### creative class

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# outline

paper

creative class

criticism (Peck, 2005)

how can creativity be fostered (p.743 Peck, 2005)

Recasting the creative class (McGranahan and Wojan, 2007)

- Berger, P. and T. Luckman (1966): The Social Construction of Reality: A Treatise in the Sociology of Knowledge, Garden City, NY: Doubleday.
- Brynjolfsson, E. and A. McAfee (2014): The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies, WW Norton & Company, New York NY.
- CHRISTENSEN, C. (1997): The innovator's dilemma: When new technologies cause great firms to fail, Harvard Business Review Press.
- (2014): "Where Does the Creative Class Move?"(2017): The New Urban Crisis: How Our Cities Are Increasing Inequality, Deepening

FLORIDA, R. (2009): "How the crash will reshape America," Atlantic Cities.

Коткін, Ј. (2013): .

- Segregation, and Failing the Middle Class and What We Can Do About It, Hachette UK. Jacobs, J. ([1961] 1993): The death and life of great American cities, Random House, New York
- NY.

  KAUFMAN, J. C. AND R. A. BEGHETTO (2009): "Beyond big and little: The four c model of creativity." Review of General Psychology, 13, 1.
- McGranahan, D. and T. Wojan (2007): "Recasting the creative class to examine growth processes in rural and urban counties," Regional studies, 41, 197–216.

NATEMEYER, W. AND J. McMAHON (2001): Classics of organizational behavior, Waveland Pr Inc.

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PECK, J. (2005): "Struggling with the creative class," International journal of urban and regional research, 29, 740-770.

SILVIA, P., B. WIGERT, R. REITER-PALMON, AND J. KAUFMAN (2012): "Assessing creativity with self-report scales: A review and empirical evaluation." Psychology of Aesthetics, Creativity, and the Arts, 6, 19-34.

SILVIA, P. J., E. C. NUSBAUM, C. BERG, C. MARTIN, AND A. OÂCONNOR (2009): "Openness to experience, plasticity, and creativity: Exploring lower-order, high-order, and interactive effects," Journal of Research in Personality, 43, 1087–1090.

ZUKIN, S. (2009): Naked city: The death and life of authentic urban places, Oxford University Press,

New York NY.

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#### necessary readings

- Peck (2005)—both a good overview of creative class and criticism of it
- ounnecessary, but interesting: https://sites.google.com/
  site/adamokuliczkozaryn/pubs/rel\_inn.pdf

### <u>outline</u>

#### paper

creative clas

criticism (Peck, 2005

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how can creativity be fostered (p.743 Peck, 2005)

paper

#### old ps3 comments

- ♦ good ideas, but not sure if always possible
- · too broad, too complicated
- · difficult to get data
- ♦ be clear about your U/A !!
- ·what is it that you study? counties? people? etc
- are your data representative?
- owhat is your method? regression? etc
- be specific, what does it mean low, high, many??

paper 7/56

### let's discuss paper

- paper is due in a month
- how's the progress?
- any questions?
- what are the biggest challenges?
- ·what doesn't go well?
- owhat goes well?
- ♦ I guess I am a "quant", but open-minded: any approach is fine

paper 8/56

### clarity, simplicity, conciseness I am a big fan of clarity and conciseness ⋄I even wrote a paper about it

♦ http://dppa.camden.rutgers.edu/files/2012/11/

Okulicz-Kozaryn-paper.pdf social science prose is most unclear and cluttered

why? why can't we write with simplicity and clarity of

natural science why do we think that using fancy words makes us any more

scientific?

most social science articles are dull, boring,

headache-conducive

the only reason to write in such pompous style is that

paniournals seem to like it...

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#### be lively

- your paper should read like an engaging story
- · not like a phonebook or Stata manual
- ·it should be interesting, engaging, not only informative
- · again be brief we have too much information clutter these days

paper 10/56

#### the "so what?" question

- ♦ as your read your paper, ask yourself "so what?"
- ♦ if it is not not important for your argument drop it
- · avoid padding
- be clear and to the point
- •what is your contribution?
- there has to be some, otherwise what's the point?
- · be clear about it

paper 11/56

#### use concepts from class

- ♦ to get an A you have to use some concepts from the class
- ·the more the better...
- · any concepts, whether in slides or in the reading list...
- or indeed any concepts, not even covered in class
- · of course as long are related to broadly uinderstood development

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## <u>outline</u>

paper

creative class

how can creativity be fostered (p.743 Peck, 2005) criticism (Peck, 2005)

Recasting the creative class (McGranahan and Wojan, 2007)

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#### a disciplianry sidenote creativity is a pscyhological concept

- ♦ for instance see psychologists Silvia et al. (2012, 2009), Kaufman and Beghetto (2009)
- ♦ Kaufman and Beghetto (2009) is a typology of creativity:
- · Big-C (Darwin, Einstein, etc)
- · Pro-C (professional; eg video game designers) ·everyday, small-c (eg navigating traffic, parking, brushing
- teeth while showering, listening to lectures at higher speed)
- ♦ business scholars study it; landmark Christensen (1997) and curiously, there is an urban/regional/policy/adm

scholar studying it and making lots of noise: Richard

Florida 14/56

creative class

#### creativity v innovation

- innovation includes some materialization/implementation
- creativity is mostly in your head,
- · and based on social relations
- ♦ creativity (as everything) is socially constructed ((Berger and Luckman, 1966)
- and socially awarded—an idea is deemed creative by experts or a field
- for elaboration see my paper on religiosity and creativity referred earlier

creative class 15/56

#### Florida and criticism

- Florida's ideas have made lots of "noise"
- there is lots of talk about creative class
- yet much of the talk is negative—there's lots of criticism
- · Florida may be actually better at "selling" than producing good ideas
- · which does not contradict that he has lots of good ideas
- we'll talk about that in next section
- let's start with description of creative class

creative class 16/56

#### innovation and creativity

- oinnovation and creativity and key for progress
- ♦ they are key for economic development as well
- ♦ and especially disruptive innovation is the key (Christensen, 1997)
- then of course a question is how you come up with innovation or creativity?

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## how you come up with creativity?

- ♦ Christensen (1997) lists many insights (eg walk around, observe, make notes, connect ideas)
- $\cdot$  but a more basic idea is that to have creativity, you need to attract people who are creative to begin with
- $\cdot$  so we need to foster creativity in the place—see next section "how can creativity be fostered..."
- · (though Christensen would tell you that Creativity can be learned)
- ♦ Richard Florida coined (I think ?) term "Creative Class"

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## innovation and creativity

- there's definitely some truth in Florida's creative class
- progress depends on creativity and innovation
- ♦ and, I think, it's true now more than ever, and it'll be more true
- ♦ technology is the reason, and it's not going away!

·whatever can be automated, will be automated

- ♦ as I was arguing tirelessly in this class
- get used to it (commercial flights, cars are now tested)
   the only thing we will have left is human creativity
- · and the only jobs left will be creative ones

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#### innovation and creativity

- recently, i attended a talk given by a business person
- he claimed that these days, only two things matter in business
- ⋄ innovation and marketing
- that is what matters is ability to come up with a new product
- ♦ and ability to sell a product
- everything else, production, logistics, etc is secondary

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#### creativity is key!

- ♦ IBM 2010 Global CEO Study surveyed over 1,500 Chief Executive Officers from 60 countries and 33 industries
- they say: more than rigor, management discipline, integrity or even vision
- success will require creativity
- ♦http://www-03.ibm.com/press/us/en/pressrelease/
  31670.wss

creative class 21/56

#### predicting the future

- we'll have creative types that do things that computers can't do
- owe'll have more and more computers
- and we'll have, of course, some people who aren't creative
- oand the wage/prestige gap will widen between creative and not creative people due to computers in the middle

creative class 22/56

## predicting the future

- onon-creative people will have jobs that provide social capital:
- · bartenders, nurses, professors at less fancy universities
- · (highest growing job in the US recently was adjuncts)
- · not because we cannot outsource these jobs to computers
- but because humans still we be willing to pay more for human company than computer company (like talking to a computer on the phone?) http://gethuman.com/
- · but wages won't be high because there will be fewer such jobs and more competition for them

· also see Brynjolfsson and McAfee (2014)

creative class 23/56

#### what Florida got right

- the Creative Class is coming
- due to technology, the only way for humans to prosper is to get creative
- · the cause is technology; not that it is cool to be creative

creative class 24/56

#### 

- ♦ and so by making a place cool you can attract it
- but talent is not looking only for art galleries, restaurants and bike lanes
- ♦ talent looks for jobs, ideally highly paid, flexible, ect
   ♦ I'd go to Houston TX rather than Boston or Portland for
- same salary
   replace Sacramento CA for Houston or other uncool place
- ♦ and Boston/Portland are pricey (arguably for being cool)

♦ I'd rather have money in boring place—how about you?

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## Paycheck (PPP adjusted!) vs Cool Place

- And this is in fact what is happening
- · many cool people (uncool people don't move) move to uncool Sunbelt
- ♦(Sunbelt is arguably not cool)
- ·but it is cheap (good PPP), and new and nice
- ·instead 3T: Talent, Tolerance, Technology
- ♦3S: Sun, Sprawl, Suburbs
- $\diamond$ second highest patent pc is in Hays, TX (50/1m); a county between Austin, TX and San Antonio, TX (first is Sillicon Valley (52/1m))

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#### **Technology Class**

- ♦ Inspired by Florida, I just coined "Technology Class" (I googled—there was no such a thing yet)
- why Technology and not Creative Class?
- because you can be quite successful by just using technology, not inventing it; eg per Hal Varian "The most sexy job in next 10 years will be statisticians"
- statisticians mostly just use software (technology), not create it and they use it to run same and same things over and over again: regressions etc

creative class 27/56

## Technology Class

- you can be creative writing poems or writing academic papers and fail in today's economy
- you need to be creative with technology, I think, say writing software or designing things,
- eg: computational finance "quants", in fact computational anything; anything that uses technology
- · Apple, Google, Facebook, Twitter, Amazon, Oracle, etc
- · these are the winners!

only creativity with/in technology

\$ so yes, as per http://www.ted.com/talks/ken\_robinson\_says\_
schools\_kill\_creativity.html we need creativity, but perhaps

creative class 28/56

#### examples

- ⋄PHL airport in 2012 advertised Philadelphia as a cool city
- ⋄arts, nightlife, good location, diversity, dining, etc etc
- exactly as Florida would advise to do to attract creative class
- operhaps another example is Philadelphia's Mural Arts
  http://www.muralarts.org/

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## looking for authenticity or grit

- ⇒see Zukin (2009) or my book
- apparently grit or authenticity of rusting cities is attractive...
- ⋄accompanied by poverty, possibly decline and crime
- but then it gentrifies and becomes uncool filled with Starbuckes, H&Ms etc



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### Gentrification 'Without the Negative' in Columbus

- ♦http://vimeo.com/111533309
- ♦ not the rich moving in and displacing the poor,
- but poor or middle class artists moving into empty spaces
- but couple years down the road, if successfull...
- ♦ there will be Starbucks, H&M and IKEA!

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#### urban explorers

"urban explorers" specifically look for grit and coolness; eg:

♦ http://www.urbanexplorers.net/

♦ http://www.reddit.com/r/urbanexploration/

♦http://www.uer.ca/

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#### <u>outline</u>

paper

creative class

how can creativity be fostered (p.743 Peck, 2005)

criticism (Peck, 2005

how can creativity be fostered (p.743 Peck, 2005)

#### **Cultivate and reward creativity**

- "Everyone is part of the value chain of creativity.
- Creativity can happen at anytime, anywhere, and it's happening in your community right now.
- 1.12.1.1.1.7

♦ Pay attention."

- I think that's correct
- I am trying to foster creativity by being flexible on reading list with wide coverage of topics
- ♦ In exams, I grade thinking, not remembering
- For repetitive tasks use computers—they are better at that than humans

# Invest in the creative ecosystem

- "The creative ecosystem can include arts and culture, nightlife,
- the music scene, restaurants, artists and designers, innovators, entrepreneurs, affordable spaces,

♦ Yes, you can do that...♦ but a part of criticism of Florida is that above things are

lively neighborhoods, spirituality, education, density, public

- spontaneous
- ♦ NOT engineered by policy makers
  ♦ It also echoes (Jacobs, [1961] 1993); but in a sense of rather preserving than engineering good communities

spaces and third places."

# Embrace diversity

- "It gives birth to creativity, innovation and positive economic impact.
- People of different backgrounds and experiences contribute a diversity of ideas, expressions, talents and perspectives that enrich communities.
- ♦ This is how ideas flourish and build vital communities."
- ♦ Makes sense: diverse thinking should be good for creativity ♦ and so having diverse people should produce diverse ideas
- the opposite is "group think" (Natemeyer and McMahon, 2001)
  the more people around you are like you, the more it is like talking to yourself (only good if you have diverse ideas
  - yourself!)
    how can creativity be fostered (p.743 Peck, 2005)

### Value risk-taking

- "Convert a "no" climate into a "yes" climate.
- ♦ Invest in opportunity-making, not just problem-solving.
- ⋄ Tap into the creative talent, technology and energy for your community.
- ♦[I like challenging the conventional wisdom!]

Challenge conventional wisdom."

- ♦ that's why we have science, and use data
- ♦ the counter-intuitive findings are often the most interesting

#### Be authentic

- "Identify the value you add and focus on those assets where you can be unique.
- Dare to be different, not simply the look-alike of another community.
- ♦ Resist monoculture and homogeneity.
- Every community can be the right community."
- ♦ [it echoes positive/appreciative inquiry]
- oyes, find your niche
- don't try to just imitate those on the top

#### Be authentic

- eg Christensen argued that many universities problem is that they try to be Harvard
- they won't and they'll waste resources on trying
- they should find their niche and comparative advantage

# Invest in and build on quality of place

- While inherited features such as climate, natural resources and population are important, other critical features such as arts and culture, open and green spaces, vibrant downtowns, and centers of learning can be built and strengthened.
- This will make communities more competitive than ever because it will create more opportunities than ever for ideas to have an impact."
- ♦ subjective and objective quality of places do differ (Okulicz-Kozaryn, 2013)

#### **Remove barriers**

"Remove barriers to creativity, such as mediocrity, intolerance, disconnectedness, sprawl, poverty, bad schools, exclusivity, and social and environmental degradation."

right, sure, easily said! but how?

# outline

criticism (Peck, 2005)

how can creativity be fostered (p.743 Peck, 2005)

criticism (Peck, 2005)

#### more criticism

- ♦ I cite some more criticism in Okulicz-Kozaryn (2013):
- ♦ the idea is that creative places are hippie, yuppie, green
- but by getting excited about creativity we forget the usuals that businesses like:
- ·transportation/infrastructure: highways, etc
- ·low taxes and regulation, low bureaucracy
- · cheap energy, etc, etc

criticism (Peck, 2005) 43/56

#### more criticism

- just catchy ideas that appeal to people
- one scholar remarked that people like Jacobs or Florida do lots of "handwaving" in a spirit of "we love cities" as opposed to a serious academic research
- ♦ I really like Jacobs and Florida, but there is some truth to the criticism
- Jacobs and Florida may seem more of observers/spiritual leaders than empiricists

criticism (Peck, 2005) 44/56

# handwaving > Florida got three T's "Technology, Talent, Tolerance"

- of fortua got tiffee it's Technology, Talent, Tolerance
- ♦ Glaeser got three S's "Suburbs, Sun, Sprawl"

San Fransisco, Boston, Austin

do the work: Corolla, Linux

- ·space, safe, good schools
- ♦ I can have TFP "Technology, Frugal, Progress"
- · hi-tech, programming, but also just the cheap goods that
- ♦ the point is that anyone can come up with three letters
- · and if you do a good job at marketing them, you'll get the attention

♦ the point is: we need research to test it

# Florida implies that creative class creates growth

creativity

causality?

- but he never tests for it
- ♦ nor he really elaborates on causal mechanism: how it causes it may be a third variable that causes both growth and
- ·it could be education, and immigration (eg about half of Silicon Valley is foreign-born) and he makes an impression as if it is only creative capital

that causes growth what about other capitals?: human, social, political, and notably physical

#### causality?

- one study tested what Florida is implying
- ♦ i.e. that creative class causes development (by MSA)
- they did not get significant relationship (but they did not test with a lag, and arguably there should be a lag)

criticism (Peck, 2005) 47/56

# one idea for a paper

happiness

- one problem with creative class may be that it is too occupied doing cool things that it does not have time to do the work
- eg going to hair stylists, tanning salons, arts, music
- it may be more of a creativity for the sake of creativity • many the very most creative tasks may not contribute to
- development

  eg how writing poetry or composing music increases
- PCGDP?

   or perhaps need to measure development better, say using

criticism (Peck, 2005) 48/56

# how about inequality?

- the idea of creative class is libertarian
- ·a "hipster elitism"
- fiscally conservative and socially liberal
- there's no talk about social inclusion and redistribution
- the Tolerance from three T's is more about tolerance towards other creatives: creatives are heterogeneous
- and it is not towards non-creatives
- ♦ if anything creatives would be rather snobby, elitist:
- · private schools, exclusive enclaves
- ♦ but see "New Urban Crisis" (?)

#### a note about hipsters

- oif everyone always wants to look different than everybody else, everybody starts looking the same
- ♦ http://www.huffingtonpost.com/julia-plevin/whos-a-hipster\_b\_117383.html
- ♦ http://arxiv.org/pdf/1410.8001v1.pdf
- ♦ http://motherboard.vice.com/read/the-math-behind-the-hipster-effect

criticism (Peck, 2005) 50/56

# role of government per Florida

- ...is to foster creativity
- invest in arts and cool things
- ⋄not to help the poor

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# Kotkin (2013)

- creative class is elitist and there are creatives and poor, no middle class
- ♦ similar to zukin (2009): gentrification: coolness and hipness pushes up rents and kills coolness and hipness
- creative class idea simply is that it follows a real, if overhyped, phenomenon: the movement of young, largely single, childless and sometimes gay people into urban neighborhoods

criticism (Peck, 2005) 52/56

# Kotkin (2013)

- ⋄ This Soho-ization—the transformation of older, often industrial urban areas into enclaves of hippies
- It boosts real estate values from Williamsburg, Brooklyn, Wicker Park in Chicago and Belltown in Seattle to Portland's Pearl District as well as much of San Francisco
- btw, Florida has recently admitted that creative class does not help the poor—a reference to Florida's confession in Atlantic Cities is in Kotkin (2013)

criticism (Peck, 2005) 53/56

# <u>outline</u>

paper

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how can creativity be fostered (p.743 Peck, 2005)

criticism (Peck, 2005

Recasting the creative class (McGranahan and Wojan, 2007)

### redefining the concept

- the concept of creative class can be redefined...
- ♦ McGranahan and Wojan (2007) make a good case for redefinition
- ♦ and they post their data (at county level)
- ♦ McGranahan and Wojan (2007) use ONET database of creativity by occupation
- ♦ http://www.onetonline.org/find/descriptor/result/4.A.2.
  - b.2?s=1&a=1

#### papers...

- ♦i am just working on some papers on creativity
- ousing these data
- ♦ so I can be helpful with comments if you use it as well
- ♦ and we can think of some collaboration...