

creative class

adam okulicz-kozaryn

`adam.okulicz.kozaryn@gmail.com`

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outline

paper

creative class

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

criticism (Peck, 2005)

Recasting the creative class (McGranahan and Wojan, 2007)

- BRYNJOLFSSON, E. AND A. MCAFEE (2014): The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies, WW Norton & Company.
- CHRISTENSEN, C. (1997): The innovator's dilemma: When new technologies cause great firms to fail, Harvard Business Review Press.
- FLORIDA, R. (2009): "How the crash will reshape America," Atlantic Cities.
- (2014): "Where Does the Creative Class Move?" .
- JACOBS, J. ([1961] 1993): The death and life of great American cities, New York NY: Random House.
- KOTKIN, J. (2013): .
- 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.
- OKULICZ-KOZARYN, A. (2011): "City Life: Rankings (Livability) Versus Perceptions (Satisfaction)," Social Indicators Research, 110, 433–451.
- PECK, J. (2005): "Struggling with the creative class," International journal of urban and regional research, 29, 740–770.
- ZUKIN, S. (2009): Naked city: The death and life of authentic urban places, Oxford University Press.

necessary readings

- ◇ Peck (2005)—both a good overview of creative class and criticism of it
- ◇ quasi-necessary reading: Florida (2009)
- ◇ unnecessary, but interesting: http://people.hmdc.harvard.edu/~akozaryn/myweb/rel_inn.pdf

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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?
- ◇ what is your method? regression? etc
- ◇ be specific, what does it mean low, high, many??

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?
- ◇ what goes well ?
- ◇ I guess I am a “quant”, but open-minded: any approach is fine

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 journals seem to like it...

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

the “so what?” question

- ◇ as you read your paper, ask yourself “so what?”
- ◇ if it is 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

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...

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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 the fact that he has lots of good ideas
- ◇ we'll talk about that in next section
- ◇ let's start with description of creative class

innovation and creativity

- ◇ innovation 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?

how you come up with creativity?

- ◇ Christensen (1997) lists many insights (e.g. walk around, observe, make notes, connect ideas)
 - but a more basic idea is that to have creativity, you need to attract people who are creative to begin with
 - 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”

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!
- ◇ as I was arguing tirelessly in this class
 - whatever can be automated, will be automated
 - 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

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 etc is secondary

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>

predicting the future

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

predicting the future

- ◇ non-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 \(2014\)](#)

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

talent, mobility and place attraction

- ◇ another thing that Florida got right is that creativity/talent is very mobile
- ◇ creativity/talent will go wherever it wants (Florida, 2014)
- ◇ 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 for 100k rather than Boston or Portland for 80k
- ◇ and the last two are pricey (arguably for being cool)
- ◇ I'd rather have money in boring place—how about you?

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
- ◇ second highest patent pc is in Hays, TX (50/1m); a county between Austin, TX and San Antonio, TX (first is Silicon Valley (52/1m))

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; e.g. 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

Technology Class

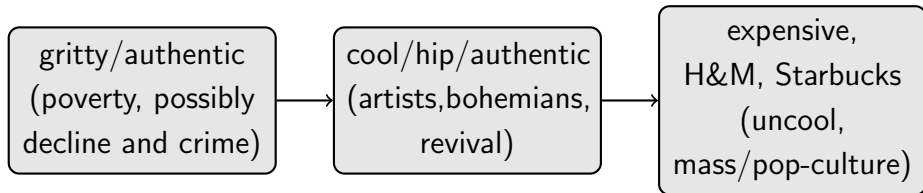
- ◇ you can be creative writing poems or writing academic papers and fail in today's economy
- ◇ you need to be creative with technology, I think, say writing software or designing things,
- ◇ e.g.: computational finance “quants”, in fact computational anything; anything that uses technology
 - Apple, Google, Facebook, Twitter, Amazon, Oracle, etc
 - these are the winners!
- ◇ so yes, as per http://www.ted.com/talks/ken_robinson_says_schools_kill_creativity.html we need creativity, but perhaps only creativity with/in technology

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
- ◇ perhaps another example is Philadelphia's Mural Arts
<http://www.muralarts.org/>

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 Starbucks, H&Ms etc
- ◇



urban explorers

- ◇ “urban explorers” specifically look for grit and coolness;
e.g.:
- ◇ <http://www.urbanexplorers.net/>
- ◇ <http://www.reddit.com/r/urbanexploration/>
- ◇ <http://www.uer.ca/>

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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.
- ◇ 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,
- ◇ lively neighborhoods, spirituality, education, density, public spaces and third places.”
- ◇ Yes, you can do that...
- ◇ but a part of criticism of Florida is that above things are spontaneous
- ◇ NOT engineered by policy makers
- ◇ It also echoes (Jacobs, [1961] 1993); but in a sense of rather preserving than engineering good communities

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!)

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.
- ◇ Challenge conventional wisdom.”
- ◇ [I like challenging the 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]
- ◇ yes, find your niche
- ◇ don't try to just imitate those on the top

Be authentic

- ◇ e.g. 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 may differ
(Okulicz-Kozaryn, 2011)

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?

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more criticism

- ◇ I cite some more criticism in [Okulicz-Kozaryn \(2011\)](#):
- ◇ 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

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

handwaving

- ◇ Florida got three T's "Technology, Talent, Tolerance"
 - San Francisco, Boston, Austin
- ◇ Glaeser got three S's "Suburbs, Sun, Sprawl"
 - space, safe, good schools
- ◇ I can have TFP "Technology, Frugal, Progress"
 - hi-tech, programming, but also just the cheap goods that do the work: Corolla, Linux
- ◇ 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

causality?

- ◇ Florida implies that creative class creates growth
- ◇ 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 creativity
- it could be education, and immigration (e.g. 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)

one idea for a paper

- ◇ 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
 - e.g. 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
 - e.g. how writing poetry or composing music increases PCGDP?
 - or perhaps need to measure development better, say using happiness

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

a note about hipsters

- ◇ if 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>

role of government per Florida

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

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

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

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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)
- ◇ again, a great thing these days is that you can measure everything!
- ◇ 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
- ◇ using these data
- ◇ so I can be helpful with comments if you use it as well
- ◇ and we can think of some collaboration...