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## Professor says recovery requires ‘creative class’

By Nick Mehendale, Daily Texan Staff  
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Austin is paving the way for Texas to pull out of the economic recession, according to a prominent urban studies theorist.

Richard Florida, a professor of business and creativity at the University of Toronto, addressed an audience of about 900 people at the LBJ Library Auditorium on Friday.

During his speech, Florida said Austin and Central Texas should lean on the “creative class,” made up of artists, musicians and inventors, to recover from the recession.

He first developed the idea of a creative class in his book “The Rise of the Creative Class.” In it, he claims metropolitan regions with high concentrations of “creatives” will result in higher levels of economic development.

Florida said the creative class fosters an open, tolerant and dynamic environment. More creative people would then be more attracted to the area and move in, bringing with them business and capital, he said.

Times of major economic crises call for a change in where we live and work, Florida said.

“Every single human being is creative,” Florida said. “The great challenge is to tap into that creativity, and that must include everyone.”

Florida said that the current times are unique because people don’t rely on raw materials and physical labor as they did in the past.

“There is something much more important than physical labor we share,” he said. “There is something innate that is essentially fundamental to humans. It’s our human creativity. That’s what’s beneath this economic transition we are experiencing.”

Senior business lecturer Michael Brandl said that if we want to look at rebuilding the economy, we have to look at what is directly causing the problems now.

“We must go after the cause of the problem: the mortgage market imbalances and the horribly misaligned incentives within financial markets,” Brandl said. “Banks using taxpayer dollars to trade and invest rather than lend to the taxpayers themselves is the real problem. Until we address the cause the problems, the economy will not have a significant rate of expansion.”

Business professor Lewis Spellman said that the lack of income tax is the reason why Texas has been able to bring in business after the recession, not a creative class.

“The reason Texas is doing better is because we don’t have an income tax,” Spellman said. “Businesses want to go wherever costs are least.”