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Richard Florida

Making Inclusion the Agenda

Urbanist **Richard Florida** popularised the idea that the creativity economy spurs urban regeneration with his 2002 book *The Rise of the Creative Class*. Fifteen years later, creative cities have revived but are plagued with inequality. He tells Dinesh Naidu about his new book, *The New Urban Crisis*, and how cities can spread the benefits for inclusive urbanism.

How does your latest book, *The New Urban Crisis*, describe how cities should approach urban rejuvenation compared to your previous book?

The Rise of the Creative Class was written in the late 1990s when cities were still down. I was very interested in the movement of the creative class—the scientists, entrepreneurs, business professionals, management professionals, knowledge workers and creatives—back to the city. I believed, and still do, that urban revival is a good thing.

But what has happened is that a back-tothe-city movement has accelerated and brought with it new and powerful divides. I call this "winner-takes-all urbanism". Superstar cities like London, Singapore, Hong Kong, Paris, New York, Los Angeles and San Francisco have attracted more and more talent from their own nations and the world. But cities elsewhere are struggling. Winner-takes-all urbanism is fractal—it occurs at every scale, between cities across the world and even within the winner cities.

The benefits of this urban revival have been very uneven. The creative class has done very well. But falling further and further behind is the old, blue-collar manufacturing class, in particular the lower-wage service workers who are 45% of the American workforce. We have to make sure to spread the benefits. It's time to move from winner-takes-all urbanism to urbanism for all, which is fairer and more inclusive.

How can cities address this winner-takes-all urbanism?

I've learnt that there isn't going to be a lot of federal help. Cities have to go at it alone. That's a big shift because some people expect a national strategy. But increasingly around the world, certainly in the West, you're going to see very little of it.

Over the last 10 to 15 years, urban experts like Michael Porter, Bruce Katz, Edward Glaeser and myself have argued that cities have to work on their economic clusters, talent, quality of place and creativity. We gave them tools—cluster analysis, occupational cluster analysis, vibrancy analysis—to do that. The next phase has to be making people aware of the need for inclusion, developing a compelling narrative to connect equity to economic development, as well as developing the tools and techniques for more inclusionary urban development. These are what my team and I are doing now.

What are some of the specific ideas and actions for cities to address this need for inclusion?

Economic development and equity, growth and re-distribution are all part of the same thing. Now, with this great inequality and segregation, we have to make inclusion part of the economic development agenda.

Everyone wants to cram themselves into the city. We need to build more and taller, especially where land is scarce. But we don't want to create just condominium canyons and vertical suburbs. We want to maintain our historic neighbourhoods and buildings, which are in such short supply. It is not simply physical density that matters but the activation of street life in the clash and clamour out in the streets. That's also an important part of what cities do.

We have to recommit to building affordable workforce housing. This obligation is not just on the public sector, university-based anchor organisations, medical centres and real estate developers. Tech companies should also help. If Amazon is the largest employer in Seattle and if Google is building megaplexes in London, they should do their share.

We also need transit. The United States and Canada have especially fallen behind here. We need to connect suburbs to urban areas with high-speed rail to increase the functional labour markets and the functional talent markets. That's just a no-brainer.

Most importantly, there needs to be a massive effort to upgrade service jobs. The fundamental problem in today's capitalism is the divide between high-wage knowledge workers and low-wage service workers, with the manufacturing middle falling apart. We've to make service jobs higher paying. We need higher minimum wages and a bigger wage floor. The most successful service companies with higher productivity and profits are the ones that pay workers more and involve them in work teams, lean strategies, quality improvement, customer service improvement and innovative use of their space.



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How do you tell the difference between good and bad density?

The late urbanist Jane Jacobs said it best: "Density in the absence of a pedestrian scale can be a very dangerous thing." The streetscape has to be attractive and offer an incentive for people to get out and about. I worry about neighbourhoods in Manhattan filled with empty towers that people don't live in. When a neighbourhood gets deadened like that, the creative and innovative impetus just moves away.

Neighbourhoods in very scarce supply are mixed-use industrial ones like Soho [in New York]—we don't want to tear them down and put up new towers. David Lewis, an urban design professor at Carnegie Mellon University, said: "If you get the street right, it doesn't matter how tall the stuff goes up around the street." So you can build up if there's dynamism in the streetscape, with restaurants or bars or cafes or creative activities. Too many urban economists are saying the answer is more density. It's not just density. It's density plus. Design really matters too: the design of the urban fabric, the mixture of uses and the use of public spaces. These spaces and uses don't have to be big. They can be pocket parks or activities.

What is inclusionary prosperity, and how can cities work with the private sector to address this?

We talk about inclusionary zoning, which requires developers to incorporate affordable or social housing into their developments, but that's just a first step. We need a bigger template and set of tools. We need to move to a much bigger and better conversation about what I call "inclusionary prosperity".

It's got to be more about getting urban anchor institutions to trade the ability to develop for a real commitment to the community.

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You can make that flexible and say to the companies: "You could do affordable housing or workforce upgrading. But if you don't do anything, you just pay more taxes. We will not allow you to just develop luxury towers or a high-tech innovation district for the wealthy and the skilled. You have to give something back to the city. You can orient your tenant selection to those who provide better jobs, community engagement and community prosperity."

We really have to put pressure on the anchor institutions. We have to tell them: "You're one of the largest companies by valuation in the world. We need your help with affordable housing and job upgrading. Do this for your service workers."

The private sector had better wake up because people are mad! This was what happened with the New Deal, a set of programmes enacted in the 1930s to deal with the Great Depression. The private sector realised: "Manufacturing workers are striking. They are forming alternative political parties. We have to pay them better."

But I think this has to be done at the local level. There's very little national support for this in the United States, which is divided across geographical lines. The mayors have to work to address this. There is a rise of a new breed of progressive mayors like Sadiq Khan, Anne Hidalgo, Bill de Blasio and Eric Garcetti, the mayors of London, Paris, New York and Los Angeles respectively. They are developing policies and approaches for more inclusive cities.

⁰¹ New York's Soho, known for its mixed-use buildings and active street life.

⁰² Pocket parks such as the Paley Park in New York City provide welcome respite to the urban jungle and draw people to the streets.



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What about the divide within cities? Is there an optimal mix of high- and low-income people?

Cities have always been where entrepreneurs and ambitious people flock to. They have also long attracted the unskilled who are looking for a better life. But now, we have lost the middle class and the middle class neighbourhoods that were once the platforms for upward mobility. Back in the 1970s, about threequarters of Americans lived in middle class neighbourhoods. Now, less than 40% do. So we need to do more. At some point you have to tax people at the top proportionately more and make sure people don't get trapped at the bottom. It goes back to how you create a middle class and that's what my new book is about. It's not only the decline of the middle class that's pressing, but the decline of the middle-class neighbourhoods and how we rebuild those.

In Canada, my rich friends complain about taxes but they say: "We pay taxes to live in a civilised city with good healthcare and education". So taxes are payment for an organised society. Higher taxes don't seem to dampen the creative spirit. In my research, I've looked at the connection between creativity, innovation and inequality. Across countries, the correlation is between innovation and more equity. I think in Canada and the northern European societies, they have got it just about right.

You advocate the inclusion of the socially marginalised, but some dismiss this as elitist. The political focus is also shifting to the economically marginalised. What's your response?

The core of a diverse and inclusive society is treating everyone with dignity and respect. That includes historicallymarginalised groups like the gay and



lesbian community and immigrants. Every human being is creative. The real task of a truly creative society is to harness everyone's creative energies. I have no doubt that our economic growth is powered by creative knowledge and the innovative economy. So we can't take our foot off the gas. We just have to extend the inclusion to include the economically marginalised. In the US, the multi-ethnic, multi-racial, largely female-headed and precarious group called the service class needs help.

Will we see the abandonment of cities that are doing badly or can they manage their way out?

I think the latter. I don't think we can just write places off. Many people can't move, not just for economic reasons but for social reasons like their community or family ties. There are many people who love their community and want to stay and make it better. They should have that option. So we have to give every community the tools to try, even if it is to manage decline effectively. We have to give them the maximum leverage to rebuild and then support them. Even within Detroit, with whole parts of the city vacant, there are other parts that are thriving—a little piece of downtown in the older suburbs along the old rail lines. So you never know what will come back. Often times, we rip down the old too quickly. O

⁰¹ Richard Florida is a strong proponent of rebuilding the middle class to regenerate cities inclusively.

⁰² In Detroit, places such as Midtown have been experiencing growth.