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Benchmarking Miami's Globalization

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THE MIAMI URBAN FUTURE INITIATIVE

The Miami Urban Future Initiative is a joint initiative with FIU's College of Communication, Architecture + The Arts and the Creative Class Group sponsored in part by The John S. and James L. Knight Foundation, which will lead new research and mapping on economic, occupational, creative and technological assets in Miami, in partnership with renowned experts, to provide necessary data, evidence and strategy to grow a more inclusive, creative economy for a 21st century global Miami. Miami has reached a crossroads. Its economy - historically based on tourism, hospitality, transportation, and real-estate development - has deepened, diversified, and become more creative and idea-based, as banking, media, arts, education, and new technology-based industries have assumed a larger role. The region now finds itself at a critical inflection point.

Through this Initiative, we hope to provide the thought leadership and awareness required to guide Miami's evolution as a global city through data-driven research and assessments of the key trends shaping the region, disseminate this information and inform the broad strategic vision for the region's private and public stakeholders through ongoing local convenings and briefs and bring global thought-leaders and practitioners to bear on thinking about the region's future through high-level events and convenings on issues important to Miami and global cities.

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BENCHMARKING MIAMI'S GLOBALIZATION

The Miami Metro—which spans Miami-Dade, Broward, and Palm Beach counties—has quickly ascended the ranks of global powerhouses. In 2017, Miami ranked 30th on A.T. Kearney's Global Cities Index, just behind Frankfurt and Dubai.¹ With its enviable location, prominent international airport, and major port, Miami now serves as an economic and financial hub for Latin America and a gateway to Europe and the rest of the world.

The following research brief from the Miami Urban Future Initiative provides a data-driven assessment of Miami's status as a global metro, comparing its performance in recent years to all 53 of America's large metros with populations of more than one million people.

Figure 1: Miami's Overall Globalization Rankings

Metric	Value	Rank among Large U.S. Metros
Foreign-Born Residents	40.5% (2.5 million residents)	1
Foreign-Born Share of Adults with a Bachelor's Degree or Above	41.4%	2
Foreign-Born Share of Adults with an Advanced Degree	39.4%	2
Foreign-Born Share of Knowledge, Professional, and Creative Workers	38.9%	2
Residents Who Moved from Abroad One Year Ago	1.9% (114,000 residents)	2
Exports	\$33.3 billion	7
International Freight	1.5 million tons	1
International Airport Passengers	26.6 million	2
Foreign-Owned Businesses	2,579	8

Note: Definitions and sources for all metrics are listed in the appendix.





KEY FINDINGS

- **Miami's people make it global.** The Miami metro ranks first among large U.S. metros according to its concentration of foreign-born residents, who make up more than 40 percent of its population—nearly three times the national average. Miami ranks second according to its share of residents who moved to the metro from outside the U.S. in 2015 (1.9 percent).
- **Miami's educated and high-skill workforce is critically dependent on foreign-born talent.** Miami ranks second among large U.S. metros according to the foreign-born share of residents with a bachelor's degree or above (41.4 percent) or advanced degree (39.4 percent). The metro also ranks second among large U.S. metros according to the foreign-born share of its high-skilled creative class (38.9 percent). On all three of these metrics, Miami ranks second only to San Jose, the heart of Silicon Valley, and ahead of New York, Los Angeles, and San Francisco.
- **Miami is an export powerhouse.** Miami ranks seventh among large U.S. metros according to its exports, having exported \$33.3 billion in goods and services in 2015. The metro ranks first among large U.S. metros according to its international freight, or the amount of merchandise goods, commodities, and cargo that it transported internationally in 2016.
- **Miami's airport is a global advantage.** Miami ranks second among large U.S. metros according to its number of international passengers, behind New York and just ahead of L.A. The metro ranks even higher—first among large U.S. metros—when its number of international passengers is adjusted for population size.

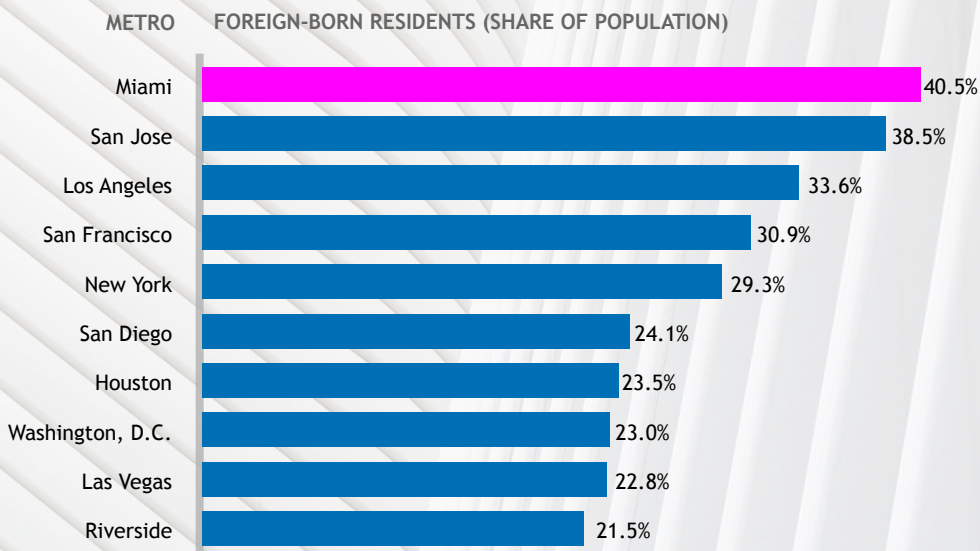
BENCHMARKING MIAMI'S GLOBAL ECONOMY

The following section provides a more detailed, data-driven analysis of how Miami stacks up on key measures of global competitiveness.

FOREIGN-BORN TALENT

- **Foreign-Born Residents.** Miami ranks first among large U.S. metros according to its share of foreign-born residents. In 2016, foreign-born residents made up 40.5 percent of Miami's total population, placing the metro ahead of San Jose, L.A., and San Francisco.
- **Concentration of Foreign-Born Residents.** Miami again ranks first among large U.S. metros according to the concentration of its foreign-born residents. This figure is based on a "location quotient," or LQ, which shows how concentrated a group or industry is compared to the U.S. as a whole.² With an LQ of 2.99, Miami's concentration of foreign-born residents is nearly three times the national average.

Figure 2: Foreign-Born Share for Large U.S. Metros



Note: Large metros are those with more than one million people.

Source: U.S. Census American Community Survey 2016

Figure 3: Foreign-Born Concentration for Large U.S. Metros

Rank	Metro	Foreign-Born Location Quotient (LQ)
1	Miami	2.99
2	San Jose	2.84
3	Los Angeles	2.48
4	San Francisco	2.28
5	New York	2.16
6	San Diego	1.78
7	Houston	1.73
8	Washington, D.C.	1.70
9	Las Vegas	1.69
10	Riverside	1.59

Note: Location quotient, or LQ, refers to how concentrated an industry is compared to the U.S. as a whole.

Source: U.S. Census American Community Survey 2015

IN-MIGRATION OF RESIDENTS

- **Share of Residents Who Moved from Abroad.** Miami ranks second among large U.S. metros according to the share of its residents ages one and over who moved from abroad from 2015 to 2016. With a share of 1.9 percent, Miami ranks just behind San Jose and ahead of Washington, D.C., San Francisco, and Boston.

Figure 4: Share of Residents Who Moved from Abroad from 2015 to 2016 for Large U.S. Metros

Rank	Metro	Share of Residents Who Moved from Abroad (2015-2016)
1	San Jose	2.0%
2	Miami	1.9%
3	Washington, D.C.	1.3%
4	San Francisco	1.3%
5	Boston	1.3%
6	Seattle	1.2%
7	San Diego	1.2%
8	Orlando	1.2%
9	Houston	1.2%
10	Tucson	1.0%

Note: Large metros are those with more than one million people.

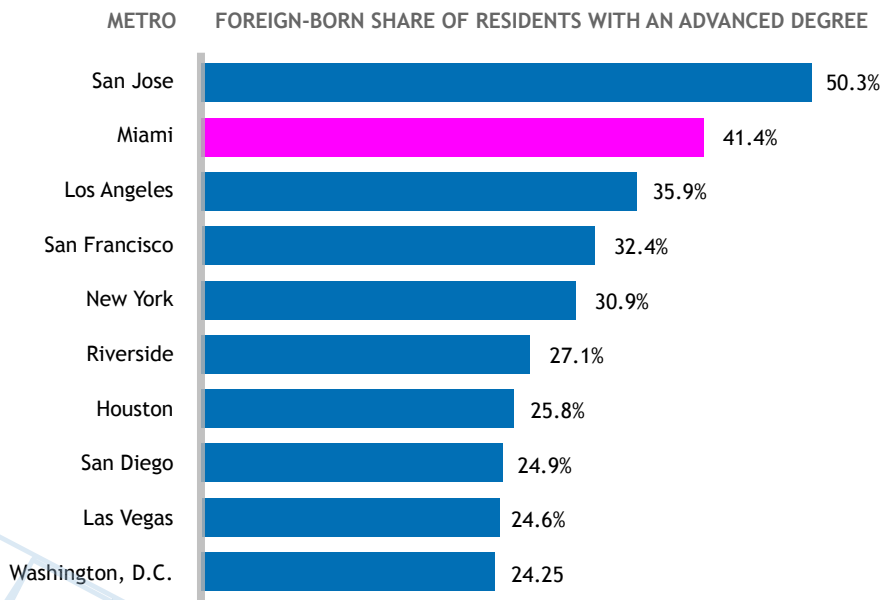
Source: U.S. Census American Community Survey 2016

BENCHMARKING MIAMI'S GLOBAL ECONOMY (CONTINUED)

HIGH-SKILL IMMIGRANT TALENT

- **College-Educated Foreign-Born Residents.** Miami ranks second among large U.S. metros according to its foreign-born share of college-educated residents. With foreign-born people making up 41.4 percent of college-educated residents in Miami, the metro ranks behind San Jose but ahead of L.A., San Francisco, and New York.
- **Foreign-Born Residents with Advanced Degrees.** Miami also ranks second among large U.S. metros according to its foreign-born share of residents with advanced degrees. With foreign-born people making up 39.4 percent of residents with advanced degrees in Miami, the metro again ranks behind San Jose but ahead of L.A., San Francisco, and New York.
- **Foreign-Born Creative Class.** Miami ranks second among large U.S. metros according to the foreign-born share of its creative class (science and technology, arts, media, and culture, and traditional knowledge workers). With foreign-born people making up 38.9 percent of Miami's creative class in 2015, the metro ranks behind San Jose but ahead of L.A., San Francisco, and New York.

Figure 5: Foreign-Born Share of Residents with a Bachelor's Degree or Above



Note: Large metros are those with more than one million people.

Source: U.S. Census American Community Survey 2015

Figure 6: Foreign-Born Share of Residents with an Advanced Degree

Rank	Metro	Foreign-Born Share of Residents with an Advanced Degree
1	San Jose	57.1%
2	Miami	39.4%
3	Los Angeles	34.0%
4	San Francisco	33.3%
5	New York	30.4%
6	Houston	30.2%
7	San Diego	26.1%
8	Seattle	25.0%
9	Washington, D.C.	24.9%
10	Riverside	24.1%

Note: Large metros are those with more than one million people.

Source: U.S. Census American Community Survey 2015

Figure 7: Foreign-Born Share of the Creative Class

Rank	Metro	Foreign-Born Share of Creative Class
1	San Jose	46.9%
2	Miami	38.9%
3	Los Angeles	31.6%
4	San Francisco	29.8%
5	New York	28.1%
6	San Diego	22.8%
7	Houston	22.7%
8	Washington, D.C.	22.1%
9	Las Vegas	21.6%
10	Riverside	18.6%

Note: Large metros are those with more than one million people.

Source: U.S. Census American Community Survey 2015



GLOBAL CONNECTIVITY

Global connectivity is a key driver of economic output in cities and metro areas. To gauge Miami's global connectivity, we turn to three measures: exports, international freight, and the number of international air passengers. The measure of international air passengers has become increasingly important in the global economy, with research linking air connectivity to greater inter-city investments and higher levels of business connections.³

- **Exports.** Miami ranks seventh among large U.S. metros according to its exports (goods and services that are produced locally and sold internationally). With \$33.3 billion of exports in 2015, Miami ranks ahead of Dallas, New Orleans, and San Francisco, just behind Chicago and Detroit, and further behind Houston and New York.

Miami ranks 15th among large U.S. metros according to its exports when adjusted for population size. With more than \$548 million of exports for every 100,000 residents, Miami ranks ahead of San Francisco but behind San Jose and Seattle.

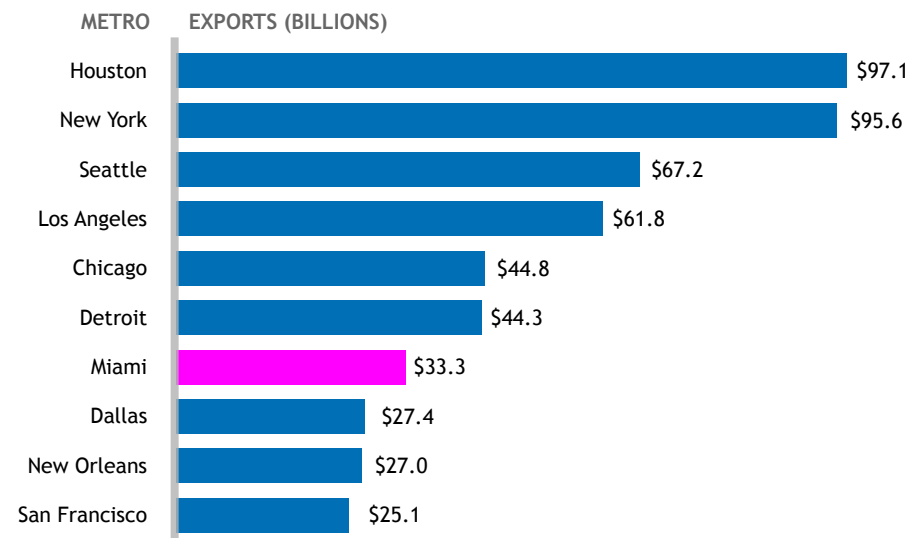
- **International Freight.** Miami ranks first among large U.S. metros according to the amount of merchandise goods, commodities, and cargo that it transported internationally in 2016. With 1.5 million tons of international freight, Miami ranks just ahead of L.A. and New York and even further ahead of major cities like Chicago and San Francisco.

Miami also ranks high—second among large U.S. metros—according to its international freight when adjusted for population size. With nearly 25,000 tons transported internationally for every 100,000 residents, Miami ranks ahead of L.A., Chicago, San Francisco, and New York but behind Memphis (home to the FedEx headquarters).

- **International Airport Passengers.** Miami ranks second among large U.S. metros according to its number of international passengers. With a total of 26.6 million international passengers, Miami ranks behind New York, just ahead of L.A., and even further ahead of Chicago and San Francisco.

Miami ranks first among large U.S. metros according to its number of international passengers when adjusted for population size. With nearly 438,000 international passengers per 100,000 residents, Miami ranks ahead of metros with some of the busiest airports in the world, including Atlanta, Chicago, and L.A.

Figure 8: Exports for Large U.S. Metros



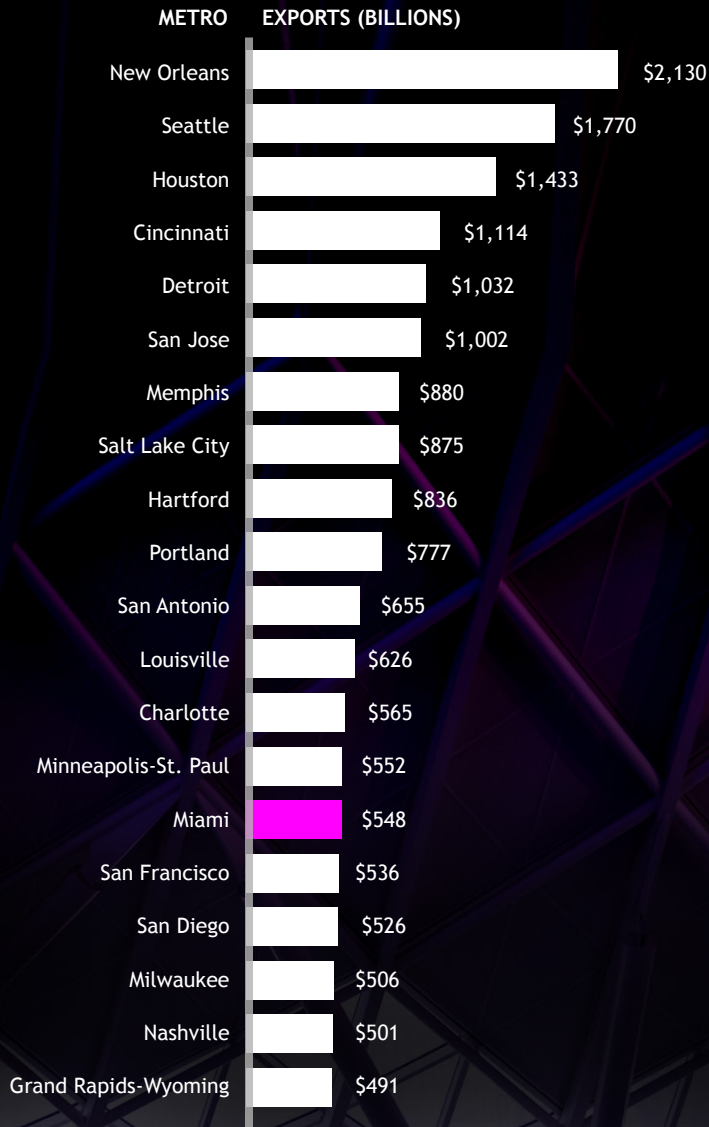
Note: Large metros are those with more than one million people.

Source: U.S. Department of Commerce International Trade Administration 2015



BENCHMARKING MIAMI'S GLOBAL ECONOMY (CONTINUED)

Figure 9: Exports per 100,000 Residents for Large U.S. Metros



Note: Large metros are those with more than one million people.

Source: U.S. Department of Commerce International Trade Administration 2015

Figure 10: International Freight for Large U.S. Metros

Rank	Metro	International Freight (tons)
1	Miami	1,496,343
2	Los Angeles	1,234,101
3	New York	1,123,076
4	Chicago	821,646
5	Memphis	531,741
6	San Francisco	358,630
7	Cincinnati	308,027
8	Atlanta	270,118
9	Dallas	228,624
10	Houston	227,297

Note: Large metros are those with more than one million people.

Source: U.S. Department of Transportation 2016

Figure 11: International Freight per 100,000 Residents for Large U.S. Metros

Rank	Metro	International Freight (tons)
1	Memphis	39,598
2	Miami	24,666
3	Cincinnati	14,227
4	Louisville	9,373
5	Los Angeles	9,272
6	Chicago	8,637
7	San Francisco	7,664
8	New York	5,573
9	Atlanta	4,665
10	Indianapolis	4,411

Note: Large metros are those with more than one million people.

Source: U.S. Department of Transportation 2016

Figure 12: International Airport Passengers for Large U.S. Metros

Rank	Metro	International Passengers (millions)
1	New York	45.4
2	Miami	26.6
3	Los Angeles	23.1
4	Chicago	12.9
5	San Francisco	12.6
6	Houston	11.4
7	Atlanta	11.2
8	Dallas	7.9
9	Washington, D.C.	7.6
10	Boston	6.2

Note: Large metros are those with more than one million people.

Source: U.S. Department of Transportation 2016

Figure 13: International Airport Passengers per 100,000 Residents for Large U.S. Metros

Rank	Metro	International Passengers
1	Miami	437,921
2	San Francisco	268,849
3	Orlando	235,239
4	New York	225,376
5	Atlanta	193,601
6	Los Angeles	173,748
7	Houston	168,228
8	Las Vegas	162,779
9	Chicago	135,635
10	Boston	130,065

Note: Large metros are those with more than one million people.

Source: U.S. Department of Transportation 2016

HEADQUARTERS OF FOREIGN COMPANIES

- **Foreign-Owned Businesses.** Miami ranks eighth among large U.S. metros according to its number of foreign-owned business establishments in 2011. With more than 2,500 foreign-owned business establishments, Miami ranks alongside Atlanta, Philadelphia, and Washington, D.C., ahead of San Francisco, and behind New York, L.A., and Chicago.
- **Foreign-Owned Employment.** Miami ranks 33rd among large U.S. metros according to the concentration of its foreign-owned business establishments. With an LQ of 0.94, Miami's concentration of foreign-owned businesses is 6 percent smaller than the national average, placing the metro just ahead of Austin and Seattle.

Figure 14: Foreign-Owned Businesses for Large U.S. Metros

Rank	Metro	Foreign-Owned Business Establishments
1	New York	8,298
2	Los Angeles	5,320
3	Chicago	4,279
4	Houston	2,852
5	Boston	2,692
6	Dallas	2,601
7	Atlanta	2,589
8	Miami	2,579
9	Philadelphia	2,486
10	Washington, D.C.	2,479

Note: Large metros are those with more than one million people.

Source: Brookings Institution 2011



FOREIGN-BORN TALENT

Foreign-Born Residents: Residents that were born outside the United States. Data is from the U.S. Census American Community Survey for 2015.

Concentration of Foreign-Born Residents: The share of foreign-born residents relative to the national average based on a “location quotient,” or LQ, which shows how concentrated a group is compared to the U.S. as a whole. Data is from the U.S. Census American Community Survey for 2015.

IN-MIGRATION OF RESIDENTS

Share of Residents Who Moved from Abroad: The share of residents ages one and over who moved from outside the U.S. from 2015 to 2016. Data is from the U.S. Census American Community Survey for 2016

HIGH-SKILL IMMIGRANT TALENT

College-Educated Foreign-Born Residents: The foreign-born share of residents with a bachelor’s degree or higher. Data is from the U.S. Census American Community Survey for 2015.

Foreign-Born Residents with Advanced Degrees: The foreign-born share of residents with a graduate or professional degree. Data is from the U.S. Census American Community Survey for 2015.

Foreign-Born Creative Class: The foreign-born share of a metro’s creative class, which includes science and technology, arts, media, and culture, and traditional knowledge workers. Data is from the U.S. Census American Community Survey for 2015.

GLOBAL CONNECTIVITY

Exports: Goods and services produced locally and sold internationally. Data is from the U.S. Department of Commerce International Trade Administration for 2015.

Exports Per 100,000 Residents: The number of exports for every 100,000 residents. Data is from the U.S. Department of Commerce International Trade Administration for 2015.

International Freight: The amount of merchandise goods, commodities, and cargo (measured in tons) that is transported internationally. Data is from the U.S. Department of Transportation for 2016.

International Freight Per 100,000 Residents: The amount of international freight for every 100,000 residents. Data is from the U.S. Department of Transportation for 2016.

International Airport Passengers: The number of international airport passengers enplaned on U.S. carrier scheduled domestic and international service flights and foreign carrier scheduled international service flights from the United States. Data is from the U.S. Department of Transportation for 2016.

International Airport Passengers Per 100,000 Residents: The number of international airport passengers for every 100,000 residents. Data is from the U.S. Department of Transportation for 2016.

HEADQUARTERS OF FOREIGN COMPANIES

Foreign-Owned Businesses: The number of business establishments owned by a person or company from another country. Data is from the Brookings Institution for 2011.

Foreign-Owned Employment: The share of foreign-owned businesses relative to the national average. Data is from the Brookings Institution for 2011 and is analyzed using a “location quotient,” or LQ.



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3. Richard Florida, “How Direct Flights Shape a City’s Fortunes,” *CityLab*, October 31, 2017, <https://www.citylab.com/equity/2017/10/how-direct-flights-shape-a-citys-fortunes/544478/>.



