



Toronto's place in the “creative economy”

Written by David Tal, Contributor

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Capitalism as we know it is about to make a leap forward. Will Toronto ride that wave?



By Joel Friesen/Wikimedia

Over the past century, we've progressed past the Industrial Revolution, survived the birth pains of globalization and have now transcended into what some term the “creative economy.”

What is this creative economy? It is an economic system that relies most on ideas to serve as its major capital, instead of services or physical capital. Take Google for example. In an economy based on ideas, the potential for breakaway successes like Google is far greater. That's because ideas, like viruses, are infectious. When an idea – like a computer program – is developed, the cost of making copies is negligible, while the potential profits are limitless.

Yet, it's not technology that caused this next stage of evolution; what did is a clear shift in the social and cultural factors that affect the lives of those living within the industrialized

world. And, since Toronto is one of Canada's primary economic engines, its success in this new age, at least partially, depends on how easily we shift to satisfy the creative economy's demands.

Who are the individuals who will form the backbone of this creative economy? According to Richard Florida's *The Rise of the Creative Class: And How it's Transforming Work, Leisure, Community and Everyday Life*, members of the creative class are very different from those who are employed in the manufacturing, service or agriculture industries. They contribute to our economy primarily by producing the new forms and ideas exploited by our various industries and decision-makers.

What Florida terms the "super creative core" of this new class includes "scientists and engineers, university professors, poets and novelists, artists, entertainers, actors, designers and architects, as well as the 'thought leadership' of modern society: non-fiction writers, editors, cultural figures, think-tank researchers, analysts and other opinion-makers."

But, in addition to this core group, there is the general creative class made up of professionals who regularly draw "on complex bodies of knowledge" to "engage in creative problem solving." These people include "a wide range of knowledge intensive industries such as high-tech sectors, financial services, the legal and health care professions and business management."

By now, you can probably see the importance of those who make up this creative class of our emerging economy. These are the people who create the businesses, industries and trends that drive our nation. For this reason alone, if Toronto is serious about maintaining – or, hopefully, improving – its national and international presence in the world's markets, it may be a good idea for us to foster an atmosphere that not only attracts such individuals, but also encourages and promotes those ideas and new forms they produce while living here.

There have been many human capital theorists who have written that a successful economy is a direct result of high concentrations of highly creative and educated people. Hence, Toronto should ask itself how it can nurture an atmosphere that attracts creative individuals to come live in this city.

What sets a creative city apart from a non-creative city? Florida proposes that it is the "three Ts of economic development": technology, talent and tolerance. In terms of tolerance, Toronto is blessed, to say the least. Visible minorities make up a good portion of this city's population. This, along with our proud support of gay rights and the Bohemian artistic community (Kensington Market anyone?), has arguably made Toronto one of the most multicultural cities in the world. This, in itself, has gone a long way in attracting an eclectic variety of creative individuals.

But tolerance itself doesn't guarantee the second of the three Ts: talent. Good talent needs to be fostered. By this reasoning, it only makes sense that Toronto should support its institutions of learning, specifically universities and colleges, as well as the artistic

community as a whole.

Post-secondary institutions are important because they are the center of cutting edge research and development. Not only do schools create the future talent pool, but they also stimulate innovation that is utilized by various companies. Thus, it is probably not highly controversial to say that provincial and federal governments need to step in to further invest in the city's various institutions of learning and make post-secondary education more accessible.

A recent government report, "Past Victories Future Promise: Culture on the Competitive Edge," has indicated a willingness to meet this challenge by setting a goal of increasing attendance in post-secondary schools from the current 40 percent participation rate to 60 percent of those between the ages of 18 and 24. Through this investment, the Ontario government aims to have more than 50 percent of its citizens work in "creativity-oriented jobs" by 2030, up from the current 30 percent.

As for our artistic communities, much more can be done to promote the city's artistic and entertainment capacities. This would have the two-fold effect of both making Toronto an attractive city for the creative class and making it a more liveable city for all.

To accomplish this, researchers such as Florida promote a drawback on new capital investments in such traditional creative staples as ballet, opera, symphony and museums. Although these are necessary public entertainment options to maintain, studies show the majority of university students and young to middle-aged professionals who make up the bulk of the emerging creative class, in fact, prefer more accessible venues.

Roughly put, such venues include bars and clubs for youth, cafés and unique restaurants for the middle-aged (who make up the bulk of the creative class) and parks, community centers and other general public access facilities for families. These places function not just to serve lifestyle improvement but, more importantly, as places where like-minded individuals can congregate and exchange ideas.

Florida is not saying the city should fund the construction of all these venues, but should support them with entrepreneurial assistance, specified tax-cuts and government tools to ease operation, like streamlining the bureaucracy behind applying for liquor licences and permits for musical events and public attractions.

As for the third T, technology, Toronto again is blessed by some very capable and much-sought-after technological, scientific and engineering firms. The trick is to integrate them with one another and have them build off of each other's successes, so they can work together to create new breakthroughs.

The MaRS centre, located at College St. and University Ave. in downtown Toronto, is a fantastic first step in better integrating the city's creative talents in the technology and science fields. But more buildings and communities like this need to be developed to take advantage of all of Toronto's creative economic potential.

If the latest Ontario government report is carried through to fruition, Toronto could soon see itself become a truly world-class city.