Miami: Mistress of the Americas

by Jan Nijman, ©2011, University of Pennsylvania Press, 272 pages

REVIEWED BY JOE W. PARKER, CRE

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Parker has appraised commercial real estate throughout the South and Lower Midwest with appraisal experience in environmentally-contaminated properties, fiber optic corridors, cemeteries, golf courses and country clubs, colleges and schools, hospitals, wetlands, conservation easements and historic properties. As well as regularly advising clients on a variety of real estate matters, Parker also oversees all appraiser credentialing and reviewing processes at Equity Solutions USA.

Parker also serves as an expert witness on such issues as construction defects, mortgage fraud, title defects, environmental contamination and stigma. He was trained as a Mediator at the University of Houston’s Bauer College of Business and at Harvard Law School.

About the Reviewer

Miami: Mistress of the Americas is an authoritative look at the emergence of Miami as a “World City.” The author relies on and cites considerable bibliographical data in presenting Miami’s progression from a territory relinquished by Spain in return for a United States promise to give up its claims to Texas to its current status as a recognized International City.

The author’s presentation of the city’s early years is sufficiently concise to enable a more in-depth discussion of the interaction of the various geographical, economic, environmental, social and political factors, and events that shaped the city through the 1900s into the early 21st century, as well as an insightful look at the people who played key roles in that development, including some early pioneers. He takes us back as far as the travels of Ponce de Leon, who set foot on the shores of Biscayne Bay in 1513, reportedly looking for the mythical Fountain of Youth.

Nijman includes an excellent discussion of how Miami and the surrounding areas dealt with mammoth environmental issues, including a 3,000-square-mile aquifer and the Everglades, and how one of the world’s greatest wetlands impacted growth and development. He writes about Napoleon Bonaparte Broward’s project to drain the Everglades when he was governor of Florida in the early 1900s. That project, coupled with the development of Miami Beach, led to a fast-moving, speculative real estate market in South Florida. Many of those early real estate promoters were reportedly unscrupulous, selling land that was underwater to unsuspecting out-of-state investors. Nijman says that land was essentially sold “by the gallon.”

The book includes excellent discussions of the booms and busts the Miami real estate market has experienced, as well as background of the development of both the affluent and non-affluent communities within the city and the people who inhabit those areas. He explains how those ethnic groups, many of them exiles, migrated from one area to another, along with descriptions of the evolutions within those areas.

Nijman makes some very interesting points. For instance, in the 1920s when much of the U.S. was developing industrially, Miami lagged behind because the city was remote and comparatively inaccessible. The author notes that in 1880, while the New York region had a population of two million, Philadelphia had a population of nearly one million, and Chicago claimed a population of a half-million, the entire Dade County area had an official count of 257. Early pioneer Julia Tuttle convinced her friend...
Henry Flagler, a business partner of John D. Rockefeller, to build the first railway south to Miami in the late 1800s, which Nijman says was indispensable in shaping Miami’s future.

The subtropical climate further limited potential industrial development in Miami. However, the invention of air conditioning, a seemingly simple thing, played a highly significant part in Miami becoming a major tourist mecca, catering particularly to the upper class. That one invention may have been the single most important event for the city. Full-scale development of the beaches followed.

The author points out that Miami is a city of transience, and that its residents come and go, often even in death. Home is always somewhere else. Miami is only an interim stop on their trip through life. Indeed, some twenty percent of those who die while living in Miami are flown elsewhere for their final resting place, never truly calling Miami home. Nijman notes that even the wealthy industrialist James Deering, who built the famed 70-room Villa Vizcaya mansion on Biscayne Bay and then spent the next ten years traveling the world to select and purchase its elaborate and ornate furnishings, was taken back home to Chicago for burial in the family plot when he died.

Nijman includes an interesting detail of the growth years—how Miami evolved from a city known for its beaches and winter homes into an international business center, and how the Spanish-speaking skills of the various exiles (Cubans, Dominicans and Haitians), and the professional expertise and entrepreneurial spirit they brought with them when they came to the U.S., played such an important part in influencing that evolution. He cites the more than 500,000 registered refugees, many of whom were small business owners and middle-class professionals, and he discusses the impacts, both positive and negative, those refugees had on the Miami economy and on the growth of the city.

He also notes that each ethnic group has a strong sense of community, but that each group tends to live within neighborhoods comprised of the same ethnicity. In other words, each group has a local identity. Nijman discusses at length the various communities within Miami, how they originated and evolved, and how Miami was ultimately shaped by each of them.

The influence of organized crime is also discussed. The crime figures Nijman describes include the well-known Al Capone and Meyer Lansky, as well as some stylish characters like “Loudmouth” Levin and Jack “Greasy Thumb” Guzik. Even the illicit drug trade and its impact on the city are brought into the conversation. Nijman notes that Miami became a major port for alcohol smuggling (rum running) and later for cocaine from Latin America, along with its co-partner, money laundering.

Nijman details how Miami served as the base for various groups, including Cubans, Dominicans and Haitians, plotting revolution in the Caribbean and Latin America in the 1950s “with gun running as a major industry.” Notable among those was the Cuban exile community who opposed Batista, and who later opposed Castro after he overthrew Batista. Oddly enough, Batista himself turned out to be an exile in South Florida, fleeing to and living in Coral Gables after losing Cuba to Castro.

Nijman points to advances in telecommunications and transportation as having the greatest effect on Miami’s economic transformation into a global city and becoming an important link in worldwide financial and economic networks. He explains the characteristics of a global city, particularly as they relate to Miami, how the circulation of capital feeds them, and how some of it remains in Miami in the form of real estate investment and the nature of those investments.

Miami is unique as a world city, notes Nijman, because it became one without first being domestically important. How it did so is well documented by the author. Today Miami is more diversified and more trade oriented than ever. It is home to multinational companies, and it enjoys a role of dominance in trade with Latin America.

Miami: Mistress of the Americas is a unique read. From a real estate practitioner’s viewpoint, it provides an interesting narrative of how the physical, social, economic and political forces intertwined to shape Miami, a city with an extremely diverse group of residents. I was left with a better understanding of how many different factors really do affect a real estate community, how they are intertwined, and how unlikely it is that they can be fully separated.

This book should probably be required reading for every resident of South Florida. I also recommend it to those who have ever lived in the region or who have ties to South Florida and to those real estate practitioners who are interested in another perspective of what really goes on behind the scenes in making and shaping a real estate market.