LONDON'S 'FLAT WHITE' ECONOMY TAKES SHAPE

Economist Douglas McWilliams' 2015 book The Flat White Economy: How the Digital Economy Is Transforming London and Other Cities of the Future explains how entrepreneurs are contributing to the city's financial recovery. Is this new breed of worker — created by the merge of the digital and creative sectors — going to carry the UK through Brexit and beyond? We looked at recent statistics:

HOW FLAT WHITE GOT ITS NAME

The term was coined from a favorite high-tech worker coffee drink: espresso with steamed milk and little foam.

DIGITAL OVERTAKES INDUSTRIAL SECTOR

McWilliams boldly predicted by 2025 the flat white economy would grow to be the largest business sector in the UK. In April, it did, indeed, overtake industry. Its percentage of Gross Value Added (GVA):
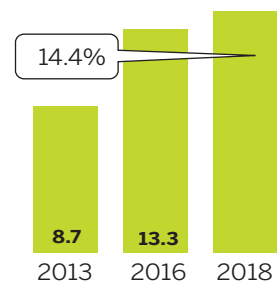
SOURCE: Centre for Economics and Business Research (CEBR)

14.4%

8.7	13.3	
2013	2016	2018

LONDON COWORKING SPACES EXPANDING

Flexible workspaces where companies share space are transforming "business as usual." Their goal: Save money and offer environments that encourage innovation via cross pollination. In London, they now make up seven percent of the commercial real estate market. A sampling of the larger ones:
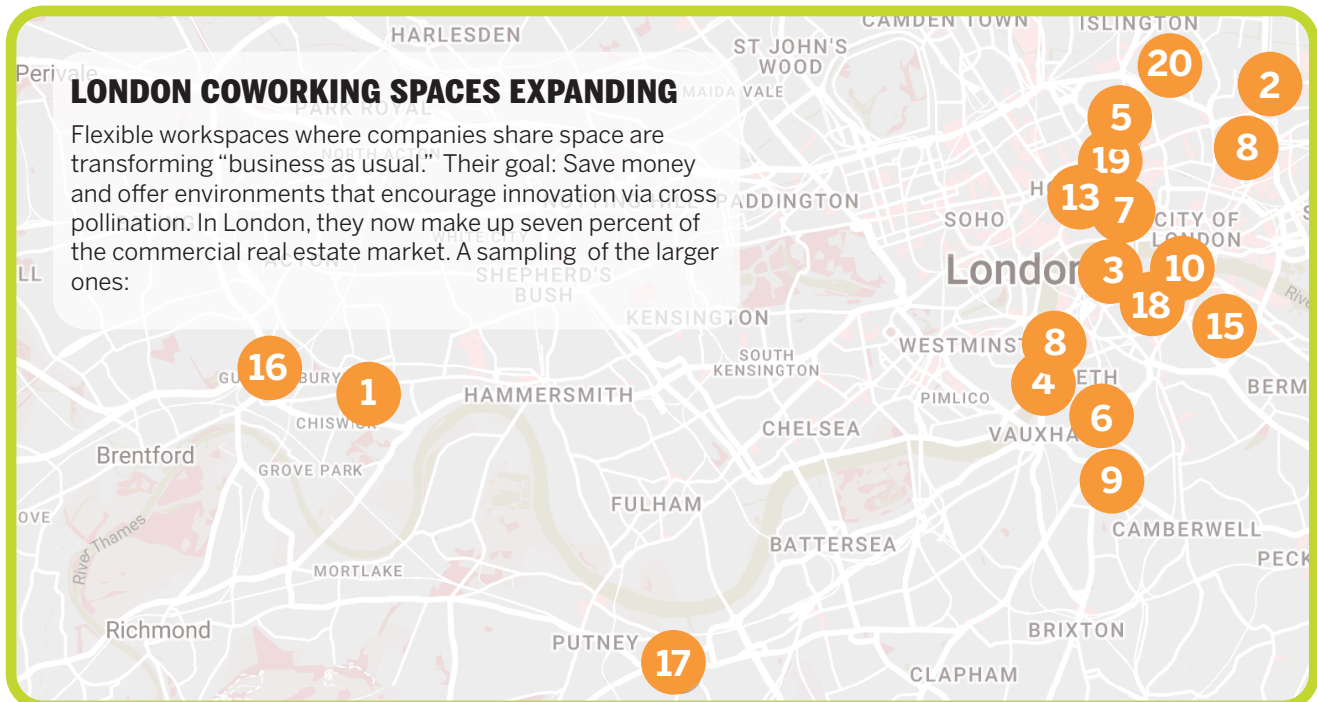
1 Barley Mow Centre
2 Brickfields
3 Cargo Works
4 China Works
5 Clerkenwell Workshops
6 Edinburgh House
7 Fleet Street
8 The Frames
9 Kennington Park
10 Metal Box Factory
11 Parkhall Business Centre
12 Pill Box
13 Quality Court
14 ScreenWorks
15 The Leather Market
16 The Light Box
17 The Light Bulb
18 The Print Rooms
19 The Record Hall
20 Wenlock Studios

WHAT CAREERS MAKE UP THE FLAT WHITE SECTOR?

Not all of the jobs involve high-tech entrepreneurs white-boarding ideas in renovated lofts. The flat white careers and their value in millions of pounds as of Aug. '19:
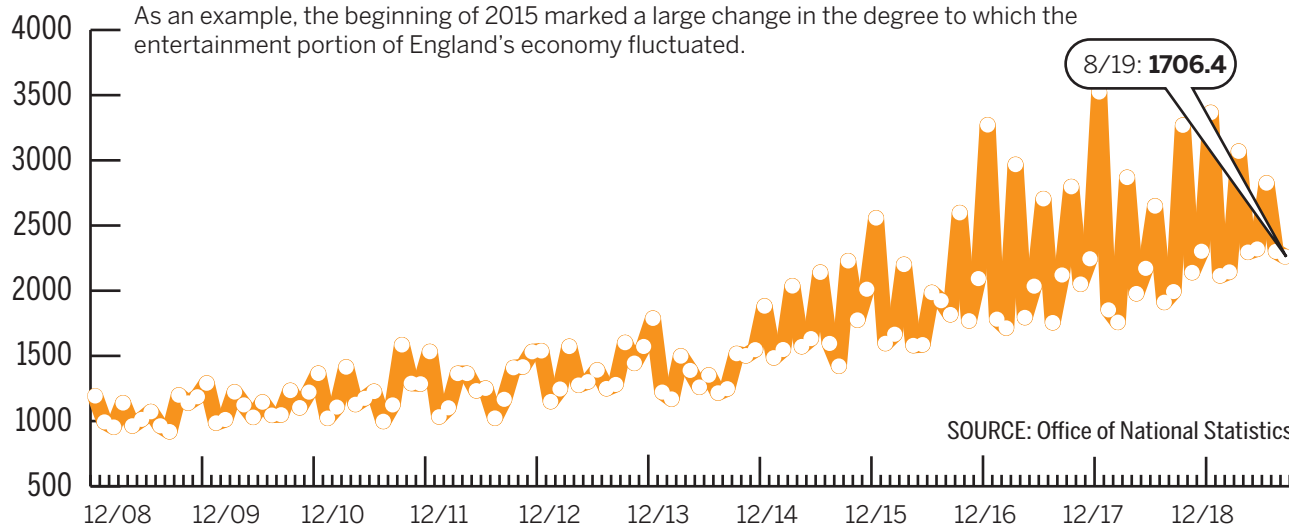
Career	Value (in millions of £)
Computer programming, consultancy & related services	9344.9
Management consulting services	6188.2
Office admin, office support & other business support	5937.6
Telecommunications services TOTAL	5155.5
Advertising & market research services	3140.4
Motion pic., video/tv prod.; sound rec./music publishing	2260.7
Other professional, scientific and technical services	2094.7
Scientific research & development services	1940.9
Information services	1706.4
Programming & broadcasting services	1172.0
Creative, arts and entertainment services	722.7
Repair services of computers/personal & household goods	439.5

* April, 2018 were the most recent numbers provided
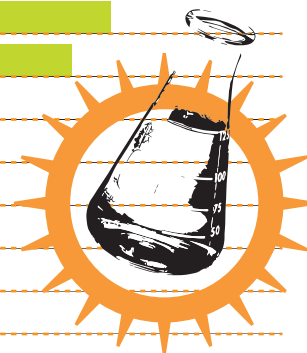
## A CLOSER LOOK: MUSIC, MOVIES AND VIDEO SHOWING MORE FLUCTUATION

Although the overall digital economy is growing, individual subsectors can vary significantly. As an example, the beginning of 2015 marked a large change in the degree to which the entertainment portion of England's economy fluctuated.

8/19: **1706.4**

SOURCE: Office of National Statistics

(Chart y-axis: 500, 1000, 1500, 2000, 2500, 3000, 3500, 4000; x-axis: 12/08, 12/09, 12/10, 12/11, 12/12, 12/13, 12/14, 12/15, 12/16, 12/17, 12/18)
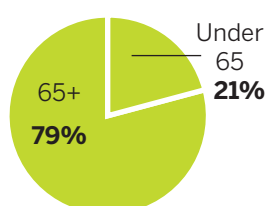
NET [IL]LITERACY

England's reliance on digital goods is one of the reasons given for the flat white economy's success. However, a digital divide in the UK persists:

DESCRIBED AS HAVING "0 DIGITAL SKILLS"
WOMEN **61%**
MEN **39%**
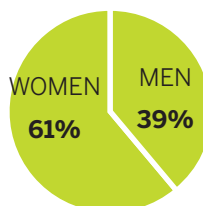
AGES OF NON INTERNET USER POPULATION
Under 65 **21%**
65+ **79%**

DISABLED WHO DON'T USE THE INTERNET
Disabled **23%**