Creativity is now the main driver of America’s economy, and is more and more concentrated in and around cities. Richard Florida reports on the trend—and lists the nation’s most creative metro areas, from Boulder to metropolitan Austin to the Washington, D.C. region.

Think for a minute of the great companies and great new industries that have powered our economy over the past couple of decades, as our once great car companies and other manufacturing industries have lost their luster. Apple, Google, Facebook, and others that have reinvented the way we organize information, communicate, and work; Amazon that has changed the way we shop; even Whole Foods and Starbucks that have altered what we eat. What do all these companies have in common? They are technological and economic innovators—creative to their core.
Creativity has become the fundamental driver of our economy. Alongside this, we have seen the rise of a new socioeconomic class, the Creative Class, with more than 40 million members—from scientists and engineers, to architects and designers, artists and entertainers, and the growing ranks of professional knowledge workers, who generate more than $2 trillion in wages and salaries, more than two thirds of the total.

But the Creative Class is not spread evenly across America. The past several decades have given rise to a big sort, as the Creative Class has clustered and concentrated in certain cities and their surrounding metro areas. Cities and metro areas are in fact the key economic and social organizing units of the Creative Age, even more so than industrial corporations. Cities, as the great urbanist Jane Jacobs told us long ago, are where new ideas, new innovations, new companies, and new work come from. They are the social and economic platforms that enable talented people to combine and recombine their talents and ideas in ways that generate new technologies and new companies, which in turn create new jobs, generating wealth and prosperity.

The slides show America’s most creative metro areas. The rankings are based on my detailed analysis of more than 350 U.S. metros areas in my newly released book, *The Rise of the Creative Class, Revisited*. This 2012 Creativity Index, compiled with the help of my colleague, Kevin Stolarick of the Martin Prosperity Institute, is based on a simple formula, which I call the “3Ts of economic development.” The first T is technology, or the ability to create new ideas and inventions and high-tech companies. We measure it as a combination of innovation and high-tech companies. The second T is talent—the skilled, ambitious, and talented people who generate new ideas and create new companies. We measure it by the share of the workforce in the Creative Class. The third T is tolerance in the nonjudgmental environment that attracts open-minded and new-thinking kinds of people across the board. We measure the share of foreign-born people, gays and lesbians, and level of integration in a community. Boulder, Colo., home of the University of Colorado and impressive numbers of high-tech startups, tops the list, followed by San Francisco and Boston, both of which are notable for high-tech, higher education, and culture. Seattle, home to Amazon, Starbucks, and Cray; San Diego, home of the Salk Institute and countless high-tech and biotech businesses; and the university town of Ann Arbor, Mich., are tied for fourth place. The seventh and eighth cities on the list, Corvallis, Ore., and Durham, N.C., are university towns as well. Washington, D.C., and Trenton, N.J. (home to Princeton and countless pharmaceutical companies). round out the list. Los Angeles is 22nd, New York 31st, and Chicago 45th. Despite being so very hard hit by the economic crisis, Detroit ranks 53rd, putting it in the top 15 percent of all metros.

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With its slew of high-tech startups and innovative green companies, Boulder tops the list. Amazon also named it one of America’s “most well-read” cities in 2011.
America’s Most Creative Cities: Boulder, Portland & More (PHOTOS)

2. San Francisco, Calif.

Home to tech startups like Instagram, a host of socially and environmentally conscious companies (it came in third on Newsweek/Daily Beast’s 2012 ranking of America’s Greenest Cities), and celebrity chefs like Tyler Florence, San Francisco certainly deserves a nod for its creative credentials.

Steven Senne / AP Photo

Boston sometimes gets a bad rap for its pockets of homogeneity (Beacon Hill, Back Bay, Southie), but just imagine all the higher minds and future Mark Zuckerbergs currently brewing up the Next Big Thing at Harvard and MIT. Oh, and the higher minds at Wellesley College, Boston University, Tufts, Emerson College, and Boston College.
Emile Wamsteker, Bloomberg / Getty Images

Amazon, Starbucks, and the supercomputer company Cray, Inc. were all born here. Need we say more?
5. San Diego, Calif.
Lenny Ignelzi / AP Photo

San Diego may seem like a fairly laid-back place that draws freewheeling surfers and yogis, but it’s also a hub for high-tech and biotech firms, not to mention scientists and researchers working to cure cancer and other diseases at the Salk Institute.

Tony Ding / AP Photo

The university town’s small population plays a big role in its creative ranking.
7. Corvallis, Ore.

Rick Bowmer / AP Photo

Over the past 20 years Corvallis has placed high in a variety of city ranking categories, from “safest” to “most bicycle-friendly” and even “most creative” (No. 15 in the U.S., according to a 2004 Harvard Business Review ranking). Apparently, in the past eight years, it’s upped its creative ante even more.
8. Durham, N.C.

Home to Duke University, one of the top universities in the country, Durham also boasts a diverse music and culture scene.
9. Washington, D.C.
Mandel Ngan, AFP / Getty Images

Members of the economically and politically savvy creative class have flocked from cities like New Orleans and Buffalo to D.C., which is considered more tolerant and diverse.
10. Trenton, N.J.
Daniel Hulshizer / AP Photo

Trenton’s plethora of pharmaceutical companies contributes to its creative ranking.
11. Ithaca, N.Y.

Although it’s below San Francisco, Corvallis, and Seattle in this ranking, Ithaca topped them all in The Daily Beast’s 2010 Brainiest Cities ranking.
12. San Jose, Calif.

Paul Sakuma / AP Photo

Computer whizzes abound in San Jose, otherwise known as “the capital of Silicon Valley.”
If a city's creativity level in part can be attributed to its quality of life, Portland has a lot to offer: small neighborhoods and businesses, a sense of community, a pleasant climate, and a political system that welcomes newcomers.
America’s Most Creative Cities: Boulder, Portland & More (PHOTOS)

Stephan Savoia / AP Photo

This diverse city in central Massachusetts is ranked in Florida’s book as the second-best midsize city for young singles, which also lends itself to young creative types.

Toby Talbot / AP Photo

The largest city in Vermont, Burlington has a diverse economy and a focus on green economic development that make it appealing to the growing creative class.
Members of the creative class account for 35 percent of the workforce in the culturally rich city of Austin, which is currently undergoing huge economic growth.
America’s Most Creative Cities: Boulder, Portland & More (PHOTOS)

17. Hartford, Conn.
Bob Child / AP Photo

While pockets of Hartford are notorious for their high poverty and crime rates, investment firms, restaurants, and retail centers in the city’s downtown region speak to a rise in creative class.
18. Minneapolis, Minn.
Scott Olson / Getty Images

Innovation, high technology, and tolerance for racial, ethnic, and social diversity contribute to Minneapolis's creative class ranking.
19. Atlanta, Ga.

David Goldman / AP Photo

Midtown Atlanta has attracted creatively driven young professionals with its pedestrian-friendly environment, arts scene, theater district, and diversity.

With the help of Tucson Regional Economic Opportunities, Inc. (TREO), which was established in 2005 and has worked hard to accelerate economic growth in the greater Tucson region by promoting its abundance of arts, culture, and entertainment, the city has become an increasingly popular place to live.