



## Best Places For Business

# You Are Where You Live

[Kurt Badenhausen](#), 03.25.09, 07:45 PM EDT

**A conversation with Richard Florida about the importance of place and how the recession will reshape America's cities.**



The current recession is causing regional economic shifts that will affect our country's prosperity for decades to come. The regions that are poised to succeed are those with high levels of human capital.

One of the leaders in studying demographic trends is Richard Florida, director of the University of Toronto's Martin Prosperity Institute. His books *The Rise of the Creative Class* and *Who's Your City* explore changes in urban development. Florida recently answered some questions for Forbes about his work.

**Forbes:** With so many people working remotely, some people think where you live is not as important as it once was. But in your latest book, *Who's Your City*, you argue that where you live is more important than ever. Why is that?

**Richard Florida:** The place we choose to live is the single most important decision we make. It has a profound impact on the jobs we have access to, our career path, our social network, lifestyle choice and, ultimately, the wealth we accumulate, as well as our overall happiness.

**How does the current economy affect your ideas about the creative class and how they influence economic development?**

The current economic decline will impact the way we approach economic and community development in the future. As I explained in *Who's Your City*, economic activity is concentrating in a select group of mega-regions, which are new and incredibly powerful economic mega-regions.

Worldwide there are just 40 significant mega-regions, which are home to one-fifth of the world's population, two-thirds of the global economic output and 85% of all worldwide innovation. To compete in a rapidly changing global economy, and more so now because of the economic downturn, communities have to think more broadly about their connectivity.

Rather than viewing themselves as a single economic unit, they must strengthen their link to their respective mega-region; it is crucial for long-term success.

### **What are the benefits of the creative class?**

Creative talent is the driving force for future economic growth and prosperity. To compete and prosper in the new global economy, we have to continue to expand and foster creativity in the global economy. This extends beyond the creative class. As I wrote in *The Rise of the Creative Class* and emphasized in *Who's Your City*, we have to tap into the creative talents of every single human being.

Only a third of the world's workforce work in occupations where they are expected and paid to use even a modicum of their creativity. The great challenge for us is to expand the structures of the creative economy to harness the creativity of much larger segments of the workforce in the service and manufacturing sectors alike. We are all creative beings and have the potential to contribute to the creative economy.

### **What are the cities that right now are best primed for growth or economic development?**

Just as I explained in my *Atlantic Monthly* [piece](#), regions and communities that have built creative economies will recover from the economic downturn faster than those who have not. As the economy recovers, we will see an even greater concentration of creative talent. Regions and communities that successfully compete for creative talent and positive economic growth will be those that provide creative works with a complete authentic community--a good job market/economy, thick amenities (restaurants, arts, parks, etc.), appealing aesthetics, safe neighborhoods, viable public transportation or connectivity, etc.

### **What should people be looking for in a city?**

The thing to remember is that when it comes to place, like most other important things in life, we can't have it all. There are real trade-offs to be made. Many, if not most, people who move for their careers will give up the joy of being near family and lifelong friends.

Those of us who choose to stay close to family and friends may give up economic opportunity. It's important to determine what's important to you and your lifestyle.