

David McWilliams

Ireland needs to nourish its creative class



Yesterday, the innovative US urban economist Richard Florida gave a talk in Cork about the future of cities.

Florida has been at the vanguard of new thinking about how cities, rather than countries, create economic dynamism. The nub of his argument, building on the work of the great urbanist Jane Jacobs, is that cities – where people are constantly chatting, talking, trading with each other – are the bedrocks of innovation.

Florida has identified a new group he calls the “creative class”, who work with the right-hand side of the brain. With some compelling evidence, he concludes that

those US cities with a high proportion of artists, writers, software engineers, architects, and designers are the ones with the strongest growth rates, the highest standards of living and the most satisfied citizens.

In contrast, cities with a much higher blue-collar population are stagnating and are much more susceptible to competition from the third world, particularly China.

Countries such as ours (Ireland is a city-sized country) should cultivate their creative classes to grow in the years ahead. And to do that, they need to be open and tolerant.

There is, and has always been, a strong

correlation between tolerance and wealth. The more open, tolerant and irreverent a society, and the more foreigners and non-mainstream people living in it, the more effervescent the economy. When countries or cities become less tolerant (as in parts of eastern Europe and Brexit Britain today for example), the creative class flees to other much more attractive places, where the arts and culture are flourishing.

Therefore, the very essence of the city – its architecture, restaurants, art galleries, open spaces, public parks – is part of the selling package for the economy of the region. This is soft economic power. In the past, hard economic power – such as steel and coal reserves, large populations and/or political or military might – mattered.

Today, what matters is the essential feel of a place, its culture, the experience, the mix of people, the nightlife and the lifestyle.

For a high-wage country such as Ireland, the way to stay ahead of the game is to invest heavily in its “vibe”.

Positive link

For example, in the US, there is a strong positive link between the creative class and the “gay index” (the concentration of gay people and the relative tolerance of legislation in a city or state).

The reason for this is gay people are much more likely to feel comfortable settling in tolerant cities, and these places are also much more likely to display soft economic power. (This is not to say gay people are more creative, but where you see a significant presence of a creative

class, you also see more gay people.)

Until very recently, gay people were social “outsiders” and it has long been noted that outsiders of one kind or another have the potential to create disproportionate economic wealth. Economic history is full of examples of the link between outsiders and economic vibrancy.

Take, for example, the history of a group of medieval outsiders – the Jews. From Babylon and Alexandria to Seville, ancient cities that were tolerant of their Jews prospered. When Jews were later banished, in a matter of years those cities began to founder commercially.

Best navigators

Imperial Spain and Portugal had sizeable Jewish populations in the 15th century. Jews there were involved in trading, science, the professions and among other things astrology. Spanish and Portuguese explorers were successful partly because they had the best navigators – often Jewish astronomers.

The countries flourished until the Inquisition, when Jews were expelled and pursuits such as curiosity, science and inquiry were discouraged – indeed they were regarded as superfluous because the Vatican had all the answers.

Gradually, Portugal and Spain went into centuries of decline, and the church’s intellectual stranglehold on Iberia strengthened. As late as 1746, the Jesuits in Spain banned the teachings of Copernicus, Galileo and Newton. While the expulsion of Jews was bad enough in itself, this expulsion also represented a closing off of Iberia from the rest of the world in terms of both ideas and trade.

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The history of Sicily is even more alarming in terms of the links between commerce, wealth and tolerance. Until the 15th century, Sicily was rich, sophisticated, tolerant, mixed, multilingual and important. He who controlled Sicily controlled the Mediterranean, and he who controlled the Mediterranean controlled the world.

In 1492, a great tragedy befell Sicily. The island was under the control of the crown of Castile, and when Ferdinand and Isabella of Spain ordered the expulsion of all Jews and Moors from Spain, Sicily had to follow suit. Jews had played a disproportionate role in trade as well as in the professions, particularly medicine and pharmacy.

Gradually, a series of orders was passed

that compelled Jews to sell their assets and pay all their outstanding debts immediately and, most ominously, barred them from bearing arms.

Within a few years what was left of Sicilian trade after the devastating first decrees collapsed to almost nothing. Economically, Sicily went into a tailspin. Without the Jewish traders (who had formed only a tiny percentage of the population), no one traded. Without trade, there was no cash and without cash, there were no jobs.

Other dissenters

Economic history offers many examples of how countries and cities that are open to new ideas, new ways of thinking and new people thrive.

Those that become intolerant go backwards. In the above example, openness to Jewish people underscored the attitude of Sicily not just to Jews but to all sorts of other dissenters from the mainstream. These were the ancient creative class.

As politics all over the western world veers towards nationalism, isolationism and exceptionalism, it seems wise to be aware of the link between economic wealth and tolerance.

The economic lessons are straightforward. A society intolerant of outsiders tends not to be curious about other things, tends to stifle debate, lets local bigwigs go unthreatened, and allows a small coterie of insiders stitch up the economy.

The smart successful economies of the next 20 years will be those that foster the right conditions for the creative class to flourish. Ireland should be that place.