By Pauline Armbrust

## Richard Florida,

Thought Leader Author, And Founder Of The Creative Class



As a country, the United States primed to elevate its living standards and build long-term economic stability, but only if it can fully tap the creative talents of its people, according to Richard Florida, author of the best-selling book "The Rise of the Creative Class." He christened the term "creative class," which is comprised of scientists, engineers, artists, musicians, designers and knowledge-based professionals, because they are a huge portion of the country's work force and a vital economic powerhouse. He theorizes that human creativity is the ultimate economic resource, and harnessing and cultivating it is essential to the prosperity of any business, city, community or country as a whole.

Florida points to the three Ts of economic development – technology, talent and tolerance – as necessary to attract creative people who in turn generate innovation and stimulate economic growth. A place must have all three Ts in order to achieve sustained economic prosperity. He cites microcosms of his theory in cities such as Providence, Austin, Pittsburgh, Boulder and San Francisco. He says they have nurtured the three Ts and gained a long-term economic edge as a result.

Florida is considered one of the world's leading public intellectuals. Esquire Magazine recently named him one of the Best and Brightest in America. His books have received wide acclaim, with "The Rise of the Creative Class" winning Washington

Monthly's Political Book Award. The book was also cited as a major breakthrough idea by the Harvard Business Review. His new book – "Who's Your City?" – has been a national and international best seller, as well as Amazon Book of the Month.

Florida will be a featured keynote speaker at the upcoming ARN conference in Orlando (2009conference.airportrevenuenews.com).

In the following interview, he explains in greater detail the basis of his theory and why it is so important for businesses to better understand this growing and powerful demographic force.

Armbrust: Please explain why the rise of the creative class has transformed our work environment and everyday living.

Florida: I was looking at the changes in the way we work, the way we commute, the way we live. In describing those changes over the past decade, I discovered that there is a group of 40 million Americans who work with our minds. They are scientists, technology people, innovators, the Bill Gateses, the Steve Jobses, the video game people - but it's also people who work in media, entertainment, arts and culture, and then the traditional professions like law, healthcare, finance and so on. Add all those people up and that's about onethird of the work force. One hundred years ago, this group was less than 5% of the work force; most people worked in factories or on farms, now they're 33% of the work force, bigger than the working class or the manufacturing working class.

We were able to estimate the amount of wages this group gets, and what we found is if you take the U.S. economy and divide it into three slices - manufacturing, service and the creative work - the creative class accounts for half of all wages and salaries paid in the United States, and about three quarters of all the discretionary purchasing power. Even in the wake of a recession, like we're in now, creative class people fare better; they get much less unemployment than, say, people who work in a factory. But also, we're still expecting most of our job growth, even as manufacturing may decline, over the next decade to grow to about 10 million new creative class jobs. So it really is the growth force in our economy. Importantly, it is a group that lives differently, works differently and is very mobile.

Armbrust: You talk about how understanding the creative class is strategic business. Can you explain what you mean by this?

Florida: If you don't understand the creative class, whether you're a business or a community, you are not going to grow. They're a fickle bunch and what's interesting is everyone is going to be buying and consuming differently. Maybe we all like a different musical act, but we all buy digital downloads, and we all buy CD's, and we all consume a very similar amount of cars and fashion. You can see how clearly the creative class is a fairly diverse yet similar group; they like arts and culture, they like to think critically and it's a big consuming group. Just like the working class bought all those products back in the 'keeping up with the Joneses' era in the '50 s and '60s, the creative class marches to the beat of its own drummer. If you're going to compete and win, whether you're a city, an airline, an airport or a community, you've got to understand the creative class because they are 50% of the

wages and salaries, and three quarters of the purchasing power.

Armbrust: Airports are really small cities. They have their own banks, police force, fire departments, etc. What advice could you give to them to enhance their quality of service and, consequently, their prosperity?

Florida: If you think about the biggest investment a community makes in its future, it is the airport. It is bigger than its stadiums, bigger than its convention centers, bigger than anything. Understanding that the airport is one of the most strategic decisions a community can make for its future is critical. The airport has to be seen in the broad development of a creative economic strategy.

One of the things we should think about for the future is leveraging that asset with more creative development – making it better, promoting it more. Within the airport is a place where travelers have to recharge, and understanding what the creative class traveler consumer needs to unwind, get food, make their next flight, is critical. Whether that group is flying on business or for pleasure, making sure they can get from point to point seamlessly is key, that they have all the advice they need, that they can get things where they need them and making sure that what's

for sale in the airport meets the needs of this group is really key.

I flew into the Austin Airport and what struck me about my experience there was they had live music playing in the airport. And that live music was all Austin-based bands. When I met the fellow who actually runs the music development department for the mayor, he said, 'It's one of the things we do to showcase our musicians and create energy in the airport.' Then I noticed there was a lot of Austin-based providers, whether it was the bookstore or other vendors.

One of the things airports could do to harness the creative class' kind of mentality is create an authentic experience which leaves the person knowing where they are. There are many that do this but the Austin airport has done a fabulous job of it. It just touched me as a way to make the airport in some way less anonymous and more personable. When I talk about cities and how they grow, I talk about the soul of the city. Finding that soul of a city, its sound, a signature, the way it looks, the way it feels — I also think it is important for the airport to convey that soul of a city.

Armbrust: In one of your books, you talk about how our country represses creativity

and chases a lot of smart, creative people to other countries. What are some of the reasons why this is the case?

Florida: I'm hoping this period is over. What I say in my book 'Flight Of The Creative Class' is that the key to growth and development is to harness the creative energy in people. With the notion of an American dream for everyone, people from all over the world can come here. I was worried after 9/11 that we were restricting this, and in fact were not letting as many talented people in. I was heartened to see over the past year, we finally rebounded in admitting foreign-born college and university students. So hopefully the worst of that is over.

In the future, especially as the competition for talented people increases, it's really important in the United States that we become a place that's open to the best and brightest to really help grow our economy. One thing I will say is that some of our institutions, like some of our schools, could be much more energizing and creativity-enhancing. Figuring out how to turn our educational institutions from sometimes squelching kids' creativity to enhancing it would be a big step forward.

Armbrust: You have studied so many different cities and their levels of the three Ts: tolerance, talent and technology. If you could take one city to use as a foundation for implementing all of your best practices, which city would it be, and how would you begin the process?

Florida: What I wrote in 'Rise Of The Creative Class' is there is no one bad city. There's the best city for you. You have to find the best city for you, and that might change. When you're young and single, you might want an urban city like New York or Los Angeles. When you have kids, you might want a suburb and go to a smaller city. When you're an empty nester, you might want to go to a third place – whether that's fun in the sun or more urban and move back downtown from the suburbs.

When I really think about this, Austin would capture it very well. It was a sleepy, college, government town. What it developed organically, not by government plan, was a very interesting music scene. At the same time, it was politically active. People were caring about the environment and keeping the streams clean. Meanwhile, it had this high-tech thing going on, with software and semi-conductor companies. Obviously it has a great university with a college-town vibe. It shows how the creative class is not just different, we're all



the same. We all want very similar things: We want to be able to express ourselves, do what we love, make a difference, compete on our own terms, build our businesses, do work that has meaning. We want not only money, but intrinsic reward. Austin exemplifies that transformative process.

To be a competitive city, you have to have all three Ts and the places that do that, whether that's San Francisco, or even Washington, D.C., or Austin, or Boulder, Colo., those are the places that have a long-run economic edge. The cities and regions that have done the best during a recession have been the ones that have the most of the creative class. The cities that have been hit hardest, have been the ones with the least.

Armbrust: Today's economic crisis is partly due to some very creative financial instruments. Is there such a thing as good and bad creativity, and if so, how would you delineate between the two?

Florida: What happens in an economy is too many people stop building. Creative people want to build, they want to make a difference, to do meaningful work, to create technology, make music, change the world. What happened is we got too caught up in this trading and after 2001, not just 9/11,

but when that dot.com bubble burst, all of that money we were plowing into technology got channeled into real estate. It went backwards instead of moving and building the industries into the future. It went to a safe haven and we massively over-inflated the real estate bubble.

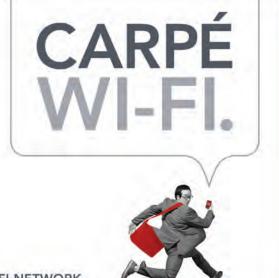
What's cool about America and the market is it is a self-regulating system. When there's too much of what you call 'bad creativity' or too much of this moving money around, the chickens come home to roost. As painful as it is – and what is happening now is terribly painful – I think in the long run it had to happen and I think we're going to be better for it. Looking closely at cities like New York and London, big cities that have over-inflated real estate where only rich people and globe trotters could live there, now the real estate prices are going to come back in line a little bit more. We shouldn't have an economy where only investment bankers and hedge fund managers can buy all the great property. We should have an economy where a working-class guy, like my dad, could buy a second home in a little beach town.

In the long run, this situation will bring the economy back into line. As much as this is

a difficult time, it forces us to really think about where our real economy and its growth is going to come from. It will not come from moving money around and circulating capital at high speeds. It will come from digging down deep and harnessing the creative effort of our companies, people and communities. That's the only real true capital we have and we're going to see that more and more.

For the future, it means we still have to think about public money for fiscal stimulus, and that might be good for airports. We need to build infrastructure projects of the new creative economy. We think too much about pumping money into rebuilding the old infrastructure. What could be good for airports and air travel is building the infrastructure of the future. And that's hard to see, but we can take steps in that direction.

We are not going to stay in a recession forever. We're going to come out of this on the other side. We are going to be able to see the building of something very new and different. And because the economic logic will force us to be better, at the end of the day, when we get through this period, it is going to be an exciting time to be a part of.



INTRODUCING BOINGO. THE WORLD'S MOST POWERFUL WI-FI NETWORK.

Now the same high-speed broadband network that keeps passengers connected on the road can power your business at the airport. Whether you need basic Internet connectivity or complex WLAN/VLAN solutions, Boingo is the answer. Put the power of Boingo to work for you!

Eric Isherwood • Director of Vertical Marketing, Airports • 312-521-7217



AUS \* AZO \* BIL \* BNA \* BUF \* BWI \* BZN \* DCA \* DSM \* DTW \* ELP \* EWR \* GSO \* HOU \* IAD \* IAH \* JAC \* JFK \* JNU \* LGA \* MDW \* MEM \* MKE \* MOB MRY \* MSP \* OKC \* ORD \* PHF \* PWM \* SBN \* SDF \* SJU \* STL \* TOL \* TVC \* UNV \* YEG \* YHM \* YOW \* YQG \* YQQ \* YQR \* YQT \* YUL \* YYJ \* YYX \* YXX