worldwide that generate significant innovation.

global economy as well' (p. 24). There are only a couple of dozen 'places worldwide that generate significant innovation. These regions have ecosystems of leading-edge universities, high-powered companies, flexible labor markets, and venture capital that are attuned to the demands of commercial innovation' (p. 27).

As Florida notes ...

Creative people cluster not simply because they like to be around one another or prefer cosmopolitan centers with lots of amenities (though both things tend to be true). They cluster because density brings such powerful productivity advantages, economies of scale, and knowledge spillovers. Four kinds of places make up the landscape of our spiky world: first, the tallest spikes that attract global talent, generate knowledge, and produce the lion's share of global innovation. Second are the emerging peaks that use established ideas, often imported, to produce goods and services. Some of these cities, such as Dublin and Seoul, are transitioning into places that generate innovation, but most, from Guadalajara to Shanghai, function primarily as the manufacturing and service centers of the 21st-century global economy. The two remaining types of places are being left behind: third-world megacities distinguished by large-scale "global slums," with high levels of social and political unrest and little meaningful economic activity; and the huge valleys of the spiky world, rural areas with little concentration of population or economic activity. The main difference between now and a couple of decades ago is that the economic and social distance between the peaks has gotten smaller. People in spiky places are often more connected to one another, even from half a world away, than they are to people in their own backyards.

We have to note the clustering effects of the global economy (the 'centrifugal force'), not just the spread (the 'centripetal force'). Florida says in his new book that 'the reality is that globalization has two sides. The first and more obvious one is the geographic spread of routine economic functions such as simple manufacturing or service work (for example, making or answering telephone calls). The second, less obvious side to globalization is the tendency for higher-level economic activities such as innovation, design, finance, and media to cluster in a relatively small number of locations' (p. 19).

I just moved to Ames, Iowa. The state capital, Des Moines, is a small creative center just 25 minutes away. Given his methodology, I'm guessing that Ames and Iowa State University are included in Dr. Florida's statistics on the Des Moines region. Of all medium-sized U.S. regions (0.5 to 1 million people), Dr. Florida ranks Des Moines as the #1 'Best Buy' region for families with children and #2 for professionals age 29–44. That's cool for me and my family and my professional colleagues. But the reality is that we're surrounded by fields. Over 90% of the state is corn or soybean fields (or hog farms).

So what do I tell the rural school leaders with whom I'll be working? They're already in communities that are struggling to

survive. Do I tell them that, because they live in Florida's 'huge valleys,' that their schools and communities are basically doomed? Or is there a way for them to still be economically productive and viable?

Email this • Add to del.icio.us • Digg This!

Posted by Scott McLeod on March 12, 2008 in International | Permalink

<u>Technorati Tags</u>: <u>administration</u>, <u>administrators</u>, <u>Ames</u>, <u>Amsterdam</u>, <u>Antwerp</u>, <u>Atlantic Monthly</u>, <u>Boston</u>, <u>Brussel</u>, <u>cosmopolitan</u>, <u>creativeclass</u>, <u>Des Moines</u>, <u>economy</u>, <u>education</u>, <u>educationaladministration</u>, <u>educationalleadership</u>, <u>Florida</u>, <u>Friedman</u>, <u>global</u>, <u>globalization</u>, <u>iowastate</u>, <u>ISU</u>, <u>leaders</u>, <u>leadership</u>, <u>McLeod</u>, <u>New York</u>, <u>principals</u>, <u>schools</u>, <u>scottmcleod</u>, <u>superintendents</u>, <u>talent</u>, <u>TechLearning</u>, <u>technology</u>, <u>technologyleadership</u>, <u>Washington</u>, <u>workforce</u>, <u>worldisflat</u>

TrackBack

TrackBack URL for this entry: http://www.typepad.com/t/trackback/1040165/27029034 Listed below are links to weblogs that reference <u>The world is spiky</u>:

Comments

Scott,

Yes, reading Florida's report on spikyness makes me wonder and ponder a number of similar questions. I think that Friedman is countering this argument - giving case examples of how individuals are competing in rural areas on a global level. As he puts it people come up to him all the time and say, let me show you what I am doing. I don't know for certain, but I think he would argue that these type of individual innovations are not showing up in the traditional statistics - what are your thoughts on this?

Posted by: James Folkestad | March 12, 2008 at 10:32 AM

Sure, there are individual success stories. But how do you save these small COMMUNITIES?

Posted by: Scott McLeod | March 12, 2008 at 10:48 AM

Yes, the examples are very unsustainable at the individual or community level. Many of the examples are a "one egg in one basket" type of innovations. If that innovation is taken away by another, end of game.

Posted by: James Folkestad | March 12, 2008 at 11:12 AM Scott,

This is very interesting. Freidman's book, "The world is flat" really moved me when I read it and Florida's books are good as well. The "spiky" phenomenon you site is very interesting indeed. Your example of Des Moines, IA as a #1 small city and the rural delema. Speaking from personal experience, I grew up in a smaller market (Madison, WI area) and currently live in the Twin Cities, MN. I have found myself craving to move to a smaller city/community, but I am constantly fighting the ecomonics and draw of a larger city: Minneapolis/St. Paul area.

Am I experiencing the "draw" or "pull" to creative centers? Or do I realize that I cannot "afford" to relocate?

Plus, on that note, this seems very similar to what has been experienced for generations, not a new phenomenon...people are always drawn to the city. Now there are more people and more are educated?

BTW: The farmers in rural Iowa should be in pretty good shape with \$5/bushel corn and soybeans at all time highs...maybe farming should be making a comeback. :-)

Thanks for the great post.

Posted by: Erik Hanson | March 12, 2008 at 12:50 PM

Scott, I can see where you might have some angst over what to tell leaders in small communities.

I live in a state that looks a lot like Iowa with many small rural towns, and a few larger metropolitan areas.

The question comes down to why schools exist in the small rural communities. If the answer is to help save the local economy, then doom might imminent. Aging populations, loss of manufacturing jobs (usually the staple of business in small towns) are all going to continue to decline - no matter how great the school system is.

If the answer is that the schools exist, in part, to provide hope that its graduates will be well-versed in the skills necessary to select a career path which could lead them to do what they want to do and wherever they choose do do it; I think there is still a great need for

that school system.

When all else around us seems bleak, and it can in the small rural communities, is there no greater feeling than hope?

Posted by: Joel | March 12, 2008 at 12:54 PM

Scott,

What the spiky analogy leaves out is the virtual "reach" of all those spikes. Anyone, anywhere can be a "resident" of such a creative megalopolis, though making the initial contact may be the biggest challenge. If the rural schools can share the vision of an extended "reach" of these "centers," the local economy can still survive. For example, I live about two hours away from Washington D.C., in the land of cows, migrant workers, and Mennonite farmers. I can support the local produce stand and car repair shop while I work on international web projects and "report" to an office about two hours from here. Yes, I had to have the contact for them to know and hire me, but maybe that should be part of the coming-of-age process: go to the big city and form your network. Actually, I never did. I just taught in the local schools for over 20 years and made connections through "intellectual" means. Perhaps rural real estate can be a new form of "intellectual property" in the valleys, connected by networks to those spiky centers. The rural schools just need to "see" the possibilities. Community takes on a new meaning when it can be connected to the spikes without the geography. And bringing the income back into the valley is a healthy benefit.

Posted by: Candace Hackett Shively | March 13, 2008 at 02:24 PM

Wow, quite the different level of participation from the cell phone videos. Actually, I am a bit surprised. These ideas are quite interesting and lead to very powerful movements in our world.

This concept lead me to a website my brother showed me regarding the "global" economy.

I believe this website offers some insight into our modern "spikyness":

http://www.storyofstuff.com/

It is about 20 minutes and definitely worth the watch. It would be excellent for most audiences.

Posted by: Erik Hanson | March 14, 2008 at 09:39 AM

I too agree that it is an interesting argument. In India, 600 million people are still dependent on agriculture and living in rural towns and villages, not in cities and metros. And those are the people who have been left out of the fold of Globalization's "progress" and "development". And this in the country touted by Friedman as being a globalization success story. People are migrating to the cities all the time, all over the world, because the "development" doesnt happen in the small towns, it is absolutely skewed, to say the least. So, when these areas are neglected in terms of infrastructure, employment and funds to prop up the local economies, it is but natural for people to migrate in search of jobs for means of livihood to urban centers.

I would like you to go thro' Ted Koppel's interview of Friedman and Joseph Stiglitz, who ofcourse doesnt find a mention in Friedman's book.

 $http://select.nytimes.com/2006/04/25/opinion/25 friedman-transcript.html?_r=1\&pagewanted=all\&oref=sloginality and the select straight st$

Two books to read, which offer a counterperspective to Friedman's "The World is Flat."

The Harvard Professor, Pankaj Ghemawat's latest book, "Redefining Global Strategy," is more academically inclined. I read an article of his published in the journal, "Foreign Policy", where he argues that the world is, at best, only semi-globalized. His argument being that Cultural, Administrative, Geographic and Economic aspects of a nation come in the way of total globalization from taking place and cites examples of the same.

The other small, but interesting book, is by Aronica and Ramdoo, "The World is Flat? A Critical Analysis of Thomas Friedman's New York Times Bestseller." It is a small book compared to the 600 page tome by Friedman, and aimed at the common man and students alike. As popular as the book may be, some reviewers assert that by what it leaves out, Friedman's book is dangerous. The authors point to the fact that there isn't a single table or data footnote in Friedman's entire book. "Globalization is the greatest reorganization of the world since the Industrial Revolution," says Aronica. Aronica and Ramdoo conclude by listing over twenty action items that point the way forward, and they provide a comprehensive, yet concise, framework for understanding the critical issues of globalization.

You may want to see www.mkpress.com/flat and watch www.mkpress.com/flatoverview.html for an interesting counterperspective on Friedman's "The World is Flat".

Also a really interesting 6 min wake-up call: Shift Happens! www.mkpress.com/ShiftExtreme.html

There is also a companion book listed: Extreme Competition: Innovation and the Great 21st Century Business Reformation www.mkpress.com/extreme

http://www.mkpress.com/Extreme11minWMV.html

Posted by: concerned citizen | March 14, 2008 at 10:06 AM

On farmers in rural areas: \$5 corn and \$12 beans may seem impressive but remember the following dollar and larger input costs eat up much of that spread. The two things the U.S. does better than everyone else is post secondary education and agriculture. Just the former CBOT pit trader in me bemoaning corn and bean prices.

Posted by: Charlie A. Roy | March 14, 2008 at 07:10 PM

The manufacturing guys over at Evolving Excellence have an interesting perspective on globalization and manufacturing, using an example of how it impacts small cottage industries in the hill towns of Tuscany, Italy.

http://www.evolvingexcellence.com/blog/2008/03/globalization-a.html

Ken

Posted by: Ken | March 15, 2008 at 08:05 PM