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Miami loses No. 1 rating

Santiago now best place for doing business

BY DOREEN HEMLOCK
BUSINESS WRITER

After three years at the top of the charts, Miami has lost its title as the best city for doing business in Latin America, overtaken by Chile's capital of Santiago, according to an annual ranking by *America Economía* business magazine released Monday.

Santiago gained as the best value in the region because of its falling costs overall, strong telecommunications, ample air links and Chile's extensive free trade agreements with major nations

worldwide.

Miami fell to second place because of rising security-related legislation, costs and hassles for international banking, trade and travel in the wake of the Sept. 11, 2001, terrorist attacks. The survey also found education relatively weak.

The results are sure to make waves in circles pushing Miami's bid as headquarters for the proposed 34-nation Free Trade Area of the Americas pact. Florida groups have invested more than \$3 million to date to lure the office, citing South Florida's attractiveness as a gateway to the Americas.

Miami is widely considered the frontrunner in the FTAA headquarters race, with Panama's capital second. Santiago is

not competing.

Jorge Arrizurieta, who heads up the Florida FTAA group pushing Miami's bid, put a positive spin on the ranking from one of Latin America's most respected magazines.

"Miami continues to be the top U.S. city to do business in Latin America," he said. "And none of the cities competing for FTAA headquarters come close in the ranking."

Furthermore, he insisted the benefits of 9-11 security measures outweigh costs for business and that kinks in security rules are sure to be worked out.

Florida International University business Professor Jerry Haar also saw no cause for alarm, just because Santiago costs less and some executives

are frustrated by the U.S. Patriot Act and visa delays.

"You have to look beyond numbers and votes," said Haar. "Business people want convenience, and they'll pay more for it. Miami has the geographic advantage and the professional service class."

The annual ranking, based on 2003 data, cost-benefit studies and surveys of executives, ranked Brazil's Sao Paulo third and Mexico's Monterrey fourth for business in Latin America.

For the rankings in the Spanish-language magazine, check www.americaeconomia.com.

Doreen Hemlock can be reached at dhemlock@sun-sentinel.com or 305-810-5009.