
Gritty Urban Chic and the Politics of Backlash

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Critic Richard Florida predicted the urban resurgence—what surprised him was the reaction of the displaced.



(Photo: Flickr/Aurelien Guichard)

New York City

Pittsburgh, New York, and Newark may signal rust belt chic to some, but this troika of iconic urban places were touchstones for Richard Florida, a self-proclaimed urban diagnostician. Resurrecting gritty industrial Pittsburgh by harnessing its heritage, parks, neighborhoods, and universities to a strategy of attracting a new generation of talent was the secret sauce for *The Rise of the Creative Class*, his bestselling work on the knowledge economy.

Unhappy as an undergraduate premedical student at Rutgers University, Florida's ah-ha moment came courtesy of an urban geography class assignment to document New York neighborhoods—the East Village, the West Village, Soho, Tribeca. Florida was entranced by a city emerging from the dismal funk of the 1970s and into its own frenetic revival paced by artists, punk rockers, and new wavers among others. He dispensed with the sweat, blood, and guts of pre-med for concrete, asphalt, and parks of urbanism.

However, the resurgence of cities that Florida has cheered on has coincided with the precipitous decline of the middle class. With metropolitan areas catering to lifestyles of the young, striving, and prosperous, middle-class and low-income workers and families have disappeared into areas far from the city centers they once called home. This “persistence of disadvantage,” as Florida calls it, that is crippling American cities infuses his latest work: *The New Urban Crisis: How Our Cities Are Increasing Inequality, Deepening Segregation, and Failing the Middle Class—and What We Can Do About It*.

Florida, a University of Toronto professor, shared his thoughts on cities in crisis at an annual journalists forum hosted by the Lincoln Institute of Land Policy, a Massachusetts-based think tank. While Pittsburgh and New York have informed his work, it was seeing his native Newark go up in flames as a 10-year-old during the riots of 1967 that made a lasting impression on him. “I guess the old urban crisis made me an urbanist,” Florida told his Cambridge audience. What follows is an edited and condensed version of his remarks.

*If there was one wake-up call for cities, it was the man who preceded our own Trumpie, Rob Ford. I moved to Toronto, Jane Jacobs's hometown, the best in progressive urbanism, I abandoned my own United States. [At the University of Toronto], we were going to upgrade those service jobs and we were going to create affordable housing. And all of sudden, f***ing Rob Ford becomes mayor. Talk about head spin. I was speechless. This is the most anti-urban mayor in human history. Ripping out bike lanes, putting a ferris wheel on [Centre] Island, never mind the crack-snorting and whatever else he was doing.*

I really went out on a limb, but I said that if Rob Ford could happen in Toronto, this was the first signal. Much worse was to come. And then I thought, well, Brexit that's it. Once we saw Brexit, people would wake up. My wife and I had an election party at our home in Toronto and we invited all of our Canadian friends. By 8:30, I just have my phone in my hand, and I am looking at my Twitter feed, shaking. By 10 o'clock, we're all in tears.

The new urban crisis is different than the old one because the old one was a crisis of urban failure. It was the crisis of Newark and Detroit. It was the crisis of middle-class flight, the flight of the affluent, and the flight of industry. It was the crisis of economic dysfunction and fiscal insolvency. The new urban crisis is at least, in part, a crisis of success. The old urban crisis was really a crisis of the urban center. The new urban crisis is a crisis of successful cities, declining cities, superstar cities, knowledge and tech hubs, rust belt cities, sunbelt cities, and suburbs, too.

The new urban crisis is not just a crisis of cities: It's a crisis of politics, geography, and economics. It's the central crisis of capitalism. The force that we have identified as a field, the clustering force that Jane Jacobs first identified—my work, by the way, simply tries to fuse Marx and Schumpeter, who argued that technological innovation was the motor force of capitalism, to Jane Jacobs, who argued that cities are the platforms of growth. That's all I tried to do, to marry those two things.

But the clustering force is a contradictory, Janus-faced beast. The same force that generates innovation and productivity that drives our economy, that propels economic events and human progress, is also the same force that carves deep divides in our society. The paradox of land is that we have all of this land in the world, and yet we were fighting over the smallest of slivers of land in our superstar cities, in our urban centers, in our tech hubs. We are trying to jam in everything: People, talent, industry, headquarters, retail, young people.

When you compete for land, there are winners and there are losers, and those who commit the most for land win. There are five dimensions of the great urban crisis: The central contradiction of capitalism is this contradiction between the innovative clustering, the segmentation, and the division that comes from that.

The first dimension I call winner-take-all urbanism. This concentrating and clustering force, this massing of people, talent, economic assets, and knowledge, is creating a very small group of winners: The superstar cities like New York and London (maybe put Toronto in as a small version of that for media and finance); LA for entertainment; San Francisco, D.C., Boston, Seattle, the knowledge and tech hubs, you can go on.

Let's take venture capital start-ups. The San Francisco Bay area accounted for a fifth of all venture capital start-ups in 1990. Now it counts for 45 percent. You take the San Francisco Bay area, Silicon Valley, and the city, the Boston-Acela Corridor and LA: It's two-thirds of all start-ups in the world just in that circumscribed geography.

I love this statistic that shows you how much the winner-take-all urbanism competition for land is [worth]. There are two neighborhoods in downtown San Francisco that each attract a billion dollars in venture capital-backed start-ups a year, more than any other nation on the face of the planet! The urban revival has gone on in a hyper-accelerated way that certainly I did not anticipate and could not anticipate.

I went to see [former] Mayor Tony Williams in his office in D.C. What a delightful man! He said, "Florida, here's all of your books. You totally fucked us up." He was right. He didn't anticipate it, no one anticipated this kind of urban revival, the back-to-the-city movement that goes insane after the year 2000. Before that, it was very limited. The top 10 percent of income earners, the young, the wealthy, the affluent, the childless have moved back to cities. The bottom 10 percent are being pushed out.

The second dimension is the crisis of success that's happening in the winners. The new urban crisis is fractured. These divides occur at every scale of geography. We talk about real and perceived problems. Some of the perceived problems are the ones that get the most headlines. The global super-rich are taking over our cities. We have the data. There are 116 billionaires in New York City. It's hard to imagine 116 people in a city of eight million, in a metro of 23 million. You take all the high net-worth people over \$30 million, they wouldn't fill up Radio City Music Hall. Yes, the global superrich and investment are distorting. But that's not the cause of the problem.

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The one which that gets me nervous is blame the techies, the techies are the cause of the problem in San Francisco. I really worry about this because high-tech industries are the source of wealth creation, innovation, and job creation. Techies are having an effect on housing prices in some neighborhoods, but they are not destroying metro areas. All the research including mine and others' show that that is not the case.

The real problem in our cities is the persistence of concentrated disadvantage. I'll share one piece of data that was really haunting for me. When we simply divided worker groups into the advantaged knowledge workers, the old blue-collar workers, and service workers—66 million Americans, nearly 50 percent of the work force—what we found was that the knowledge-based,

professional, creative class had about \$80,000 to \$90,000 dollars left over after paying for housing. The service workers had \$15,000 to \$20,000. They are the big losers. It's the people at the bottom who are getting creamed.

The third part of it is the suburban crisis. Mayor Williams said this to me: If you look at the problems that are happening in Prince George's County [Maryland], they now rival or exceed those of Washington, D.C. As the affluent, as the advantaged, have come back to cities, crime and poverty violence have been pushed out to suburbs.

The fourth dimension is if the old urban crisis was about the flight of the middle class to the suburbs, the new urban crisis is about the evisceration of the middle class across the cities and suburbs alike. In 1970, two-thirds of Americans lived in middle-class neighborhoods. Now less than 40 percent of us do. According to the incredible research of the Pew Center, in the [majority of] the metros they've tracked between 2000 and 2014, the middle class has declined. The middle-class decline has been the biggest where? In New York, Los Angeles, and San Francisco, in the superstar cities and tech hubs.

I try to look at the changing geography of our cities and metro areas: The terms "city" and "suburb" don't work anymore. What I have come to conclude is that we have a patchwork metropolis. A patchwork metropolis where you have very small areas of concentrated advantage in the city and the suburbs—and, by the way, the most affluent neighborhoods in the United States are still in the suburbs—surrounded by large bands of concentrated disadvantage.

Basically, we're going to put seven or eight billion people in the cities over the next century. We are going to spend hundreds of trillions of dollars building cities, and we don't have a clue how to do it. But get this: 860 million people across the world still live in global slums. That's more than the population of the United States and the entire European Union combined.

We are now experiencing for the first time in modern history urbanization without growth. We used to believe that urbanization went along with industrialization, and went along with the rise of the middle class. That is no longer happening. In much of the world, we are seeing urbanization happening without a rise in living standards.

What can we do? I am a diagnostician; I am not a decision-maker: I am happy when mayors ask me to lend them a hand, but I don't know how to do this. There are two things that we need to think about: The first we have to develop a model of inclusive prosperity. What we did very effectively in our field of economic development is that we gave cities and regions the

tools to understand their economies and the clusters in their towns. You look at any city in the world and they know that. In that way, they helped build the kind of prosperity that would become more and more exclusive.

Now what's happening in the void of progressive urbanism and the reign of the urban pessimists—blame neoliberals for everything—is that people who've taken the high ground, who I call the market urbanists, [say] all of our problems will be solved if we just get rid of land-use restrictions. Do we really believe this? Do you know what city ranks fourth on my new urban crisis index after New York, Los Angeles, and San Francisco? Houston. This isn't about land-use restrictions.

I actually suggest in the book that we should get rid of the word NIMBY. Let's call it by its real name: the new urban luddism. This thicket of restrictions and codes of homeowners trying to protect their wealth is not just creating limits on affordable housing and density, it's about holding back the engines of progress. We need land use and building restrictions that create a regime of development, as Jane Jacobs said. Density in the absence of pedestrian scale can be a very dangerous thing.

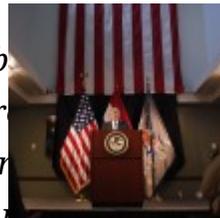
We don't simply want to replace our great, urban neighborhoods that have become very expensive because they are great—because they have strong character, they have street canyons and urban sprawl. We need to commit to building more affordable housing on a massive scale in this country. Not just deregulation and building more luxury towers, but affordable rental housing. That means getting rid of all the disincentives and market distortions. We need transit investment massively and hi-speed rail. We not only need to have geographic-people of color. varied higher minimum wages, we need to upgrade service jobs. We need a new social compact which addresses poverty with people- and place-based programs.

And then Trump gets elected and it really caused me to re-

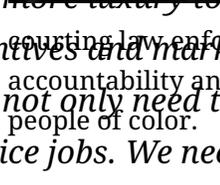
We are a divided nation and you ain't gonna fix it. Our federal government is not only dysfunctional, it is far too big. It has outlived its shelf life. It was important for its age, but is no longer important. It doesn't work and the imperial presidency, as we see, is very dangerous.

The most important thing we need to do, and, what I hope to devote the next stage of my career to, is we need a massive devolution of power. Local government is better for your economy, productivity, innovation, and poverty policy. The experience of the Black Caucus got back studied this show that it is more democratic.

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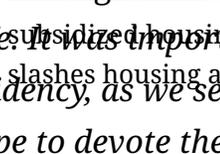
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The only way out of our divide and these four- to eight-year electoral civil wars—and that is a hard pill for me to swallow—is that we have to realize that we are two different countries, red state and blue state and conservative and liberal. We're not going to win by slamming each other over the head.

to basics when they met with the president. But what they may get out of the encounter remains murky.

I'd rather have a corrupt city than a corrupt federal government. I'd rather have a few cities going the wrong way; then people can vote with their feet. We have to develop urban governance structures that scale to the scope of the problem: Neighborhood, municipal metro-level problems have to [be addressed] at [those levels]. I do think the progressive path is an important one. Urbanization points in that direction, but we may have to take one or two steps back before we go forward.

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