

in Global Context

intimately tied to Latin America by its cultural and commercial links, now finds itself at the center of a media economy that includes Hispanic markets in the United States and Europe, as well as Latin America.

Shared Characteristics

What characteristics do these media capitals share? All are centers for enterprises that rely on institutional features common to commercial media worldwide, such as durable genres, secure distribution networks, and a star system supported by celebrity news coverage. These cities are also perceived as magnets for creative talent, centers of financial exchange, and stable social environments that are relatively tolerant of cultural and political diversity.

Notice too that these cities are port cities with long histories of transnational trade and human migration. Goods, money, people, images, and ideas have flowed through these cities for some time. Each city's prosperity relies on its links to regional trading networks and at the same time depends on its openness to global circulations and influences.

These cities also have a history of attracting migrants that have been driven from their homes by war and privation. Bombay benefited tremendously from an influx of talent following the partition of Indian and Pakistan, and the collapse of the movie industry in Lahore. In Miami, Cuban émigrés that fled Castro's revolution came to play an important role in building a transnational Hispanic media market. Likewise, Igbo entrepreneurs fleeing devastation in their tribal homelands helped to build the inter-tribal and transnational appeal of Nigerian video films. And Lebanese émigrés staff the top executive ranks in Dubai's media city.

Media capitals furthermore enjoy a cultural cachet among the audiences they serve. The residents of these cities live middle-class lifestyles to which millions living elsewhere aspire. When citizens throughout Latin America look to Miami they see their future, a world of opportunity that is dynamic and prosperous, and relatively free from the political oligarchies that control their homelands. Notice that none of these cities is a national political capital. All of them operate at arms-length from government censors and national regulators.

Successful media capitals tend to feature a range of media institutions: large and small, commercial and non-commercial, popular and elite. They furthermore create possibilities for productive linkages between print, music, and screen cultures. If not for the music and television industries, the Bombay film industry would be in tatters. If not for Nigeria's free press, activist theater, and popular market literature, the video film industry would have no other models or resources than those available from the moribund state broadcasting system.

Finally, media capitals tend to be places where entrepreneurs can build multi-faceted, large-scale businesses that encompass financing, production, and distribution in a variety of media. Such conglomerates are effective vehicles for cross-promotion and they capture profits in a variety of media formats. Yet most importantly, these enterprises focus tremendous energy and resources on the creation and successful exploitation of core content.

Not all of the media capitals mentioned above exhibit all of the characteristics I've described, but to the extent that they do, they tend to prosper more. Media capitals exist not because they are created whole cloth by government planners or powerful financiers but rather because they are

cities that are especially conducive to the establishment of new enterprises, the fostering of creativity, and the appropriation of influences from near and far.

Situation in Hong Kong

As Hong Kong considers the challenges faced by its media industries, what actions might executives, citizens, and policy makers take? How might they restore the luster of their media enterprises? How might they insure Hong Kong's status as a media capital in the future?

Clearly, there are no easy or short-term solutions. Hong Kong policy makers have already taken important steps to support the media industries with financing, education, job training, and infrastructure development. Media executives are meanwhile striving to transform their businesses to make them more amenable to new distribution technologies and audience consumption patterns, as well as to new markets in mainland China. These are important steps that will have positive effects over the long term.

What receives less attention, however, are measures to protect and enhance the distinctive virtues of Hong Kong as a free, cosmopolitan, port city. Hong Kong attracts investment and talent because it is more open and transparent than many other Chinese cities. It attracts tourism and celebrities because of its quality of life. And it attracts the attention of audiences because its media seem to represent a future rife with opportunity. These seemingly "softer", less tangible aspects of media capital therefore deserve careful consideration if Hong Kong is to retain its status as an important center of creativity and imagination.

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Chinese Media Capital

Hong Kong enjoys a long and storied status as one of Asia's premier centers of media creativity, distribution, and financing. Yet over the past decade the city's reputation as "Hollywood East" has diminished at the very moment when media industries in such cities as Shanghai and Beijing are enjoying significant growth. Confronted with these changes, Hong Kong producers and talent express anxiety about the status and future of the industry, while government officials are trying to craft policies that might re-energize the city's media businesses.

Whether consciously or not, these efforts are often shaped by reflections on the logics and tendencies of what I refer to as "media capital". The term plays on the double connotation of capital, pointing both to the geographical prominence of particular cities – such as, Bombay, Lagos, Miami, and Dubai – and to the resources, reputation, and talent that make these locales important centers of the global cultural economy. Put simply: media capitals tap resources and attract creative labor from other locales in order to produce cultural goods with wide appeal. Consequently, we can understand a great deal about the current situation in Hong Kong by comparing it not simply to Hollywood, but to other media capitals around the globe.

Geographical Concentration

Quite interestingly, once a city begins to emerge as a media capital, it tends to attract even more resources. For example, as Hong Kong became recognized as an important center of media activity, it fired the imaginations of those who aspired to work in the film, music, and television industries, so that many talented people migrated to the city in search of jobs and in search of a place where they might learn from others engaged in similar endeavors. Some analysts refer to the

latter as mutual learning effects and say it is a crucial component of creative labor in many different industries. Such learning effects can only be realized in places where talent enjoys regular physical contact, such as Silicon Valley in the computer industry or Milan in the fashion industry.

Geographical concentration has other benefits as well, especially with respect to designing and financing media projects. Much has been written about the fact that Hollywood now shoots many of its movies in locations around the world, but this seeming dispersion of production is anchored by planning, financing, and post-production services in Hollywood. That is, the face work and consensus building that are so necessary to launching a movie and the crucial creative decisions made during post-production still take place in Southern California where executives, agents, and talent form a dense web of social relations that help to facilitate their work. Media capitals are therefore necessary to the functioning of media industries no matter how dispersed the shooting locations may become.

This tendency towards geographic concentration of productive resources differs markedly with the energetic dispersion of media products. Low reproduction costs and easy portability mean that movies, music, and television programs can be distributed far afield at relatively low cost. Screen products are also what economists refer to as "public goods". That is, unlike a kilo of rice, movie consumption by one customer does not make it unavailable to others: one film could theoretically serve audiences around the world. Given the tremendous costs associated with the creation of a new film or television series, producers aim to distribute their products as widely as possible.

Globalization

These spatial tendencies toward concentration of productive resources and the widespread dispersion of cultural outputs are fundamental to commercial media and they are even more pronounced in an era of globalization. That is, to the extent media industries operate in a world without barriers, we should expect to see one city emerge as the global center of film and television industries. This is essentially the argument advanced by critics who contend that Hollywood is an increasingly dominant presence worldwide. As trade barriers fall and as national media regulation diminishes, we should expect to see Disney, Fox, and NBC grow ever more influential since they attract vast resources and they can effectively distribute their products worldwide.

Interestingly, however, globalization has been characterized not simply by the growth of Hollywood media conglomerates but also by the increasing vitality of other centers of media activity such as Bombay, Lagos, Dubai, and Miami. These media capitals have flourished because they effectively exploit social and cultural differences that distinguish their creative communities and their cultural outputs from those of Hollywood. They are capitals for Indian, African, Arab, and Latin American media, serving regional and even global audiences.

Indeed, revenues for Bombay movies are currently growing fastest in Europe and North America, while video films produced in Lagos enjoy lively distribution in Sub-Saharan Africa and via dedicated web sites serving audiences on five continents. Meanwhile, the government in Dubai invested substantial resources building a media city that aims to capture a share of the surging satellite advertising revenues in the Arab world. And Miami, a city