

# SPATIALISATION AND INTERNATIONAL COMMUNICATION INDUSTRIES: THE CASE OF MIAMI

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## ABSTRACT

This paper investigates the role this U.S.-based city plays in Latin American business and particularly its role in the extension and penetration of cultural industries' activities in that continent. Our thesis is that locational advantage interacts with political, economic and cultural factors to foster the growth of transnational cultural industries. As other types of companies enter the emerging markets of Latin America and Asia where near-term growth opportunities are high, the same expansion pattern or sequence of actions may be duplicated. Miami's location captures the capital, the cultural proximity, and the business structure required to exploit emerging markets. The interaction of the late 20th century business structures with Miami's cultural characteristics offers insight into how global economies of scale and scope can be understood in terms that must go beyond simple technology arrangements.

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## Introduction: Why is Miami the “Hollywood of Latin America?”

In the course of examining the factors related to increased trade between the U.S. and Latin America, as well as among regions of Latin America, the importance of Miami crops up repeatedly. This essay investigates the role this U.S.-based city plays in Latin American business and especially its role in the extension and penetration of cultural industries’ activities in that continent. Our thesis is that locational advantage interacts with political, economic and cultural factors that are highly significant in this stage of internationalisation. The growing presence of media production and distribution companies that have prompted some observers to characterise Miami as the Latin American Hollywood illustrates just one facet of the international business expansion in that continent. Other businesses likewise find Miami a necessary springboard for their growth.

As other types of companies enter the emerging markets of Latin America and Asia where near-term growth opportunities are high, the same expansion pattern or sequence of actions exhibited in Miami can be expected to be duplicated. Miami’s location captures the capital, the cultural proximities, and the business structure required to exploit emerging markets. The interaction of the late 20th century business structures with Miami’s characteristics offers insight into how global economies of scale and scope unfold in a handful of global cities. We suspect that Hong Kong and Singapore for the Asian continent may occupy similar roles for the Asian continent, and that their emergence replicates on regional levels certain characteristics that have already made London, New York, and Tokyo global cities.

### Global Trade, Location, and Communication Industries

During the last quarter century international trade has increased exponentially across numerous product categories. Communication products have been components of this trade. Indeed, for the U.S. they constitute the second largest export category. However, unlike most other commodities, cultural products’ movement across nations has had profound political implications and prompted debates that go beyond issues of commercial impact.<sup>1</sup> Communication scholars who have studied the flow of cultural products initially interpreted the patterns of movie and television program flows within a model of cultural imperialism, affirming that there were strong exports from “developed” countries — especially the U.S. — to all other countries (Schiller 1969). That explanation has shifted to one that acknowledges the broader global aspirations of capitalism as well as the regional trade patterns that actually never did exempt cultural products, even if most communication scholars’ research missed their presence.<sup>2</sup>

Within the larger interdependent, global trade context, the notion of state imperialism has been subsumed by the recognition that multinational corporations now do business everywhere, and that for such corporations the political dimensions of cultural products are simply occasionally painful “externalities.” State roles focus on market access issues even as delicate matters of cultural identity are rendered into the calculus of programming quotas and production guarantees. Among scholars and critics, the communication businesses’ drive to conquer new markets or to expand its product lines has generated larger considerations of capitalism and how the economic system frames the specific actions and consequences associated with global operations. Conse-

quently concepts that can account for the gradients of locational advantage, diverse political contexts, and the constantly evolving structures of international business organisations are useful in order to understand the patterns of cultural industry expansion.

Spatialisation may be one useful concept for such understanding. As Mosco (1996) explains it, spatialisation describes global media industries' presence across temporal and geographic territories as well as across product types (sometimes called differentiation). He offers two reasons why spatialisation is important for understanding communication processes: "First, communication processes and technologies are central to the spatialisation process throughout the wider political economy. Second and partly because of this, spatialisation is particularly significant in the communication industries" (p. 173). Using communication in order to eliminate impediments presented by space or distances figures into the economic principles that currently drive global business configurations. For example, using communication satellites enables a broadcaster to reach across a continent with one single transmission received at numerous points simultaneously; a headquarters in Detroit can effectively manage its manufacturing operations in northern Mexico. Both illustrate the ways in which communication systems can shrink space as well as time, and allow businesses to effectively operate nearly anywhere. More to the point, communication systems operate as the undergirding infrastructure allowing or facilitating such processes, while they also constitute or transmit content-laden commodities (movies, television programs, Internet sites) using the very same structure.

Spatialisation research often has focused on industry structure in terms of the increasing corporate power of multinational media corporations. Many communication researchers have documented horizontal and vertical integration, ownership patterns, and concentration among communication firms, relating these business strategies to the formation of monopolies, to effective risk-reduction or to conquering of new markets.<sup>3</sup> Another form of spatialisation incorporates geographic location, and it is this aspect that is pertinent to the role of Miami for Latin America.

Although he does not use the word spatialisation, Castells (1996) argues that "informationalism" is a mode of development that characterises capitalism in the late 1990s. Communication industries both depend on and provide the information networks that are central to Castells' theory. They facilitate the agglomerative economies that networks of producers, suppliers, marketers, distributors and consumers require, especially those of the information industries themselves. Castells' "space of flows" explains the interaction of technology and economy and explores the spatial patterning of economic functions. Echoing Sassen's (1991) work on the meaning and significance of "global cities," the space of flows suggests that certain cities occupy strategic positions for the flow of capital and the [orderly] operation of a global economy. Both Castells and Sassen date a profound economic restructuring in the early 1980s, and they share the perception that the economy then became a "spatially dispersed yet globally integrated organization" (Sassen 1991, 3).

Without invoking a lengthy explanation of its genesis and history, informational capitalism states that information technology has been essential to restructuring the economy in order to enhance productivity, globalise production, circulation and markets, and ensure basic profitability levels.<sup>4</sup> Castells characterises contemporary economies as being "informational societies, in the sense that the core processes of knowledge generation, economic productivity, political/military power and media communication are already deeply transformed by the informational paradigm, and

are connected to global networks of wealth, power, and symbols working under such a logic" (p. 21). In particular, Castells calls attention to the networking logic of late capitalist structures. For him, spatial dynamics are universal in the workings of contemporary capitalism even if they are not uniform. Clearly the development of various technology systems — computers, computer networks, communication satellites, vast connected data links within financial and transportation systems — all comprise and utilise the network.

This spatial logic adds a powerful argument to the emergence of a city like Miami as a centre for Latin American business and communication industries because it is able to integrate the economic specifics of Latin American nations to the unique situation of this city as a refuge for people leaving repressive political regimes, devaluation and economic instability. The notion of Miami as a space where culture, language, finance, business acumen, personal networks, and politics could flow easily among citizens of Latin countries highlights the aggregate effect of the city's constituent features, not the least being its interdependence with the stability of capital and democratic progress in many Latin American countries.

## The Role of the Transnational City

*The global city is not a place but a process. A process by which centers of production and consumption of advanced services, and their ancillary service local societies, are connected in a global network, while simultaneously downplaying the linkages with their hinterlands, on the basis of information flows (Castells 1996, 386).*

Castells' conception of spatialisation explicitly links large scale economic transformations to specific modes of doing business, an integration that most communication researchers have refrained from addressing. Several critics have widely documented the spread and growth of media firms by examining revenues, employee base, profits, the range of joint ventures and cross-media ownership, and concentration (Wasko and Mosco 1992; Schiller 1996; Compaine 1982). Geographic spatialisation and its meaning for business operations, however, have been addressed more thoroughly by cultural geographers.<sup>5</sup> Nevertheless an important contribution from Castells and others reinserts the notion of command and control centres into the process of corporate growth. Such command and control centres contain the special ingredients that allow them to connect major and subsidiary centres, ancillary services to central missions, marketing and financial support to distribution. Even though the network society concept emphasises that flexible companies are able to easily alter products, workers, marketing, organisational structures, and suppliers in response to changed conditions, physical centres may still be necessary for controlling these processes. In other words, place matters even within the space of flows.

While many locations engage segments of the informational economy, locational roles vary. Major cities offer unique sites for agglomerative activities that are information-based: finance, insurance, real estate, consulting, legal services, advertising and marketing, information gathering and management services. From a world perspective, only a few cities offer such a powerful combination of capabilities that their reach can be extended regionally or even throughout the globe. Sassen (1991) documents how such functions distinguish the "global cities" of New York, Tokyo and London. Without going into a lengthy exposition on capital mobility, suffice it to say here that dispersed economic activity around the globe requires central control rather

than dispersed control paralleling the production functions. In her detailed analysis, Sassen examines the growth in international financial and services transactions in London, New York and Tokyo, concluding it is higher in these cities than national averages would suggest.<sup>6</sup> Miami operates as a parallel regional centre for Latin America's markets.<sup>7</sup> We suggest specifically that it functions as a centre for Latin American media operations and probably for other industries as well. The organisational arrangements and operations of culture industries suggest their similarities to operations in other commodity domains. In particular, the similarities suggest we examine this industry as yet another case of an informational economy that centralises control in one location.

## Miami's Growth: "Astride Two Cultural Worlds"

The above phrase from Alejandro Portes' and Alex Stepick's book *City on the Edge* captures their argument that Miami's prominence is singular. These sociologists write that "alone among major American cities, Miami did not originally grow out of economic locational advantages, but acquired them only afterwards as an outgrowth of its unplanned political role" (1993, 208). They refer of course to Miami's status as the entry point for 300,000 Cubans in 1965, and the exiles' subsequent participation in the international economy, as well as that of other waves of Latin immigrants later moving to the city. The cultural proximity of Miami to Latin markets became a locational asset, but only after the city itself became substantially Latinised.

It might seem curious that a city in the United States would emerge as a centre in the media business of all of Latin America, but Miami is an unusual place. It has developed into a site that represents a union of the critical elements for television and movie businesses targeting regions south of the U.S. With production houses, post-production units, financial resources, talent and an amenable cultural ambience, Miami functions as a Hollywood for Latin America.<sup>8</sup> Like New York and Los Angeles, Miami's size, affluence, and financial resources lubricate the sorts of transactions that unite the diverse range of jobs and talents endemic to media businesses. We identify five factors that bear on Sassen's analytic categories and help explain Miami's role in Latin American media businesses as well as certain other economic endeavours. These factors link the city characteristics that figure prominently in the media industry with those that influence the other businesses that have located in Miami in order to expand into Latin America.

The factors enabling Miami to become a hub for Latin American media expansion include: (1) the influx of diverse population groups from various Latin America countries; (2) the presence of capital and a successful Latin business community; (3) the growth of the Latin American music industry during the 1980s in Miami — making the city a powerful factor in that media enterprise — as well as the establishment of television services Univision and Telemundo in Miami in the late 1980s; (4) the development of an extensive transportation and communication infrastructure linking Miami and Latin American countries; and (5) the agglomeration of finance, creative and technical talent and distributors in the city that make the whole far more than the sum of its parts.

### The Latin Population

For years a jumping off point for travel to and from Latin America, the immigrant influx first from Cuba in the 1960s and then from Nicaragua in the 1980s as well as

other Latin countries consolidated Miami as a truly Latin city. Several books have been written on this transformation, most focusing on the racio-ethnic schisms that caused the city's Anglo population to be so quickly replaced by Cubans. However, a partial understanding and appreciation of the city's Latin ties has emerged recently as business leaders, Hispanic, African-American and Anglo, see the city's export economy flourish, most of represented by trade with Latin American countries (Williams 1998). For example, the majority of the top 50 Hispanic-owned export firms in the U.S. are headquartered in Miami (Russell 1997).

Latin culture in Miami grew in the past three decades, rendering the city more and more pan-Latin and enabling visitors from Latin countries to come to the city and feel very comfortable.<sup>9</sup> These populations brought finance and a certain taste or style to Miami, two critical elements necessary to grow a media business (as well as other businesses). The Cuban immigrants in the 1960s were skilled professionals and business people who fled the prospect of communism in their home country. Those skills enabled them to relatively quickly rejoin the professional classes in the U.S., yet it is important to distinguish this transformation as something distinct from assimilation. In fact, the Cuban population consolidated its individual identity and has for years resisted "Americanisation" or assimilation. Instead, the exiles recreated Havana in Miami, a terrain with Cuban behaviours, values and mores.

Miami-Dade's population in 1998 was 54% Hispanic, the majority of Cuban descent; fully 41% of the Hispanic population is not Cuban, however, testament to the city's draw for other Latin populations as well (an estimated 150,000 Nicaraguans arrived in Miami in the 1980s). The Latin population's presence makes Miami a familiar and amenable place in which other Latins can do business.

### Capital

The financial community's presence partially defines the role of a city in the international economy, and Miami's Latin connections position it as an important international banking centre. Over many years, during tumultuous times at home, wealthier Latin Americans invested their money in Miami, taking advantage of the more stable dollar-based currency. The financial institutions and national banks that catered to tending these funds helped Miami to move easily into international trade. Media businesses are just one economic sector joining many others in forging important links between the city and Latin American countries.

As of the mid-1980s, 40% of the area's banks were owned by Latins. Grenier and Stepick (1992) noted that by 1982 the city was second only to New York as an international banking centre, and also that the arrival of the Cubans coincided with the city's economic base moving from tourism toward providing financial services to Latin American countries. As of 1980, over 100 multinational corporations maintained Latin American headquarters in Miami. Croucher (1997) points out that Citicorp and Chase Manhattan, along with 50 new foreign banks, opened branches in Miami during that decade. Foreign banks (Standard Industrial Classification code 608) numbered 23 in Miami in 1990 and increased to 65 by 1995 (County Business Patterns 1995). In 1995, the deposits in those banks amounted to \$11.7 billion, one third of the total deposits in all of Florida's banks. The Port of Miami and its International Airport and other terminals processed approximately \$7.5 billion in Latin imports and exports. Castells (1989) identifies Miami as one of a handful of cities organising themselves as regional

international capital centres, with one aspect of the city's unquantified capital flows being the large money laundering operations associated with the drug trade.

International trade in 1996 accounted for about 45% of the city's economy, much of it focused on Latin American countries (Beacon Council statistics 1997). Miami displaced New Orleans as the U.S.'s major trading centre for Latin America shortly after the arrival of the Cuban exiles. As one indicator of Miami's enmeshment with Latin America, the economic well-being of the city became tied to the economies of its trading partners; hence, when some of the Latin countries faced debt crises, South Florida also experienced certain types of downturns such as declining real estate purchases by foreigners, reduced tourism, and business closings (Croucher 1997, 43). As Sassen argues, these are bellwether indicators of a region's standing in information industry terms, and obliquely document the growth of capital in the region. The growth between 1990 and 1995 in F.I.R.E. employment, in business services (SIC 7300) and in foreign banks is significant.

### The Intersection of the Global Company and the Miami Location

Work on global cultural industries over the past ten years has sought to describe and explain the shapes and trends of the unfolding transnational relationships. As global corporations expand horizontally and vertically — across territories and product lines — adding distribution modes, and generating as well as purchasing new content platforms, the way in which “global” priorities interact with local taste and values epitomises the latest stage of internationalisation. Emerging studies of such processes illustrate the way in which control is maintained at a headquarters level while minor content decisions and accommodations are made at local or regional intersections. The cultural industry management plan is one in which upper and mid-level managers move around the world in lateral and upward positions, making similar deals and standardising arrangements across hugely varied circumstances. The effect is to carve out a set of conventions and content that are predictably popular across cultures.

Miami is a location for the offices of many services targeting the Latin American market, offices employing transnational managers familiar with their far-flung companies and with various world regions. Over the years Miami attracted the corporate headquarters of both Telemundo and Univision, two major Spanish-language networks in the U.S. Cable or satellite networks with offices in Miami include MTV Latino, Nickelodeon, USA, The Box, Discovery Channel, Fox Kids, Fox Sports Americas, and Canal de Fox Hollywood, Travel Channel Latin America, HTV (a Latin music channel), and Gems TV (a Spanish-language service targeting women), among others. In some cases these units undertake production and post production, and in other cases they represent the marketing and Latin American management arms of their home companies.

Program production and distribution facilities also are located in Miami. Support services also flourish there. The satellite uplink sites of Galaxy Latin America and Sky, the new direct-to-home services offering multichannel TV to all of Latin America, have offices in Fort Lauderdale/Miami as well. Panamsat, the pioneering satellite service for Latin America, is headquartered in the Miami area, and its services include not only television content but also telecommunications (voice, data) links, satellite newsgathering, and various business applications. Other satellite services located there include Loral/Satmex (partially owned by the Mexican government). Hero Productions,

a young company founded in 1993 and purchased in 1998 by France Telecom, provides international teleport services alongside a television production facility — it is the largest provider of satellite uplinks to international programmers in south-eastern U.S. — that includes a large dubbing and subtitling unit (Kessler 1998). Sony Music, BMG Latina, Polygram and Electra likewise have centres in Miami, stating boldly that they hope to make the city the music capital of Latin America. Finally, the Miami-based trade magazine *Producción & Distribución* supports the industry, billing itself “the leading publication of the Spanish-language TV, film and new media industry.”

### Infrastructure

Several people in the industry have noted Miami’s advantages for business. It is the transportation cross-roads to Latin America. “It offers the best of both worlds, offering the convenience of a U.S. location, transportation and telecommunications benefits, as well as a community flavored with a strong Latin flavor,” commented a former senior VP of MTV Latin America (*Variety*, 11/20-26, 1995, 34). As one music studio director for WEA Latina was quoted in a New York Times article on Miami: “We moved to Miami first and foremost because of location, location, location, as the real estate people always say.... [for Latin Americans]. Miami is what Rio de Janeiro is to non-Latins, a city that has a magical name, an aura. Whatever works in Miami is going to influence what goes on in Latin America” (NYT, 8/18/96, 2, 1+). The infrastructure elements necessary to the media business include not just the facilities normally associated with production, but also the air transportation that can facilitate crew and talent movement in and out of the city, and the telecommunications connectivity necessary to the fast-moving pace production. Miami has numerous flights to all the major cities in Latin America, with frequencies unmatched by air service in any other city in the hemisphere. Moreover, people travelling from one Latin country to another often must go through Miami whether or not it is their destination. Additionally, the communications facilities — from telephones and fax machines to Internet and email capabilities — make doing business in Miami efficient and cheaper. A long distance phone call in 1996 from Brazil to Miami would cost the equivalent of \$4.00 per minute, while from Miami to Brazil it was \$1 per minute.

When combined with the financial institutions already located there, Miami’s telecommunications and transportation infrastructure offer a useful business climate for Latin American ventures. Moreover, the physical proximity of many of the media business offices is striking. Clustered in a few locations, particularly Miami Beach, these offices offer opportunities for easy interaction. “Place” provides the occasion for developing relationships, still a prerequisite for many business activities in spite of the growth of virtual offices and companies.

### Agglomeration

Miami’s draw for numerous related industries means that people in multiple service sectors can work together easily. For media businesses, this operates both for production and for undertaking marketing and financing deals.

That people from one production unit can speak easily with those in another has turned out to be a great advantage: “The fact that both TV networks [Univision and Telemundo] are here is an amazing advantage [...] you can have daily contacts and establish relationships because they are basically just down the block” (NYT, 8/18/96,



H, 25). With respect to productions specifically targeting either the U.S. Spanish language market or Latin American markets, Miami has proved to be a draw for the talent featured in such work. Julio Iglesias, Gloria and Emilio Estefan, Jaime Bayly (from Lima, Peru), Jose Luís Rodríguez (a soap opera star from Venezuela), the Cuban singer Alita, actress/singer Lucía Mendez (Mexico), Nicaraguan musical star Luís Enrique, comedian Charytín and singer Raphael (Spain), among many others, all live in the Miami area, affording a glimpse of the growing pool of creative talent the city offers producers. The early arrival of Telemundo and Univision spawned a pool of crew and craftspeople necessary to the television business, in turn inciting interest in establishing post-production facilities. Post-production houses, dubbing facilities, and satellite uplinking facilities now help Miami to claim its status as a communication hub for Latin America. South Beach in particular has emerged as an important production area that can support television or film shoots with established facilities and crew. Also, satellites service providers PanAmSat and Hughes' Galaxy project likewise have offices in the Miami region, rounding out the production-programming-distribution chain of companies.

Significant additions to the presence of technical expertise are found in the distribution offices supported by numerous television and cable or satellite networks. These sites plan for and arrange programming deals between producers/programmers and the exhibition industries. In the mid-1990s the wave of cable/satellite programmers (HBO, MTV, Discovery, Travel, etc.) mentioned earlier established a presence in Miami in order to facilitate distribution pacts with Latin-targeted projects. The agglomerative economies afforded by having all the resources needed for production together in one place have propelled Miami's advantages for Latin American television work.

Finally, Miami is a politically neutral terrain for these multiple Latin American-oriented ventures. Its U.S. base means there are no country jealousies with respect to locations and facilities. One producer at MTV Latin America stated "Neutrality is important because an Argentine firm may resent its country being represented by a headquarters in Mexico City" (Shackelford 1995). Moreover, the dollar is the uniform currency for production and distribution contracts, so that financial transactions undertaken in the United States can take advantage of the politically neutral environment. The ability to distribute in dollars while production occurs in local currencies ("buy in dollars, produce in pesos") also explains some of Miami's utility to numerous programming companies.

## Conclusion

Miami's position as a U.S. city on the tip of the Latin American continent has enabled it to become a node in the global informational economy. The confluence of Miami's Latin population, its geographical location, and this era of capitalism catapulted this somewhat touristy, sleepy city of the 1960s to international prominence as a command centre for the emerging markets of Latin America. Locational advantage catalysed the intersection of continental economic integration and cultural integration. The expansion in production, production capabilities, and in audiences and distribution systems display some counter intuitive developments that underscore the complexity of the processes underneath the "space of flows." That is to say that place matters, and that the operations of flows cannot be conceptualised as entirely divorced from cultural and political forces.

Miami's development pattern deviates from that of many of the other informational cities, largely because of the skills, financial resources and networks of the people settling there after 1965. Media businesses clearly recognised the significance of Miami. They contributed to some of its early prominence for Latin businesses, particularly in the music industry, and more recently they exploited its multidimensional service sector in order to launch new ventures targeting Latin audiences. The geographic spatialisation reflected in Miami's economic character marks it as a significant region in the network connecting Latin America's markets to global communication companies, and the same processes are at work in other industries as well. The case compels us to recognise that economic factors work alongside cultural conditions, so that understanding how transnationalisation develops must be conditioned by attention to multiple levels of analysis.

## Notes:

1. Certainly many products were sources of political wrangling during the negotiation of GATT, most notably agricultural products. However, this primarily had to do with protecting national industries. While the same projectionist element has been hard at work with respect to flows of cultural products, the scope of concern extends beyond the financial to include issues of national identity, history, and cultural values.
2. Most academic research however failed to document that regional flows of cultural products that have traced geo-cultural proximities.
3. Consider the additional information that is conveyed by a spatially-based description of these companies, such as the following notes on some of the holdings of one of the world's largest media companies, the News Corporation, the creation of Rupert Murdoch. Its international holdings just in programming channels include: the Fox television network in the U.S. as well as its owned-and-operated stations around the country; 20th Century Fox Studios; Brazilian TV service Telecine, which is co-owned by Brazil's TV mogul Globo; LAPTIV in Latin America, co-owned with Argentina's SACSA and Venezuela's Cablecinema holding; LAPTIV in turn holds interests in at least two more Latin channels, Movie City and CineCanal; Canal Fox, distributed in Latin America via satellite; Fox Sports International, co-owned with TCI's Liberty Media and TCI's other international company, TINTA; Fox Sports in turn owns Fox Sports Americas and Fox Sports Brazil, the latter co-owned with Globosat; Fox Kids Worldwide (co-owned with Saban Entertainment); Fox Kids Latin America; International Family Entertainment, which likewise co-owns United Family Communication; the latter in turn owns the Family Channel and Casa Club TV. Add to this News Corp.'s distribution outlets through satellite - the STAR TV and Sky satellite systems reaching Europe and Asia, and its direct-to-home (DTH) services reaching Latin America (co-owned with several large Latin-based companies), and the global penetration mode becomes clearer.
4. Castells (1996) provides a brief explanation of such restructuring, noting that post World War II prosperity reached its zenith in the early 1970s, necessitating a re-examination of fundamental dynamics in order to institute reforms aimed at four goals: "deepening the capitalist logic of profit-seeking in capital-labour relationships; globalising production, circulation, and markets, seizing the opportunity of the most advantageous conditions for profit-making everywhere; and marshalling the state's support for productivity gains and competitiveness of national economies, often to the detriment of social protection and public interest regulations" (p. 19).
5. It may be worth noting that such investigations generally ignore communication industries per se, and focus instead on distinctions among the major economic sectors (e.g., manufacturing, services). Castells' work in the 1990s is an exception.
6. Sassen's thesis is threefold: (1) that new forms of centralisation for management and regulation of the global network of production sites and financial markets are needed; (2) that in addition to large corporations and large commercial banks, there needs to be a marketplace with multiple advanced corporate service firms and nonbank financial institutions; and (3) that producing a wide array of innovations in services and finance is central to global economic activity, and that cities are the key locations for those innovations (Sassen 1991, 126-127).

7. Sassen argues that the transformations experienced by New York, Tokyo and London have been parallel, a puzzle given their diverse histories, cultures and politics. She argues that what is in fact shared by them is their exposure to global processes, although she is careful to position the locations not as outcomes but rather as participants in the global processes.

8. The New York Times initially bestowed this title on Miami, one which has since gained currency in much of the trade literature.

9. "It's a big advantage. Latin businessmen know they can come here and conduct business in Spanish, that they can find food and entertainment they enjoy. Many of them keep an office and a second home here" (Williams 1998, H6).

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