

## Prosperity Insights



## **Rise Revisited: Creativity Index**

Ten years ago, Richard Florida, Director of the Martin Prosperity Institute, released *Rise of the Creative Class*. This best-selling book shed light into changing economic, geographical and demographic trends within the United States, shifted by the growing role of creativity. Ten years later, *The Rise of the Creative Class Revisited* has been released, complete with updated statistics, several new chapters and Florida's reflections on the impact of creativity over the past ten years. To celebrate the release of the new book, the Martin Prosperity Institute will release a series of four Insights, providing discussion of the new statistics, maps and analysis.

Vital to the original version of Rise, and included in many other Martin Prosperity publications, working papers and Insights is the use of the Creativity Index. The Creativity Index is Richard Florida's "overall measure of regional economic potential". It combines the three T's (Talent, Technology and Tolerance) to create the index. The three T's are made up of indexes such as: visible minority, foreign born and gay/lesbian population share for Tolerance, a Tech-Pole index and patents per capita for Technology and Creative Class occupational share and educational attainment for Talent, amongst others. All of these indexes that make up the Creativity Index have been updated, as has the Creativity Index itself.

With the revisions to the book and the updates to all of the numbers and measures, the Bohemian Index was excluded from the Tolerance Index and the Creativity Index. This change was not made from any underlying change in ideas or theory. In fact, the important role played by artists, designers, musicians and others in "bohemian" occupations in building a successful regional creative economy has been affirmed over the past ten years. However, dropping the "long form" Census and replacing it with the American Community Survey has resulted in more frequent data, but has also reduced the ability to estimate the Bohemian Index at a regional level for all US metros with a degree or reliability. So, although an updated Bohemian Index is included in the book, the Boho Index has been (unfortunately) dropped from the revised Creativity Index.

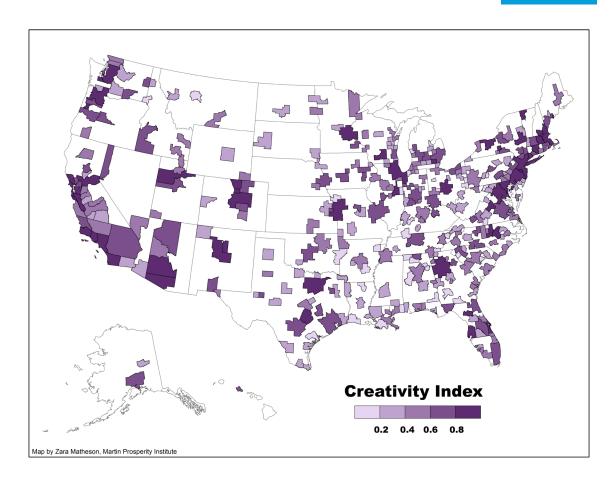
The Creativity Index is a measure designed to capture a metropolitan region's economic potential and embodies a mix of things that allow the city to succeed in the creative economy. As most things change, the top performers as displayed in *Rise Revisited* are not exactly the same as ten years ago. The city that was found to have the highest Creativity Index in *Rise Revisited* is Boulder, Colorado. Boulder is a liberal city with a beautiful landscape, great art and a highly successful business and technological economy, which also scored top ten in the 3 T's. The rest of the top ten are San Francisco, then Boston, a three-way tie for fourth by Seattle, San Diego and Ann Arbor, then Corvallis, Durham, greater Washington DC and then tenth is Trenton. Some other notable scores are San Jose (12th), Austin (16th), and Minneapolis (18th).

There are a number of interesting results of the Creativity Index scores, outside of the top ten. When looking at the top ten most populated metros it was found that only three (Boston, Washington and Atlanta) finished with a Creativity Index score in the Top 20. Some surprise scores were New York's

Rank	Metro	Creativity Index	Technology Index Rank	Talent Index Rank	Tolerance Index Rank
1	Boulder, CO	.981	10	5	9
2	San Francisco-Oakland-Fremont, CA	.970	3	16	17
3	Boston-Cambridge-Qunicy, MA-NH	.968	9	9	20
4	Ann Arbor, MI	.961	25	10	10
4	Seattle-Tacoma-Bellevue, WA	.961	1	22	22
4	San Diego-Carlsbad-San Marcos, CA	.961	7	37	1
7	Corvallis, OR	.959	14	8	25
8	Durham, NC	.953	8	1	45
9	Washington-Arlington-Alexandria, DC-VA-MD-WV	.947	27	3	30
10	Trenton-Ewing, NJ	.945	44	6	13
11	Ithaca, NY	.937	61	4	6
12	San Jose-Sunnyvale-Santa Clara, CA	.933	2	2	71
13	Portland-Vancouver-Beaverton, OR-WA	.930	4	59	16
14	Worcester, MA	.922	30	40	18
15	Burlington-South Burlington, VT	.918	11	20	61
16	Hartford-West Hartford-East Hartford, CT	.916	42	14	37
16	Austin-Round Rock, TX	.916	5	54	34
18	Minneapolis-St. Paul-Bloomington, MN-WI	.915	17	23	53
19	Atlanta-Sandy Springs-Marietta, GA	.912	23	33	42
20	Tucson, AZ	.909	12	64	26

Creativity Index rank of 31st in America, while Miami is one of the largest metros in the US, but ranked 63rd. California is the state that has the most metros with Creativity Index scores within the top ten and top forty. When looking at the map below, it is clear to see that coastal California and the northeastern states of the US are the regions with the higher creativity scores. These are the regions, most fit to succeed in the creative economy, so it is no surprise that the metros of these regions have some of the highest annual GDPs. There are also pockets in states such as Texas, Florida, Washington and Missouri (Seattle, WA ranked 5th; Austin, TX ranked 17th; Kansas City, MO ranked 41st and Gainesville, FL ranked 43rd).

Many factors go into the Creativity Index. The three T's are factors that loom largely in the Creativity Index, and the top ten creative metros generally have high rankings in these categories as well. Seattle was found to be the metro with the highest Technology ranking, beating out San Jose. Durham North Carolina has the highest Talent ranking, once again with San Jose in second and much higher than New York, Los Angeles and Chicago. The most tolerant metros were found to be San Diego (1), Napa, CA (2) and Santa Rosa, CA (3). Boulder Colorado, which is the most Creative metro, was found to be top ten in each of the three T's ranking.



Occupational Share also affects the overall Creativity Index of a city as the higher Creative Class (CC) share, the better affected a city's index will be. Not surprisingly the vacation destination Myrtle Beach, SC had the lowest CC share, and also not surprisingly, the city with the largest CC share was Durham. The top ten CC share metros also include San Jose (2), Washington DC (3), Ithaca (4), Boulder (5), Trenton (6), Huntsville (7), Corvallis (8), Boston (9) and Ann Arbor (10). In terms of total population employed in CC jobs, New York has the most with 2,903, 800 people, followed by Los Angeles and Chicago, as expected. Pascagoula, MS has the highest Working Class Share with 39.7%, and the highest Service Class share was much higher in Myrtle Beach, SC with a Service Class share of 64.9%. Houston was one of the metros with a balanced share of the three main occupations embodying a breakdown of 33% Creative Class, 24% Working and 42% Service Class. The national occupational breakdown was found to be 32% Creative Class, 46% Service Class and 22% Working Class.

Next week, in the series of *Rise Revisited* Insights, the Martin Prosperity Institute will take a look at the analysis of inequality throughout the United States as discussed in the book.

For more information or to purchase *The Rise of the Creative Class Revisited*, by Richard Florida, click here.

The Martin Prosperity Institute at the University of Toronto's Rotman School of Management is the world's leading think-tank on the role of sub-national factors—location, place and city-regions—in global economic prosperity. We take an integrated view of prosperity, looking beyond economic measures to include the importance of quality of place and the development of people's creative potential.

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