

The
Economist

The government's new guru

Bring me sunshine

The sudden popularity of a controversial American economist

Nov 11th 2010



AP Mr Creativity

DAVID CAMERON'S Conservatives have always been more interested in ideas than their reputation for pragmatism suggests. In opposition, his inner team flirted with a series of political theories, from "libertarian paternalism" to "red Toryism", which they thought might underpin their policies. Since taking office, they have invited a succession of digital gurus, authors and academics for discussions in Downing Street. They now appear to have anointed a surprising court philosopher.

Outlining his plan to create a rival to Silicon Valley in the East End of London on November 4th, Mr Cameron paid tribute to Richard Florida, an American urban economist, for devising a blueprint for government's role in the economy. Mr Cameron summarised it as "Go with the grain of what is already there. Don't interfere so much that you smother. But do help out wherever you can."

A week earlier, Jeremy Hunt, the culture secretary, mentioned Mr Florida in an article in the *Times*. Staff in Number 10 enthuse about an economist who "describes life as it is now, not as it used to be."

When governments search for guiding thinkers and ideologies, the results can be dispiriting. Tony Blair, for example, came up with the grandiloquent 'third way' and the waffly 'stakeholder society'. For his part, Mr Florida is an interesting—and controversial—choice as an influence on the coalition government's thinking.

Although less well-known in Europe, he is as close to a household name as it is possible for an urban theorist to be in America. In his best-selling books, highly paid speeches and frequent television interviews, Mr Florida has extolled one core idea: that the creative sector is the growth engine for Western economies as menial work migrates to developing countries.

Mr Florida's definition of creative goes beyond the obvious artists and musicians to include anyone open to new ideas. He says businesses must give space and flexibility to these freethinkers, and that cities must attract lots of them to be successful. This means they must be green, clean, tolerant and cultured, typically with large gay and ethnic-minority populations. This has led to him being attacked from the right for his pro-gay and pro-immigration stance, and criticised from the left as an advocate of elitism and gentrification.

His early books were studies of manufacturing and technology, inspired by a childhood in New Jersey, where his father worked in a factory. He says he was struck by how declining Mid-Western plants had a rigid, top-down approach to decision-making, while their Japanese rivals placed a responsibility for success on everyone (an overly rosy view of Japan's collectivism, perhaps, given the clunkiness of many of its big firms). His reputation was sealed in 2002 with "The Rise of the Creative Class", which said human creativity had replaced raw materials, labour and capital as the key source of economic value. His latest book praises London's cultural strength and constant population churn.

As a teenager, Mr Florida wanted to be a rock star. He still plays guitar, but has had to settle for academic fame instead. He has shown great ingenuity when it comes to his own marketing, devising indexes for creative cities, bohemian cities and one that ranked them according to their gay and lesbian populations. He pushes the "three Ts"—talent, technology and tolerance—and the heartwarming belief that everyone has creativity within them, waiting to be unlocked. He occasionally mentions Marx.

His superstar status, as much as his ideas, have made him enemies. One Canadian newspaper columnist, fed up with his high profile after he became head of the Martin Prosperity Institute at Toronto University three years ago, started handing out badges that read “Please stop talking about Richard Florida”. More seriously, other academics have denounced his “snake oil economics”, his use of statistics and his confusion of causation and coincidence. Joel Kotkin, another writer about cities, points out that over the past 20 years far more jobs in America have been created in boring suburbs than in the multicultural city centres beloved of Mr Florida.

He describes himself as fiscally conservative and socially liberal. He is in many ways a good intellectual fit for Mr Cameron, himself a social liberal, a self-proclaimed optimist and a fervent believer in a “Big Society” of creative individuals. His adoption as the government’s philosopher means that people will carry on talking about Mr Florida.