

Ep.3.19 - Richard Florida

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SPEAKERS

Ed Clemente, Richard Florida, Announcer

A Announcer 00:01

Welcome to The Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.

E Ed Clemente 00:29

Hello, I'm your host, Ed Clemente. And we're up here at the Mackinac Policy Conference with the Detroit Regional Chamber. And we're very fortunate to have a really good guest, Richard Florida. He is a world's leading urbanist and international best selling author of the Rise of the Creative Class. But I find more interesting, he's also a professor at the University of Toronto, one of the biggest universities we know in North America. I saw you originally when you came here, when you were working with the Chamber before. And I know you really inspired me to even some of this for the podcast..

R Richard Florida 01:11

Thank you. Thank you. It's always great to be here.

E Ed Clemente 01:14

Yeah. And welcome, Richard. I think I wanted to be, I don't know, a futurist. But I always believe that strategically, it's hard for government, and private sector, and nonprofits and higher ed, to all work together to come up with some kind of plan. And I know that's what you've been working on. And so can you kind of explain a little bit what you're doing up at this conference?

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Richard Florida 01:40

Well, you know, I love Michigan, even though I'm not a Michigander, my wife is from here originally and her whole family. So we have two kids. She comes from a large family. So her five siblings are here, her mom's here. And I think my kids have 13 or so cousins here. But then when you start the second cousins, it's you know, it's it well into the dozens. So my kids are actually up here, at Mackiac, and, during the pandemic, you couldn't cross borders. You mentioned we live in Toronto. So, we go across, and we'd endure the quarantine. But my kids didn't get to come as much and had never been here to this great part of the world. So my kids got to see Mackinac. One of the things

E

Ed Clemente 02:26

They're here on this trip?

R

Richard Florida 02:28

Yeah, we're working, they're in the pool. [Maybe it's kind of chilly.] Yeah. So one of the things you know, Glenn Stevens at MICHauto and Sandy at the Detroit Chamber kind of thought, I know them pretty well. And kind of thought, given this ongoing transformation in the auto industry. The fact that you know, the car is no longer the car we grew up with, with an internal combustion engine, produced in a big assembly line. It's a new thing, right? We saw this with Tesla, but it's powered by electricity, goes to an electric charger, but it's also not just that. It has self-driving or assisted driving. It's basically like an app, if you will, it's connected with software, roads have sensors. So the whole ball of wax is changing. And in a way, it went from the old industry that wasn't sexy or cool. I liked it. You know, I come from the era of muscle cars and American great cars. But the younger people, you know, we're all captivated with cell phones and digital devices and laptops and computers and all of that. But now cars become exciting, at least for this new generation. So there's competition from Asia. There's competition on the research front, research and development front, from parts of California, you know where Tesla's R&D unit is. But Michigan still probably has the biggest, you know, it has a big auto industry, it's growing, adding employment. It conducts about half of all the research and development in transportation equipment and about two-thirds and motor vehicles, that companies are making investments. What would it take to ensure that Michigan has his brighter future? And this new car industry isn't the old car industry and that's why we call the report The Great Inflection. You know Michigan's great inflection, how does it compete and prosper in this new era? And we think it can as long as what you said, we can align these different universities, to businesses to communities, get together and do it right.

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Ed Clemente 04:26

Yeah, you know, it's funny, I had a previous guest a while back and you might have heard him Dr. Parag Khanna who talks quite [He's a good friend.] Oh, wonderful. He was on the podcast and he's another guy like you, that's so aspirational, because, people always ask me like, Why do you care about the future so much? And I go, because I don't want to leave the planet. You know, no one lives forever, but what am I doing to make a difference? And it's not even like

some kind of moral cause as much as like, how can you not try to make the world better and I think, guys like you and him, really do care about legacy things that other people can't think past four or five years sometimes.

R

Richard Florida 05:09

Yeah, yeah. And I think for me, I got interested in cities and urbanism as a boy. I was born in Newark, New Jersey, and I saw my city go up in flames. I saw tanks occupying in the city. And as a young boy, I think I wanted to make sense of all of that. So I went into this field. Back when no one cared about cities, when cities were declining, the industrializing, when the suburbs were the thing, and nobody cared about it. And then, around the year 2000, cities started to come back. And now in the year 2023, with remote work, people are asking Where do I live? How do I live? Where should I go? Should I stay in the city? Should I move to the suburbs? Should I move to a new city? So it's become a hot subject, and I've gotten really lucky. And yeah, my whole life has been about purpose of trying to make cities and communities better. And you know, for me, to be honest with you, doing this report is an important part of legacy. Because Michigan is where my wife's family's from, it's where my nieces and nephews live. And I feel like I should try to make a difference in the places, everywhere, but particularly, where our families from. I've been coming here a lot, I spent a lot of time in the state, I spent a lot of time here. I care about it deeply. So for me, to be honest with you, Ed, this is about doing something for the future, but doing something for my own personal legacy. I think you nailed that.

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Ed Clemente 06:30

Well, it's funny, because I kind of believe that a lot of this discussion, it can be counterintuitive to the general public sometimes when they try to hear stuff. But I believe more almost like in thinking in the way of civilization sometimes versus just pure humanity. I mean, humanity is very critical, obviously. But it's the building blocks for civilization. And civilization is what people look back at in history. They don't necessarily look how people cook stuff, or what parties they went to, or always the music. They want to see what is, you know, when you go to Europe, what are you looking at? You're looking at civilization, or you go to China, you see civilization. And I think a lot of what I think you're doing is to try to get people to take a step back and realize, we need to be thinking in broader strokes than just reactionary sometimes.

R

Richard Florida 07:24

Well, cities, you know, if you look it up on Wikipedia, their civilization's greatest invention, right? They are our greatest, when you go to Europe, when you go to look at the sights. They are, we know this from the archaeological record and from anthropology, if you look at where our inventiveness comes from, whether that's the invention of language, whether that's the invention of art, cave drawings, paintings, whether that's the invention of tools, the rudimentary tools, they all come from the biggest settlements, densest settlements of their day. So sometimes they look like tiny towns, but they were big, big, big, big, big cities way back when. And I think we've lost track of that in America, particularly with remote work, we have a group of people that want to say, and you know, you're in Michigan, you hear the people say this about Detroit, or my Newark, or now people say it about New York and San Francisco well,

with remote work, nobody wants to be in a city cities are dead, we're all going to spread out. And for many people, that's an attractive option. We're looking at a spectacular lake right now, who wouldn't want to look at this, but what we find is that even remote workers gravitate towards cities, they want social contact, they want to work in a coffee shop or restaurant, what we call a third place. And actually the biggest concentration of remote workers remains in cities and urban areas, as well as people spreading out to suburbs and rural communities. So yeah, there's no getting around that the counterintuitive thing is the more we think we have technologies that spread us apart. In some ways they do they allow us to go to a suburb or rural area, but the more they compress us in these metropolitan areas, you know, look at the size of Detroit, or nevermind the size of New York or the size of Tokyo, [You mean the physical size.] Yeah, and the physical size and the number of people. It's not like they're, maybe some shrink occasionally. But in generally, we're growing bigger and bigger cities and bigger and bigger metropolitan areas over time.

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Announcer 09:12

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E

Ed Clemente 09:29

Also, another book, I think you've probably read but the Geography of Genius. Are you heard of it? [Of course.] And that book really motivated me as well to realize how important cities were because he takes these different eras of history and why did so many geniuses happen? But I mean, he breaks it down to a certain formula and I think cities are basic to all those formulas of people just bumping into each other.

R

Richard Florida 09:57

This is what worries me now about the conversation about remote work. We're all going to work in our den or a basement, we're never going to come in contact, we're never going to go to work. And you know, look, I'm not talking about going to work in a cubicle farm in a faceless office, nobody likes that, and with a long commute, but what's interesting about cities is this clash and collision and friction between people. And how when people meet, you know, and Steve Jobs said this, the great innovator, or Jack White, the great rock and roll musician, originally from Detroit, now lives in Nashville, said that, if you think about what makes a great startup ecosystem, or a great music scene, they said the same thing. It's the ability of talented people to combine and recombine in new faces in new ways. Until something hits, you know, Jobs had to meet Wozniak, Jack White had to meet Meg White. And that happens all the time. And the first one might not hit or the second one might not hit. But out of that clash and collision comes, and yeah, there's a famous economist, he just passed away, Bob Lucas, probably the greatest economist of the late 20th and early 21st century. And when he received his Nobel Prize, he wrote an essay. And his essay is what makes human economic development. Why do humans, why do societies develop economically? And in that article, he said, the key thing was cities. And it's not because they have great shopping centers, or it's not because they have great restaurants, he said all that's important. It's because in a city, that's

where people multiply each other's talents. Because talented people come together in different domains in a city, they make each one another more productive, and they create new innovations. And I think that's the Geography of Genius. We've seen that in studies, you know, they've done studies of writers in London in the 16th and 17th century and found they were far more productive and influential than writers in other parts of the United Kingdom. We can go on and on. Artists that you know, opera houses in Germany, the studies are innumerable. But they all find that cities do have this ability to activate human genius, but also increase productivity on the whole.

E

Ed Clemente 12:02

Yeah. And I think you also touch on a little bit of, again, the legacy sort of angle, is that, how things happen and I get the idea of legacy from another book, but it was one on Thomas Jefferson. And I know you've probably seen this quote, but he has a legacy stone where he's buried at [Monticello.] Monticello. But he's got a headstone. But then he's got a legacy stone, have you heard this? [No, I haven't.] The legacy stone says like three other things, it says what was he most famous for in his life, right? But he picked three things. One was, started the University of Virginia, he wrote the first freedom of religion for the state of Virginia or the colony, and then he wrote the Declaration of Independence. Right? And [Not bad.] Yeah. But he doesn't mention he was a president, he doesn't mention he was the ambassador to France, or all the other things he did in his life and inventions, he did. And all those things get back to your point, I think is that the legacy angle is what you're kind of looking for. It's hard to just focus on individuals all the time, but it's that chemistry of individuals that a city provides, that will take us into our challenges for the future.

R

Richard Florida 13:21

What's so interesting about this, I find, is that more and more, you know, when I wrote this book, Rise of the Creative Class, it was very interesting. I think this is just multiplied. When you talk to kind of talented and creative people in art, music, whatever, technology, software, they all kind of said the same thing. I want to work on great projects with great people in great spaces and great places. And we kind of imagined that technology takes the last part, great space, no, but it doesn't, spaces in places out. In fact, there's more of that. And one of the interesting things that's happened, I think, over the past 20 years is not only have our cities, you know, who would have thought Detroit would come back the way it has and but not just Detroit, look at Grand Rapids, you know, look at what's happened in Grand Rapids, another city people weren't, you know, didn't think would define a new era. But look at what's happened in Traverse City. Like it's sort of magnificent, the Brookings Institution cited Traverse City, as a community that understands the connection between place and talent, we can go on chapter and verse, some of the suburbs that were kind of mundane places 20 years ago, are now filled with activity, walkability, coffee shops, exciting places to go out to eat. And you've almost had this transformation in our country. And one of the reasons I think people can move around more and feel more comfortable, is because so many places have become better. You know, and I think for me, when you talk about legacy, that's what excites me the fact that we can create more places that are better that young people and families feel more comfortable in that people are excited by and that are energized by I think that's what that's what I've been trying to do. And when I think about Michigan, there's this incredible portfolio of places, it has a place for every kind of person. And you know, as people age that may change for them. It's not like

just for every kind of person, you may change, you may like a big city when you're young, than a great suburb when you have kids, whatever, rural area when you're older, or when you want to escape the crowd. So I think what's so exciting about Michigan is it has a portfolio, and I talked about this in the report, it has this portfolio of places that offer something for everybody.

E

Ed Clemente 15:30

And you sort of triggered my when I had to do my thesis. But I did a my degree was in organizational leadership, right? But I did my thesis on something that was really hard to prove. But it was like leadership, and it was, Is it art or science? Right? So I did sort of a survey of leaders as to what they thought was this, you know, and I guess that's the question I'm putting to you a little bit is, how much of this is art? And how much is science? And I know that better answers, it's somewhere in between always. But how much of this can be a template? We had a company come or countries come in, Northern Ireland, and the Republic of Ireland, just maybe about a year ago, and I gave them a tour. And they came to Detroit, they picked Detroit, because they want to see how we did border crossings, and they heard how good we are and they're having all the problems with Brexit and, you know, the EU, and they want to see. Somehow our legacy of we're being a great place to do border crossing being you're working in Canada, and I think we overlook sometimes our huge assets. So is it more art or science, you think these things?

R

Richard Florida 16:43

Well, it is indeed both. But here's the rub. It's an area I'm very concerned about. And I teach at a business school and the fellow who hired me, Roger Martin, is a leading thinker in strategy and leadership. So it's something I thought about, if you think about business, and Roger does strategy for CEOs. There is a business school, an MBA program, and their executive courses, there's a whole curriculum, the Harvard Business Review and you can go down books about this. If you think about engineering leadership, there are departments of engineering or engineering schools, there's executive training, if you think about leadership and medicine, medical schools that train people that develop clinical protocols that understand how you do it. In cities, I don't want to say it's art, it's winging it, you know, that somebody decides to run for office, okay, I'm going to be the mayor, okay, I want to be an academic, there's not a curriculum, there's not clinical protocols. It's not based on science. So one of the things that I've tried to do, we actually created a school of cities, it was my idea at the University of Toronto, it's a very fledgling enterprise, that would bring together all these domains, architecture, urban planning, management, leadership, infrastructure, civil engineering, the remote sensing and all of this. But I actually think what we need is something like a teaching hospital for cities. I've been saying this that the idea that they created at Johns Hopkins a century ago that if you wanted to make new medical professionals, you needed to, you know, people come just operate on you without understanding the science, that you needed to have a science based training program that would develop people, well you need to do the same for urban leadership and city leadership and community leadership, and for economic development. And then there were developed clinical protocols that people could understand it would be based on facts, and there would certainly be art, but it would be much more scientifically based. So yeah, that's kind of my mission.

E**Ed Clemente 18:35**

Oh, I am on board. I'm a former state representative. And, you're right. There is no meritocracy, or technocracy attached to any kind of qualification, sometimes, you know, to be in handling huge budgets and things like that, too. And I know, that's always been a challenge for me. Well, I know we're kind of at the end here. So I just wanted to make sure that you had any other closing points you want to make, because you know, this podcast was started because of COVID, by the way.

R**Richard Florida 19:08**

I just love being back here. I love the state, I hope that I can contribute some way, my own legacy to what's happened here. I'm amazed by what's happened here. You know, I've been coming here for a long, long time. If you ask me if this could happen, I would have said Never. So I'm amazed. And I think it really is a consequence and attribute to leadership here from a variety of sectors coming together. There's lots more to do. But I think what you've accomplished is amazing, so I'm glad to play a small part in it. Thanks for having me, Ed.

E**Ed Clemente 19:36**

Oh, thank you. Again, Richard Florida, professor, but a author and many other things. Thanks for taking time. Great report. And thanks for doing this today.

R**Richard Florida 19:45**

Thank you. Great being with you.

E**Ed Clemente 19:46**

Join us next week where we'll have Roberta Dall'Olivo. She's the director of EURADA, the European Association of Development Agencies, working primarily in economic development issues.

A**Announcer 19:59**

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