THE RISE OF THE CREATIVE CLASS, REVISITED

RICHARD FLORIDA

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CHAPTER 3

The Creative Class

The rise of the Creative Economy has had a profound effect on the sorting of people into social groups or classes, changing the composition of existing ones and creating new ones. I am far from the first to have raised the idea that the advanced industrial economies have given birth to new classes. During the 1960s, Peter Drucker and Fritz Machlup described the growing economic role played by "knowledge workers." Sometime later, Daniel Bell identified a meritocratic class structure of scientists, engineers, managers, and administrators that had been engendered by the shift from a manufacturing to a "postindustrial" economy. The sociologist Erik Olin Wright has written extensively about the rise of what he called a new "professional-managerial" class.[1] Robert Reich advanced the term "symbolic analysts" to describe members of the workforce who manipulate ideas and symbols.[2] All of these observers picked up on economic aspects of the emerging class structure that I describe here.

Others zeroed in on the wider repercussions of these changes on social norms and value systems. Near the end of his 1983 book *Class,* the University of Pennsylvania's Paul Fussell taxonomized many of the attributes that I now assign to the Creative Class. After a witty romp through status markers that delineate, say, the upper

middle class from "high proles," Fussell noted the presence of a growing "X" group that seemed to defy existing categories.

> You are not born an X person. You earn X-personhood by a strenuous effort of discovery in which curiosity and originality are indispensable.
>
> The young flocking to the cities to devote themselves to "art," "writing," "creative work"—anything, virtually, that liberates them from the presence of a boss or superior—are aspirant X people.
>
> The middle-class person is "always somebody's man," the X person is nobody's.
>
> X people are independent-minded. They adore the work they do, and they do it until they are finally carried out, "retirement" being a concept meaningful only to hired personnel or wage slaves who despise their work.[3]

Others have charted the rise of knowledge workers. In 1996, Stephen Barley estimated that professional, technical, and managerial occupations increased from just 10 percent of the workforce in 1900 to 30 percent by 1991, while both blue-collar work and agricultural work had fallen precipitously.[4] In 2001, the sociologist Steven Brint estimated that the "scientific, professional and knowledge economy" accounted for 36 percent of all US employment in 1996. Brint's human-capital–based estimate included industries in which at least 5 percent of the workforce has graduate degrees, including agricultural services, mass media, chemicals, plastics, pharmaceuticals, computers and electric equipment, scientific instruments, banking, accounting, consulting and other business services, health services and hospitals, education, legal services, and nearly all religious and governmental organizations.[5]

In *Bobos in Paradise,* David Brooks described a new blending of bohemian and bourgeois values among upper-income profes-

sionals.[6] But Creative Class identity runs much deeper than a set of changing affections and affectations; it is rooted in our changed economic circumstances. What binds it together is not just its values and attitudes but the place it occupies in the economic structure.

Class membership follows from people's economic functions. Their social identities as well as their cultural preferences, values, lifestyles, and consumption and buying habits all flow from this. Whereas members of the Working Class work mainly with their physical bodies, members of the Creative Class work mainly with their minds. And for all those who believe this kind of mental or creative labor does not match up to physical work, listen to what the great chronicler of the Working Class, Karl Marx, had to say:

> Nature builds no machines, no locomotives, railways, electric telegraphs, self-acting mules, etc. These are products of human industry; natural material transformed into organs of the human will over nature, they are organs of the human brain, created by the human hand; the power of knowledge objectified. The development of [technology] indicates to what degree general social knowledge has become a direct force of production, and to what degree, hence, the conditions of the process of social life itself have come under the control of the general intellect and have been transformed in accordance with it.[7]

There are no shortages of social scientists who believe that class has declined as a social and economic category. I disagree with them fundamentally. Class, in particular the rise of the Creative Class, exerts an increasingly powerful influence over virtually every aspect of our lives. Throughout this book, and in its penultimate chapter, added especially for this revised edition, I will illustrate the effects class has on myriad aspects of our very existence, from the economic performance of our cities, regions, and nations to our political views and values, from the ways we work to our very health and well-being.

In this book's original edition, I noted that although my field research and interviews made it clear that members of the Creative Class did not yet see themselves as members of a unique social grouping, they actually did share many tastes, desires, and preferences. I added that this new class may not be as distinct in this regard as the industrial Working Class was in its heyday, but it does have an emerging coherence. Since that time, the Creative Class has become increasingly self-aware, not just within nations but globally.

This chapter updates all of the statistics on the Creative Class and the new class structure, based on the most current available data. It also summarizes a great deal of new research on the definition of the Creative Class that has appeared since this book was first published.

Defining the Creative Class

The distinguishing characteristic of the Creative Class is that its members engage in work whose function is to "create meaningful new forms." I define the Creative Class by the occupations that people have, and I divide it into two components. What I call the *Super-Creative Core* of the Creative 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: nonfiction writers, editors, cultural figures, think-tank researchers, analysts, and other opinion makers. I define the highest order of creative work as producing new forms or designs that are readily transferable and widely useful—such as designing a consumer product that can be manufactured and sold; coming up with a theorem or strategy that can be applied in many cases; or composing music that can be performed again and again. Whether they are software programmers or engineers, architects, or filmmakers, the people at the core of the Creative Class engage in this kind of work regularly; it's what they are paid to do. Along

with problem solving, their work may entail problem *finding:* not just building a better mousetrap, but noticing that a better mousetrap would be a handy thing to have.

Beyond this core group, the Creative Class also includes "creative professionals" who work in a wide range of knowledge-intensive industries, such as high-tech, financial services, the legal and health care professions, and business management. These people engage in creative problem solving, drawing on complex bodies of knowledge to solve specific problems. Doing so typically requires a high degree of formal education and thus a high level of human capital. People who do this kind of work may sometimes come up with methods or products that turn out to be widely useful, but it's not part of their basic job description. What they *are* required to do regularly is to think on their own, apply or combine standard approaches in unique ways to fit different situations, exercise a great deal of judgment, and perhaps even try something radically new from time to time. Creative Class people such as physicians, lawyers, and managers may also be involved in testing and refining new treatment protocols, new legal interpretations or management techniques, and may even develop such things themselves. As they do more of this latter kind of work, perhaps through a career shift or promotion, they move up to the Super-Creative Core: producing transferable, widely usable new forms is now their primary function.

Much the same is true of the growing number of technicians who apply complex bodies of knowledge to their work with physical materials. They are sufficiently engaged in creative problem solving that I have included a large subset of them in the Creative Class. In an insightful study,[8] Stephen Barley of Stanford University emphasized the growing importance and influence of this group of workers, who are taking on increased responsibility to interpret their work and make decisions, blurring the old distinction between white-collar work (done by decision makers) and blue-collar work (done by those who follow orders).

There has been a robust debate over how to define the Creative Class since this book was originally published. One common misperception is that the Creative Class is just another way of counting people who have college degrees—the more conventional measure of human capital. In his review of the original edition of this book, the Harvard University urban economist Edward Glaeser wrote: "While Florida acts as if there is a difference between the human capital theory of city growth and the 'creative capital' theory of growth, that is news to me. I have always argued that human capital predicts urban success because 'high skilled people in high skilled industries may come up with new ideas.'"[9] Or as *Forbes* writer Mark Bergen tweeted about the Creative Class on October 7, 2011, "If you just called it the 'Bachelor's Degree or Higher Class,' it'd be a whole lot less confusing."

The reality is, while degree holders and the Creative Class overlap considerably, they're hardly the same.[10] Across the entire United States, nearly three-fourths (72.2 percent, to be exact) of adults with college degrees are members of the Creative Class. But less than 60 percent (59.3 percent) of the members of the Creative Class have college degrees, according to a detailed analysis by my colleagues Kevin Stolarick of the University of Toronto and Elizabeth Currid-Halkett of the University of Southern California. In other words, four in ten members of the Creative Class—16.6 million workers—do *not* have college degrees. As Stolarick and Currid-Halkett write: "Thus, while some correlation would be expected, our results indicate that human capital and the Creative Class do not necessarily capture the same people nor is a measure of each's respective presence in a regional economy indicative of similar trends."[11]

With data supplied by Stolarick, Glaeser ran a regression analysis of the relative economic effects of my Creative Class measures versus the conventional human capital measure (the share of adults with at least a college degree) and found that the conventional variable substantially outperformed mine. "Maybe there is more to cre-

ativity than just schooling," he writes, "but the regression doesn't show it." Maybe he should talk with Sir Ken Robinson, the education expert who shows that schooling often inhibits and retards creativity.[12] But that's beside the point. The metric that Glaeser used to capture performance was population growth, and population growth and economic growth are not the same thing at all. Many regions that grow population experience little or no economic growth. In fact, there is no correlation between the two.

The fact is, a significant body of research shows that the Creative Class measure operates in addition to and through other channels than the standard human capital variable. A large-scale study by Stolarick, Mellander, and myself shows that the Creative Class has a bigger effect on wages—a key element of regional productivity—whereas education tends to have a greater effect on income.[13] Independent research by economist Todd Gabe and others backs this up, showing that the Creative Class continues to have a substantial effect on regional economic growth when controlling for the effects of education and other factors.

More to the point, having a Creative Class job also brings economic benefits that extend beyond those of going to college. A college graduate working in the same occupation as a non-college graduate earns approximately 50 percent higher wages. But having a Creative Class job adds another 16 percent, about the same as another 1.5 years of additional education, according to Gabe's research.[14] Even more important, just counting years of education ignores a lot of people who do very creative work, including world-shaping entrepreneurs such as Steve Jobs and Bill Gates, or artists and others who did not complete college.

Others criticized my concept of the Creative Class as a "hodgepodge," saying it includes too broad a spectrum of occupations and types of work to be really meaningful. For example, businesspeople make a lot more money than artists. True, artists, designers, entertainers, and media workers earn about half ($52,290 per year

in 2010) of what those in management occupations earn and considerably less than lawyers, engineers, and architects. Of the major Creative Class occupations, only education workers make less. But the pay differences within the Creative Class pale when you compare them to the differences between the classes (see Table 3.1). Other critics pointed out that artists, engineers, and businesspeople are very different kinds of people, with different interests and personalities. If you weren't likely to find them at the same cocktail party, how could you say they belonged to the same class? I could say that they missed the point, but there is a better

Table 3.1 Average Annual Wages and Salaries for the Classes, 2010

Class/Occupation	Salary
Creative Class	$70,714
Management	$105,440
Legal	$96,940
Computer and Mathematical	$77,230
Architecture and Engineering	$75,550
Health Care Practitioners and Technical	$71,280
Business and Financial Operations	$67,690
Life, Physical, and Social Science	$66,390
Sales (high-end)	$61,484
Arts, Design, Entertainment, Sports, and Media	$52,290
Education, Training, and Library	$50,440
Working Class	$36,991
Service Class	$29,188
Agriculture	$24,324
All Occupations	$44,410

Source: U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics (OES) Survey, 2010. Available online at http://www.bls.gov/oes/. Analysis by Kevin Stolarick.

answer. My original definition of the Creative Class was admittedly based upon my research teams' subjective assessments of the skill content of work. But objective new data have since become available. In a major 2007 study, David McGranahan and Timothy Wojan, two economists with the US Department of Agriculture, independently updated the definition of the Creative Class, using detailed data from the Bureau of Labor Statistics' Occupational Information Network (O*NET) to specify the skills for each of the occupations I included in my original definition.[15] For the most part, they found that my original definition held up, and that the correlation between my original and their updated definition was substantial.[16]

In his bestselling *Shop Class as Soulcraft: An Inquiry into the Value of Work,* Matthew Crawford, a philosophy-PhD'd think-tanker turned motorcycle repairman, charged me with trying to elevate the mind work of faux bohemians, information techies, and creative professionals over the old fashioned physical skills of shop floor workers (he dubs it the "cult of creativity"). He accused me of subscribing to the fashionable hippie nostrum that "Creativity is what happens when people are liberated from the constraints of conventionality." Chastizing me, he notes that "the truth, of course, is that creativity is a by-product of mastery of the sort that is cultivated through long practice."[17] First, it's simply not true that I elevate one kind of work over another. In the previous chapter, I showed how Creative Class theory is built off my own experiences as a young boy in my father's creative factory, and later from my studies of the advanced factories of Japan, which led a revolution in productivity by tapping into workers' knowledge and creative talents as well as their physical skills.

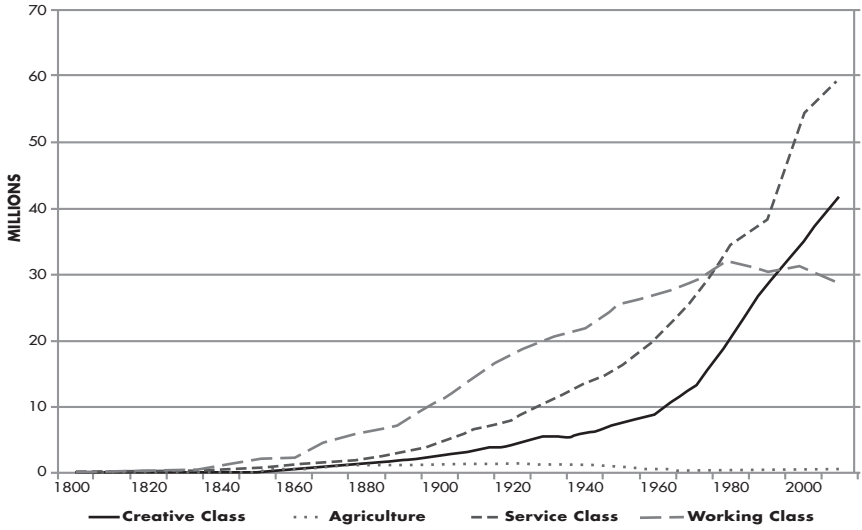
The empirical fact that the Creative and Service Class sectors are growing while blue-collar physical jobs are in dramatic decline cannot be avoided. Crawford makes an impassioned case for the kind of skilled trade work that he does in his motorcycle repair

shop, as well he should—such work has been and continues to be the source of good livelihoods and much fulfillment to those fortunate enough to be able to do it. The unfortunate truth, however, is that the kind of work Crawford does is available to only a small minority of workers. There are 5.3 million installation, repair, and maintenance workers in the United States, less than one-tenth of the more than 60 million workers who toil in mainly low-skill, low-paid service jobs. Only 16,850 of them are motorcycle mechanics, a fraction of a percent of the total US workforce. Crawford's own job is particularly enviable. As the owner-operator of his own shop, he's not an immiserated proletarian by any means, but an entrepreneur. What makes Crawford's job a good job—a great one, really—is more than the physical skills he's honed. It's that he is one of a very small minority of workers who can use his full complement of talents and skills—cognitive, social, physical, and managerial. He has near-complete control over how his work is done, and the flexibility to do it how and when he likes—to be his own boss. For these reasons, his work is a source of great pride and obvious joy. What Crawford does in his shop, in fact, has much in common with Creative Class work. Most manufacturing and production work isn't like this. Much of it remains mind-numbing, de-skilled, and controlled by machines—a modern, high-tech version of Charlie Chaplin flailing away as he tries to keep up with the assembly line.

Tracking the Classes

Working with my colleague Kevin Stolarick, first at Carnegie Mellon University and now at the University of Toronto's Martin Prosperity Institute, I developed a detailed statistical portrait of the rise of the Creative Class and the changing class structure of the United States through history, based on detailed occupational data collected by the US Census. (The Appendix provides a complete explanation

Figure 3.1 The Class Structure, 1800–2010

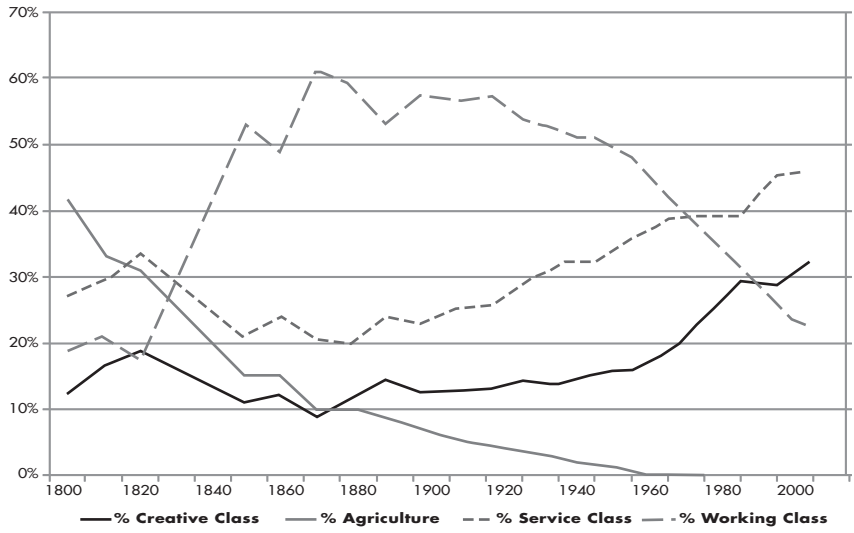


Source: Analysis by Kevin Stolarick. See the appendix for full detail on sources.

of all data and sources.) Our original time line covered the years 1900–1999; we have updated and expanded it to cover 1800 through 2010 (see Figures 3.1 and 3.2).

As of 2010, the Creative Class included some more than 41 million Americans, roughly one-third of the entire US workforce. This is up from the 38 million plus workers and 30 percent of the workforce in 1999 that I reported in the original edition. But consider how much it has expanded over the long sweep of history. In 1800, the Creative Class accounted for just 12 percent of the US workforce, and it hovered between that and 16 percent until 1960. It increased gradually to 19 percent in 1970, to 24 percent in 1980, and now stands at 32.6 percent as of 2010. In dollars-and-cents terms, Creative Class members make quite a lot more than those in other classes, averaging more than $70,000 per year. Taken as a whole, the Creative Class packs an even larger economic punch, accounting for roughly half of all US wages and salaries.

Figure 3.2 The Class Structure, 1800–2010 (Percent of Workforce)



Source: Analysis by Kevin Stolarick. See the appendix for full detail on sources.

Growing alongside the Creative Class is the Service Class, which contains low-end, typically low-wage and low-autonomy occupations such as: food-service workers, janitors and groundskeepers, personal care attendants, secretaries and clerical workers, and security guards, among many others. In US Bureau of Labor Statistics (BLS) projections from the late 1990s and 2000, service jobs like "janitors and cleaners" and "waiters and waitresses" were some of the fastest-growing job categories alongside creative ones like "computer support specialists" and "systems analysts." A decade later, in 2012, the fastest-growing job categories the BLS predicted out to 2020 included "personal care aides" and "home health aides" ahead of Creative Class jobs for "biomedical engineers."[18]

The Service Class includes some 60 million workers, or 47 percent of the US workforce, making it the largest group of all. This is up

from 55.2 million, or 43 percent of the workforce, when I wrote the original edition ten years ago. The Service Class grew from about one in five workers in the late nineteenth century to one-third of the workforce by 1950 before climbing to 45 percent with the new millennium.

The growth of this Service Class is in large measure a response to the demands of the Creative Economy. As the economy has become more specialized and the occupational division of labor has deepened, the Creative Class has increasingly outsourced functions that were previously provided within the family to the Service Class. Some Service Class members have high upward mobility and will eventually move into the Creative Class—college students working nights or summers as food servers or office cleaners, for example, or highly educated recent immigrants driving cabs in New York City or Washington, DC. A few entrepreneurially minded members may be successful enough to open their own restaurants, lawn and garden services, and the like. But many have no way out; they are stuck for life in menial jobs.

At its minimum-wage worst, life in the Service Class is a grueling struggle for subsistence amid the wealth of others. By going "undercover" as a service worker, Barbara Ehrenreich provided a moving chronicle of life on the bottom of the economic food chain in *Nickel and Dimed*,[19] a book that is even more relevant ten years after its first publication (it was rereleased in 2011 with a new afterword). The economic gap between the Creative Class and the Service Class underpins the widening economic inequalities in America and elsewhere. Members of the Service Class earn just slightly more than $30,000 annually, roughly 40 percent of what the Creative Class does.[20] And though they make up more than 45 percent of the workforce, they account for just one-third of all wages and salaries. More than this widening gap in income and economic security, this trend reflects a fundamental divide in what people are able to

do with their lives, and how the economic positions and lifestyle choices of some people drive and perpetuate the choices available to others.

Finally, there is the traditional Working Class, which has about 26 million members, down roughly 20 percent from the 33 million I reported in the original edition of this book. It consists of workers in production operations, transportation and materials moving, repair and maintenance, and construction work.

The Working Class share of the workforce surpassed that of agriculture around 1830, and continued to climb steadily, reaching 60 percent of the workforce by 1870. America remained a majority Working Class nation until the 1950s and the Working Class share of the workforce remained above 40 percent into the 1970s. It has declined ever since, hitting 31 percent of the workforce in 1990 before declining to 21 percent by 2010. The share of the workforce engaged in direct production has declined even more, to just 6 percent. In 2010, the Working Class averaged $34,015 in annual wages, roughly half (52 percent) of the Creative Class.

Alongside the growth in Creative Class occupations, we are also seeing growth in creative content across other kinds of jobs. As this increases—as the relevant body of knowledge becomes more complex and workers are more valued for their ingenuity in applying it—some now in the Working Class or Service Class may move into the Creative Class. A prime example of this can be seen in the secretary in today's pared-down offices. In many cases this person not only takes on a host of tasks once performed by a large staff but becomes a true office manager—channeling the flow of information, devising and setting up new administrative systems, often making key decisions on the fly. This person contributes more than intelligence or computer skills. He or she adds creative value. My recent research with Charlotta Mellander shows not only that Working Class and Service Class members do engage in

creative work but that when they do so, it results in higher productivity and higher wages (a crucial point I will return to in the final chapter of this book). Not all workers are on track to join the Creative Class, however. Since we cannot truly prosper with a system that harnesses the creativity of only one-third of its workforce, the key task of the future must be to fully engage the creative talents of the other two-thirds.

The Crisis and the Creative Class

Marx long ago showed how capitalist crises fuel the rise of new classes and the eclipse of older ones and the economic systems they are inextricably connected to. The Great Depression of the 1930s and the Panic and Long Depression of the 1870s, as I have written elsewhere, reset the economic and social order, accelerating the rise of new production systems and new classes that were attached to them. We are seeing this happen again. The crisis that began in 2008 has hit hardest at the Working Class and especially at blue-collar men, so hard, in fact, that some pundits dubbed its fallout the "mancession." Hanna Rosin's much-discussed *Atlantic* article, "The End of Men," argued that the age of male dominance might have come to its end. "What if," she asked, "the modern, postindustrial economy is simply more congenial to women than men?"[21]

As the Working Class shrank, the Creative Class expanded. Between 2001 and 2010, the Creative Class grew by 2.8 million workers, or 7.2 percent, expanding from 38.7 million to 41.4 million members. The Working Class lost some 6 million of its members—nearly one in five workers—over this same period, shrinking from 32.2 million to just 26 million. The shift can also be seen in the share of the workforce accounted for by each of these classes. The Creative Class share of the total workforce increased from 27.5 percent in

2001 to 32.6 percent in 2010, while the Working Class share fell from 22.9 percent to 20.5 percent. Creative Class employment did fall over the course of the crisis, declining by about 700,000 workers, or about 1.5 percent, between 2008 and 2010. But this pales in comparison to what the Working Class and Service Class endured. The Working Class lost more than 5 million jobs during that same period, and Service Class lost another 2 million jobs. Figure 3.2 shows the small blip in Creative Class growth caused by the crisis—a deficit that it will more than make up in short order. According to Bureau of Labor Statistics projections, the Creative Class is projected to add another 5.4 million jobs by 2020.

The effects of the crisis can also be seen in the very different ways that the various classes experienced unemployment. The overall US unemployment rate more than doubled, rising from less than 5 percent in November 2007 to 10.1 percent by October 2009. During the period of rapidly surging unemployment from January through June 2009, the unemployment rate for the Working Class rose to 15.2 percent, up from 6.2 percent before the onset of the crisis, while Service Class unemployment hit 9 percent. But the unemployment rate for the Creative Class, which was a negligible 1.8 percent in 2007, rose to just 4.4 percent at its apex in 2009—less than one-half the rate for the Service Class and less than one-third of that of the Working Class.

With Todd Gabe from the University of Maine and my Martin Prosperity Institute colleague Charlotta Mellander, I undertook a detailed statistical analysis to gauge the effects of a person's socioeconomic class on unemployment prior to and near the official end of the recession, controlling for the effects of gender, age, education, and other factors that might be expected to have an effect on unemployment.[22] Working Class members were more likely to be unemployed even before the crisis struck: belonging to the Working Class increased the probability of being unemployed by 1.8 per-

centage points as of March 2007. This probability more than doubled, to 4.1 percentage points, by March 2009. Creative Class members faced far less risk of unemployment over the course of the crisis. Having a Creative Class job actually lowered a person's probability of being unemployed by 2.8 percentage points—a very big impact. We also found that having a large Creative Class presence in a region lessened the impact of the crisis on members of the Working Class—mainly because, as Part 4 will show, such regions are more economically vibrant and resilient across the board.

A separate study by Stolarick and Currid-Halkett examined the relationship between the Creative Class and unemployment rates between July 2007 and February 2011 across more than 350 US metropolitan areas.[23] Overall, they found the Creative Class to be negatively associated with regional unemployment: the larger a region's creative workforce, the lower its unemployment rate. They note:

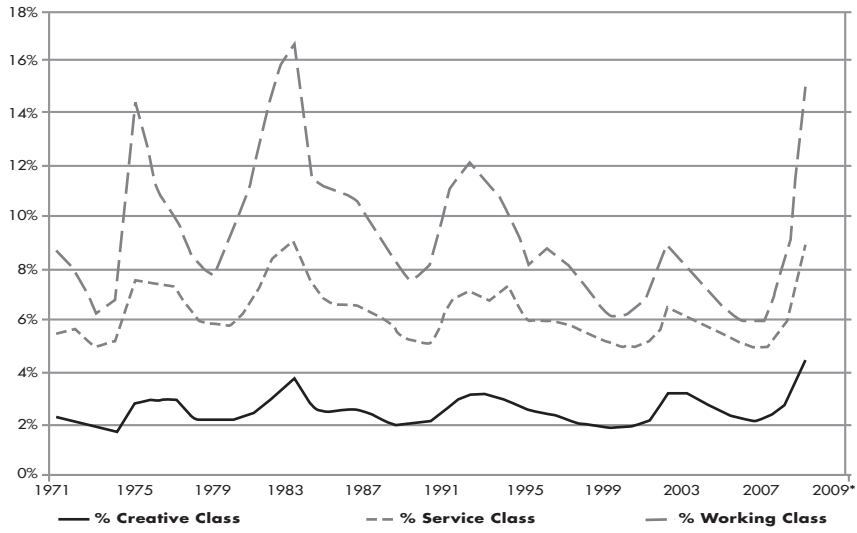
> At the peak, a 1% increase in the creative class and a 1% decrease in the working class, *ceteris paribus,* are associated with an unemployment rate that is 5.7% *lower*. Increasing the creative class by 1% and decreasing the service class by 1%, *ceteris paribus*, would reduce unemployment by 7.1%. Increasing the working class by 1% with a service class decrease of 1%, *ceteris paribus*, would increase unemployment by 1.4%. The overall impact indicates that a higher share of creative workers is associated with lower unemployment, from the expansion of the crisis through to the current day.

Just the class variables alone explained between 30 and 57 percent of the variation in regional unemployment rates. "Cities with a larger creative class experienced slower unemployment as the crisis started, and the rate was even slower as joblessness was expanding across the country," they write. "Cities with a creative workforce reached a lower peak unemployment rate and then recovered more

quickly." They conclude, "In short, having a creative workforce going into the crisis helped mitigate its effects on the regional economy."

This pattern has been the case not just for the current crisis but going back more than four decades. Figure 3.3 tracks the unemployment rate for the three major classes from 1971 to 2009. The Working Class unemployment rate surged to 14.5 percent in the recession year of 1975, hit 16.8 percent in 1983, 12 percent in 1992, and then 15.2 percent in 2009. Service Class unemployment hit 9 percent in 1983 and again in 2009. Creative Class unemployment never topped 5 percent over this entire period, hitting highs of 3 percent in 1976, 3.7 percent in 1983, 3.1 percent in 1993 and again in 2003, and its modern-day high of 4.4 in 2009.

Figure 3.3 The Unemployment Rate by Class, 1971–2009



* Jan.–June 2009 seasonally adjusted, otherwise annual average

Source: U.S. Bureau of Labor Statistics and the Current Population Survey, various years. Analysis by the Martin Prosperity Institute.

Which isn't to say that the crisis hasn't been hard on some members of the Creative Class—it's been hard on everyone. On October 1, 2011, *Salon*'s Scott Timberg went so far as to declare that the Creative Class's very existence is in jeopardy in an article that bore the provocative title "The Creative Class Is a Lie."[24] Just as video purportedly killed the radio star, the Internet and the economic crisis is murdering the Creative Class, in Timberg's view. "This creative class was supposed to be the new engine of the United States economy, post-industrial age, and as the educated, laptop-wielding cohort grew, the U.S. was going to grow with it," he wrote. "But for those who deal with ideas, culture and creativity at street level—the working- or middle-classes within the creative class—things are less cheery. Book editors, journalists, video store clerks, musicians, novelists without tenure—they're among the many groups struggling through the dreary combination of economic slump and Internet reset. The creative class is melting, and the story is largely untold," he added.

To Timberg's point, the Creative Class did have its share of losers during the last decade. The biggest job losses occurred among "news analysts, reporters, and correspondents" (a category that lost 15,130 jobs, a substantial 22.9 percent decline), musicians and singers (8,830 jobs lost, down 16.9 percent), photographers (10,810 jobs lost, down 16.5 percent), and editors (5,050 jobs lost, down 4.9 percent). But as I pointed out when I responded to Timberg's *Salon* piece, other segments of the Creative Class experienced substantial job growth. Jobs for producers and directors went up by nearly 80 percent (36,770 new jobs); art director jobs grew by 45 percent; nearly 60,000 new jobs opened up for graphic designers (up 45 percent); and audio and video equipment technician jobs increased by roughly 40 percent. Overall, the Creative Class added nearly 3 million jobs between 2001 and 2010, growing jobs at a 7 percent clip. The subgroup of the Creative Class that spans arts and media

grew at nearly double that rate (13.8 percent) over the same period. Average Creative Class wages increased by more than one-third (34.5 percent), from $52,707 to $70,890, over this decade—more than any other major occupational group—and wages for arts and media creatives rose by 31.5 percent.

The Creative Class's hard times hardly register in comparison to the outright decimation of the blue-collar Working Class, which lost a staggering 6.2 million jobs over the same decade. Not to mention that Creative Class workers, even in the hardest-hit fields, have the skills and education that allow them to switch jobs and even careers when required—an option that is largely unavailable to blue-collar and service workers. Although some parts of the Creative Class have fared better than others, people who work with their heads haven't suffered nearly as much as those who work with their hands.

Gender, Race, and the Creative Class

The original edition of this book tracked the Creative Class as a monolithic unit, but gender and race remain key fault lines in American society. To what extent do they register in and across the Creative Class and other classes? Utilizing detailed data from the American Community Survey, Charlotta Mellander and I took a close look at this issue.

Women make up the majority of the Creative Class, accounting for 52 percent of its members. A greater percentage of women hold Creative Class jobs (37.1 percent) than men (32.6 percent). But Mellander and I found that Creative Class men earn about 40 percent more than women—$82,009 versus $48,077—a gap of nearly $35,000.[25] Some of this can be explained by differences in work experience, skills, education, and longer work hours. But even when

we control for these factors, Creative Class men still outearn Creative Class women by a substantial $23,700—nearly 50 percent of the average salary for Creative Class women.[26]

Men continue to dominate the Working Class, holding more than 80 percent of positions. Four in ten men are members of the Working Class, compared to just 6 percent of women. Women hold the lion's share of Service Class jobs—nearly two-thirds (62.2 percent). More than half of women (54 percent) hold Service Class jobs, compared to just 30 percent of men.

These statistics help explain the different ways that the crisis has affected women and men. Before the crisis struck, the unemployment rate was pretty similar for men and women—4.3 percent for men and 3.8 percent for women. By 2009, the differential had grown to more than two percentage points—9.5 percent for males and 7.1 percent for women. A large part of this difference comes from the concentration of men in the Working Class and women in the Creative and Service Classes.

Race is the source of even more substantial divides within the Creative Class. More than eight in ten (80.9 percent) of Creative Class jobs are held by whites, who make up just 74 percent of the nation's population. The rest are more or less evenly split among the three remaining racial groups—African Americans (6.8 percent), Hispanics (6.2 percent), and Asians (6.1 percent).

When we look within racial groups, we find an interesting racial division of labor, so to speak. Asians are by far the most heavily represented in Creative Class work. Nearly one-half (47 percent) of them work in Creative Class jobs, compared to roughly one-third (34 percent) of whites, 24 percent of African Americans, and 18 percent of Hispanics. The Service Class is more evenly split across the races. Roughly 40 percent of whites and Hispanics do Service Class work, compared to 48.2 percent of blacks and 37 percent of Asians. Four in ten Hispanics are members of the Working Class,

compared to 28 percent of blacks, 25 percent of whites, but just 16 percent of Asians.

Creative Class Values

The rise of the Creative Class is reflected in powerful and significant shifts in values, norms, and attitudes. Although these changes are still in process, a number of key trends can be identified. Not all of these attitudes break with the past: most have long been associated with more highly educated and creative people; some represent a melding of traditional values with newer ones. On the basis of my own interviews and focus groups, along with a close reading of statistical surveys conducted by others, I cluster them along three basic lines.

Individuality. Members of the Creative Class exhibit a strong preference for individuality and self-expression. They are reluctant to conform to organizational or institutional directives and resist traditional group-oriented norms. This has always been the case among creative people, from "quirky" artists to "eccentric" scientists. But it has become far more pervasive. In this sense, the increasing nonconformity with organizational norms may represent a paradoxically new mainstream value. Members of the Creative Class endeavor to create individualistic identities that reflect their creativity. This can entail a mixing of multiple creative identities.

Meritocracy. Merit is very strongly valued by the Creative Class, a quality shared with Whyte's class of organization men. The Creative Class favors hard work, challenge, and stimulation. Its members have a propensity for goal setting and achievement. They want to get ahead because they are good at what they do. There are many

reasons for this emphasis on merit. Creative Class people have always been motivated by the respect of their peers. They are ambitious and want to move up based on their abilities and effort. But meritocracy also has its dark side. Qualities that confer merit, such as technical knowledge and mental discipline, are socially acquired and cultivated. Yet those who have these qualities may easily begin to believe that they were born with them, or acquired them all on their own, or that others just "don't have it." By papering over the causes of cultural and educational advantage, meritocracy may subtly perpetuate the very prejudices it claims to renounce. Of course, meritocracy also ties into a host of values and beliefs we'd all agree are positive—from faith that virtue will be rewarded to valuing self-determination and mistrusting rigid caste systems. Researchers have found such values to be on the rise, not only among the Creative Class in the United States, but throughout our own and other societies.

Diversity and Openness. Diversity has become a politically charged buzzword. To some it is an ideal that we should always be striving for; to others it is the Trojan-horse concept that introduced affirmative action and other liberal abominations to our society. The Creative Class people I study use the word a lot, but not to press any political hot buttons. Diversity is simply something they value, in all its manifestations. It is spoken of so often, and so matter-of-factly, that I take it to be a fundamental marker of Creative Class values. As my focus groups and interviews reveal, members of this class strongly favor organizations and environments in which they feel that anyone can fit in and get ahead.

Diversity is favored first of all out of self-interest; it can be a signal of meritocratic norms. A number of Creative Class people have told me that they always ask if a company offers same-sex partner benefits when they are interviewing for a job, even if they are not

gay themselves. What they're seeking is an environment that is open to differences—of gender, sexual preference, race, or even personal idiosyncrasies. Many highly creative people, regardless of their ethnic background or sexual orientation, grew up feeling like outsiders, like they were different in some way from most of their schoolmates. They may have odd personal habits or extreme styles of dress. Also, Creative Class people are mobile and tend to move around to different parts of the country; they may not be "natives" of the places where they live, even if they are American-born. When they are sizing up a new company and community, acceptance of diversity is a sign that reads "nonstandard people welcome here." Diversity also registers itself in changed behaviors and organizational policies. For example, in some Creative Class centers like Silicon Valley in California and Austin, Texas, the traditional office Christmas party is giving way to more secular, inclusive celebrations. The big event at many firms is now the Halloween party: Just about anyone can relate to a holiday that involves dressing up in costume. Surveys show such openness to diversity has increased substantially over the past decade. The astounding celerity with which gay marriage has moved from the unthinkable to mainstream acceptance provides an indication of how widely Creative Class values have been disseminated—and how deeply they've penetrated the culture.

Although the Creative Class favors openness and diversity, to some degree it is a diversity of elites, with membership limited to highly educated, creative people. Speaking of a small software company that had the usual assortment of Indian, Chinese, Arabic, and other employees, an Indian technology professional said: "That's not diversity! They're all software engineers." Although the rise of the Creative Class has opened up new avenues of advancement for women and members of ethnic minorities, its existence has certainly failed to put an end to long-standing divisions

of race and gender. Within high-tech industries in particular, these divisions still seem to hold. As we have seen, although women make up the majority of the Creative Class, a substantial gender gap persists in wages and salaries. Race remains an even more salient factor. The high-tech world doesn't include many African Americans. Several of my interviewees noted that a typical high-tech company "looks like the United Nations minus the black faces." On October 8, 2011, the scholar and tech entrepreneur Vivek Wadhwa sent out an apposite tweet on this subject: "More than 50% of Silicon Valley is foreign born. Less than 5% women, almost no blacks or Hispanics, sadly. A lot needs to be fixed."

This is unfortunate but not surprising. As we have seen, African Americans are underrepresented in Creative Class occupations and make nearly $10,000 less than their white peers, even when controlling for education, skill, and work effort—a substantial gap. And though my research for the original edition of this book found a strong association between centers of high-tech industry and communities that are more open toward immigrants and gays, it also found a troublingly strong negative correlation between high-tech concentrations and the percentage of the population that is nonwhite.

Global Values Shift

In more than three decades of careful research, Ronald Inglehart, a political science professor at the University of Michigan, has documented the powerful shift in values as these norms and attitudes took hold. Researchers participating in Inglehart's World Values Survey have administered detailed questionnaires to random samples of adults in countries around the world five times since 1981 (a sixth wave of surveys will conclude in 2012).[27] By 2007, the end

of the last survey period, the number of nations studied had grown to ninety-seven, including some 88 percent of the world's population. Along with specific issues like divorce, abortion, and suicide, the survey has delved into matters such as deference to authority versus deciding for oneself, openness versus insularity ("can strangers be trusted?"), and what, ultimately, is most important in life. Inglehart and his colleagues have sifted the resulting data to look for internal correlations (which kinds of values tend to go together) and for correlations with economic and social factors, such as a nation's level of economic development, its form of government, and its religious heritage. The researchers compared nations to one another, mapping out various similarities and differences—and they also looked for changes over time.

Among other things, Inglehart has found a worldwide shift from economic growth issues to lifestyle values, which he sometimes refers to as a shift from "survival" to "self-expression" values. Moreover, where lifestyle values are rising or dominant, as in the United States and most European societies in the present day, people tend to be relatively tolerant of other groups and in favor of gender equality, which is very much in line with Creative Class values. In everything from sexual norms and gender roles to environmental values, Inglehart finds a continued movement away from traditional norms to more progressive ones. Furthermore, as economies grow, living standards improve and people grow less attached to large institutions; they become more open and tolerant in their views about personal relationships.

Inglehart believes this new value system reflects a "shift in what people want out of life, transforming basic norms governing politics, work, religion, family and sexual behavior." Research that my team and I have conducted on more than one hundred countries since the original edition of this book was published (which I will discuss in later chapters) finds that the Creative Class is strongly associated with Inglehart's "self-expression" and "secular-rational" values

across nations.[28] And other studies I conducted with my colleagues (which I will also discuss in detail later) show a strong association between the Creative Class and openness toward gays and ethnic and racial minorities across nations.[29]

This shift in values and attitudes, as Inglehart notes, is driven by changes in our material conditions. In agricultural societies and even for much of the industrial age, people endured chronic conditions of scarcity. We had to work simply to survive. The rise of an affluent or "post-scarcity" economy means that we no longer have to devote all our energies just to staying alive, but have the wealth, time, and ability to enjoy other aspects of life. This in turn affords us choices we did not used to have. "Precisely because they attained high levels of economic security," writes Inglehart, "the Western societies that were the first to industrialize have gradually come to emphasize post-materialist values, giving higher priority to the quality of life than to economic growth. In this respect, the rise of post-materialist values reverses the rise of the Protestant ethic."[30] Elsewhere, Inglehart comments that "the overriding trend appears to be an intergenerational shift from emphasis on economic and physical security toward increasing emphasis on self-expression, subjective well-being, and quality of life. . . . This cultural shift is found throughout advanced industrial societies; it seems to emerge among birth cohorts that have grown up under conditions in which survival is taken for granted."[31]

Although conservative commentators frequently bemoan these shifts as hedonistic, narcissistic, and damaging to society, the Creative Class isn't subversive through and through—far from it. On the one hand, its members have taken what look to be alternative values and made them mainstream: by making nonconformity mandatory, they've instilled a new kind of conformity. On the other hand, many of its most strongly held values—such as the commitment to meritocracy and to hard work—are quite traditional and system reinforcing in and of themselves. In my interviews, members

of the Creative Class resist characterization as alternative or bohemian. Those labels carry the connotation of standing outside or even against the prevailing culture, and they insist that they are working and living within it. It is in this sense that they represent not an alternative group but a new and increasingly norm-setting mainstream of society. This has become even more pronounced over the past decade as the Creative Class and its values have permeated society, in the United States and also around the world. Perhaps we are indeed witnessing the rise of what economic historian Joel Mokyr has dubbed *homo creativus.* We live differently and pursue new lifestyles because we see ourselves as new kinds of people. We are more tolerant and more liberal because our material conditions and way of life allow it.

When I first published this book, I argued that the rise of the Creative Class had already permanently transformed our economy and society—and I predicted that there would be deeper changes to come. The last decade has borne that out. Far from calling Creative Class theory into question, the economic meltdown provided dramatic confirmation that our world has become a fundamentally different place than most of us were born into. We are living in the eye of the storm, a period of life-altering creative destruction as a new economic order and a new way of life emerges from the old.