

Breathing life back into the cities

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Who's Your City

How the Creative Economy is Making Where You Live the Most Important Decision of Your Life

By Richard Florida

Basic Books, \$26

Something happened on the road to the suburbs. Americans turned their station wagons round and went back to the cities.

From the US and Europe, where city living is enjoying renewed popularity among the well-off and well-educated, to Asia, where cities are growing rapidly, the metropolis is the place to be.

That is a reversal from the second half of the 20th century, when US cities suffered such decline that even New York teetered on the brink of collapse in the early 1970s. The suburbs of New Jersey and Connecticut were beneficiaries of "white flight" from racially divided and blighted Gotham City.

By the early 1990s, the middle class trekked beyond the suburbs to the "exurbs" – new towns in the Sunbelt of Florida, Texas and Arizona – and "edge cities" built around highway interchanges and business parks. The city, it seemed, was doomed to history.

Less than two decades later, things look different. Those who bought houses or apartments on speculative developments around Las Vegas and Phoenix are suffering badly from the housing slump.

In New York, the Plaza Hotel on Central Park, where Kay Thompson's fictional Eloise lived, has been turned into multimillion-dollar apartments. The furthest from Manhattan that bankers want to live is brownstone Brooklyn.

What the heck happened?

Richard Florida, the business school professor who chronicled the rise of "the creative class" – the amalgam of artists, media professionals, lawyers and bankers that now throngs cities – is here to explain.

Some of it is bargain-hunting. Florida cites the work of Jane Jacobs, the visionary economist who was a leading opponent of misguided planning in the 1960s. Jacobs wanted the planners and modernist architects to stop tearing down houses and replacing them with blocks.

At the time, it seemed utopian. But it made sense not to destroy the fabric of the old city but simply to wait for the laws of supply and demand to do their work. It became so cheap to buy a brownstone in Park Slope – or a terraced house in Islington, London – in the 1970s that pioneers did so.

Florida notes that many of the trailblazers in such districts were either gay or were artists, musicians or designers and they were followed by middle-class families. He posits a "Bohemian-Gay" index, which shows that the presence of these groups is correlated with high house prices and incomes.

As the aesthetes reclaimed Georgian and Victorian houses, they pushed out dereliction and urban blight. Soon families followed, and banded together to raise standards in local schools, which drew in others. The vicious cycle of the 1970s became a virtuous circle of regeneration.

But city regeneration is due to more than bargain-hunting by aesthetes. Florida describes how clusterings of media, technology and finance enterprises in cities made them increasingly attractive places for immigrants. The chance of getting well-paid jobs became higher in and around cities.

What matters for development, he says, is not how many people settle in a place but how skilled they are. Cities are vacuuming up the highly educated and well-paid who then work and play together, reinforcing their status as economic insiders.

The urban region – the “megalopolis” – is now the world’s dominant economic force. Florida notes that this goes for the Greater Tokyo and Shanghai regions as much as for the “BosWash corridor” that runs down the US east coast.

The world, in other words, is not flat in the sense popularised by Thomas Friedman. Technology and falling trade barriers have not rendered geography irrelevant. Instead, Florida argues, it is becoming “spiky” – divided into thriving cities and deprived suburbs and countryside.

These are intriguing trends and Florida is an authoritative and entertaining observer. He pulls together many of the things we see around us in high street and housing markets into an illuminating narrative of demography and urban and economic development.

He should have stopped there. The second half of the book purports to be a self-help guide for people choosing where to live. His pitch is that people spend too little time doing so, and they ought to put as much care into selecting their location as in choosing a job or relationship.

But when Florida switches from demographic analysis to tables of places that are good for “families with children” or “mid-career professionals”, he does not have much beyond a list of nice places and some common sense.

This does not detract too much from the book’s overall value. For anyone wondering why cities have regained their lustre after a half-century of decline, this is a wonderful guide. As to deciding where you want to live, and whether you can afford it, that is up to you.

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