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The formation of the metropolitan corporate complex in São Paulo based on the distribution of the headquarters of investment banks (1966-2013)

Abstract

São Paulo, as an omnipresent metropolis in Brazil, expresses its position of primacy largely by coordinating the valorization cycles of capital, which are structured within the urban network according to a hierarchical territorial division of labor. This territorial management and control is specifically conducted from its metropolitan center, composed by the spread of the corporate complex, the built environment of which – strong in science, technology, and information – is attractive to the services of the quaternary sector of the economy. Thus, we will seek to identify the dynamic formation process of the corporate complex in the informational metropolis of São Paulo by analyzing the distribution of investment banks within its urban fabric, between the years 1966 and 2013. Initially, we will highlight the displacement of the principal business centrality from the Main Center to the Paulista Center, and then from the Paulista Center to the Berrini/Faria Lima Center.

Keywords: informational metropolis of São Paulo, metropolitan corporate complex, investment banks, territorial management centers, quaternary sector of the economy.

A formação do complexo corporativo metropolitano de São Paulo baseado na distribuição das sedes dos bancos de investimento (1966-2013)

Resumo

Como metrópole onipresente no território, São Paulo expressa sua condição de primazia, sobretudo, ao coordenar os ciclos de valorização do capital estruturados na rede urbana segundo uma hierárquica divisão territorial do trabalho. Esta gestão e controle do território se faz especificamente a partir do seu centro metropolitano, composto pelo desdobramento do complexo corporativo, cujo ambiente construído

intensivo em ciência, tecnologia e informação é atrativo aos serviços do setor quaternário da economia. Assim, buscaremos identificar o processo dinâmico de formação do complexo corporativo da metrópole informacional de São Paulo por meio da análise da distribuição dos bancos de investimento em seu tecido urbano entre os anos de 1966 e 2013, ressaltando o deslocamento da principal centralidade de negócios do Centro Principal para o Centro Paulista, em um primeiro momento, e, em seguida, deste último para o Centro Berrini/ Faria Lima.

Palavras-chave: metrópole informacional de São Paulo, complexo corporativo metropolitano, bancos de investimento, centros de gestão do território, setor quaternário da economia.

Introduction

In the awareness that “the discrepancy with which the modes of production impose their different vectors onto the diverse segments of space is responsible for the different ages of the multiple elements or variables of the space in question”¹ (Santos, [1977] 2008, p. 31- 32), we set out to analyze the expansion of the metropolitan center in São Paulo as a process forged by the formation of its corporate complex, attractive to the services of the quaternary sector of the economy². For this, we will focus on the distribution of investment banks within the metropolitan urban structure of São Paulo over a period of approximately 40 years (from 1966 to 2013).

Created by the Reform of the National Financial System (known as RSFN) in the mid-1960s, investment banks were identified as priority financial agents for developing the country’s capital market in the then newly established division of banking.

By simultaneously holding complex and unstable information as their raw material and product, investment banks depend on face-to-face contact as a method by which decisions are made, which coordinates the dispersed valorization cycles of capital according to the hierarchical territorial division of labor. In order to exercise this command function, the externalities of the services of the quaternary sector of the economy are generated through urban concentration as a *sine qua non* condition, supplied through the continuous restructuring of specific fragments of the urban fabric. Thus, selective points of the urban structure are highlighted to incorporate an increasing content of the key variables of the current period (technical, science and information) and, thus, to host the hegemonic agents that functionalize “finance-led capitalism”³ (Guttmann, 2008) in the dimension of socio-spatial formation.

1 This, and all non-English citations hereafter, have been translated by the author.

2 “The quaternary sector is characterized by the action of conceiving, creating, interpreting, organizing, directing, controlling and transmitting, in collaboration with the scientific and technical environment, thereby conferring an economic value upon these acts. Its dominant activity is creation” (TOMELIN, 1988, p. 37). These same services have been classified by Saskia Sassen ([2007] 2010) as advanced producer services, by Helena Kohn Cordeiro (1986-1987) as a transactional sector and by Milton Santos ([1975] 2008) as agents of the upper circuit of the urban economy.

3 Characterized also as “flexible accumulation” (HARVEY, 1992), the current configuration of the capitalist mode of production has “the prominence of finance [interest-bearing capital] at the heart of ‘capital in general’” (CHESNAIS, 2010) as a structuring element.

Given the consolidation of the primacy of the informational metropolis of São Paulo within the national urban network, we will focus on how the metropolitan corporate complex of this fundamental center of territorial management was formed, based on the distribution of investment banks within its urban structure. Based on Cordeiro's (1992; 1993) formulation of the expansion of the São Paulo Metropolitan Center through the spread of the corporate complex between the Main Center, the Paulista Center and the Berrini/Faria Lima Center, we will analyze the two significant displacements of the most dynamic centrality for the quaternary sector: 1. from the Main Center to the Centro Paulista; and, 2. from the Paulista Center to the Berrini/Faria Lima Center.

Comprising the Traditional Center (an area known as the "Historical Triangle"⁴) and the New Center (an area located between the Ramos de Azevedo Square and República Square), the microspace of the metropolis of São Paulo, which Cordeiro called the Main Center was highly prominent in terms of spatially concentrating the headquarters of financial and non-financial companies as from the 1950s and 1960s. The prominence of this central region with regards to the distribution of investment banks may be observed in the maps of 1966 and 1973. Even by 1973, it was already possible to identify signs that the corporate complex was spreading across to the Paulista Center.

According to Cordeiro, the major relevance of the Paulista Center may be observed from the 1970s onwards. With regard to the distribution of investment banks, the polarization engendered by this microspace may be noted on the 1988 and 1998 maps, although the 1998 map reflects both a more balanced presence of institutions in the three centralities and a procedural tendency towards the predominance of the Berrini/Faria Lima Center.

Cordeiro also indicated that the Berrini/Faria Lima Center emerged during the 1980s. Based on data referring to the distribution of investment banks, the hegemony of this microspace in the city was to be indicated by the 2013 map. Highlighted during this latter period is the fragmentation of the urban fabric and the strong presence of foreign institutions in the most dynamic expansion point of the corporate complex of the metropolitan center of São Paulo.

The origins of the investment banks in Brazil

The creation of investment banks in Brazil took place in the midst of the Reform of the National Financial System (RSFN) during the mid-1960s. This aimed to forge a dynamic financial market to provide support for the growing (and, until then, "stifled") medium and long-term demand for capital for a wide range of economic activities.

In the midst of the extensive restructuring promoted by RSFN⁵ with the aim of surpassing the forms of finance in force in Brazil, considered as being "obsolete", investment banks were attributed with important roles both on the credit market and the capital market.

4 This symbolic geometric formation of an area that comprises the first dynamic management center of São Paulo has three of the city's foundational constructions as vertices: the São Bento Monastery, the Church of São Francisco and the College Patio. Such vertices are connected by the streets called XV de Novembro, Direita and São Bento.

5 The main normative content related to the RSFN originate from 1964, with the institution of monetary correction (Law No. 4,357) and the Banking Reform Law (Law No. 4,595), and from 1965, with the Capital Markets Law (Law no. 4,728). Resolution No. 18 from the National Monetary Council, also issued in 1965, was of fundamental importance since it detailed the active and passive operations specifically assigned to investment banks in the new division of banking.

On the credit market, the specificity of the featured institutions was limited by the availability of long-term financing of both fixed and working capital for economic agents, from raising both term deposits and transfers of funds from The National Bank for Economic and Social Development (BNDES) and foreign institutions.

In relation to the capital market, the position occupied by investment banks in the division of banking was responsible for carrying out complex capitalization operations of economic agents on the stock exchange (through, for example, initial public offering, launching debt securities and the constitution and administration of investment funds), and offering advisory services in mergers, acquisitions and privatizations of companies and enabling the issuance of federal public debt securities.

The selective topology of investment banks and territorial management centers

In order to carry out these functions, foreseen in the mid-1960s, the action of investment banks was dependent on the spatial concentration of a diversified set of services in the quaternary sector of the economy, to the extent that it demanded, amongst other things, several economic- financial and technical analyses⁶ of these other agents.

If, according to Corrêa (1996), this agglomeration of services from the quaternary sector in centralities of the urban structure is a characteristic phenomenon of the “centers of territorial management”, it is possible to establish an intrinsic relationship between the locational logic of investment banks and this eminently metropolitan attribute.

It is, therefore, from the agglomeration economies⁷ formed by “[...] activities of finance, insurance, real estate, consulting, legal services, advertising, design, marketing, public relations, security, procurement and management computing systems” (Borja; Castells, 1997, p. 36) that engendered a rich atmosphere through the constant transfer of sets of information (mostly informal) regarding technologies, markets and product design (Scott et al., 2001, p. 15).

Thus, despite the intense development of information and communication technologies - typical of the technical-scientific-informational environment -, the actions of geographic fixes that work with “sophisticated complex information” (Alexandre; Lima; Canuto, 2006, p. 260) to support decision making through face-to-face contact, emphasize the importance of urban concentration⁸. According to Lencioni (2008, p. 14),

6 Amongst these were the projections of: a) market acceptance of products (material or financial); b) profitability (determination of the volume and price of securities to be traded on the stock exchange, as well as the exact moment to launch them); c) the technical and economic viability of projects that motivated financing and/or launching debt securities; d) risks involved in financing and/or operations on the unstable market of bonds and securities.

7 While these externalities conform to selective fragments of the centers of territorial management, they revealed transactional (Cordeiro, 1986-1987) or informational data (Santos, [1993] 2009) as a new characteristic of the metropolises.

8 In 1968, Törnqvist asserted that the information associated with decision making, action planning and problem solving can only be transmitted efficiently with face-to-face contact. Therefore, because they cannot be routinized and transmitted in a mediated manner, this type of information imposes the spatial concentration of the economic agents that receive, process and emit them. In a more recent formulation focused on the role of advanced producer services in the contemporary urban setting, Scott et al. (2001, p. 15) followed this same principle when claiming that transaction costs rise significantly as distances increase and that, with the geographical dispersion of producers, inefficiencies quickly appear.

The close, immediate contact between people enables decisions on financial agreements, international transactions, financial applications and signed contracts. As a result, since these advanced services require a myriad of others that gravitate towards them, services agglomerate in the various centralities of the metropolis.

Therefore, based on the agglomeration economies generated by the spatial concentration of advanced producer services and, especially, financial institutions - of which investment banks make part - the dispersed reproduction of cycles of capital is conceived, managed and planned, according to the logic of the territorial division of labor that forms the urban network of the territory.

As highlighted by Corrêa (1989, p. 17), “the process of creating, appropriating and circulating value, which is fundamental, but not exclusive, for organizing the capitalist space, necessarily involves financial activity”. The importance of analyzing the distribution of geographic fixes related to financial activity is therefore highlighted both in the dimension of the urban network - when we focus on the immaterial flows of the territory that connect the reduced, concentrated points of decision-making to the numerous, dispersed subordinate points, which routinely reproduce the information received - and in the dimension of the urban structure - when we focus, for example, on the São Paulo metropolitan center, where there is an agglomeration of bank headquarters and constitutes a control point for beginning, ending and recommencing capital valorization cycles.

In the following item, we highlight a number of factors that support the characterization of the primacy of the metropolis of São Paulo in the national urban network, and then, in detail, we determine the formation of its metropolitan corporate complex.

The primacy of the São Paulo informational metropolis

The distribution of investment banks across the Brazilian territory between the years 1966 and 2013 corroborates the claim that “the business management of economic groups and large networked companies prioritize the metropolis and, in the Brazilian case, prioritize the metropolis of São Paulo” (Lencioni, 2008, p. 14).

If in 1973, 32% of the 41 investment banks distributed throughout eight Brazilian cities were concentrated in the city of São Paulo, by 1988 this percentage had risen to 54%, with more than half of the 48 institutions present in nine different cities. Ten years later (in 1998), there were only 22 investment banks distributed in just five cities across Brazil, with 64% of these institutions concentrated in São Paulo. By 2013, São Paulo represented approximately 71% of the 14 investment banks present in four cities across Brazil (Alves, 2015).

Based on the abovementioned data, it may thus be verified that the primacy of the informational metropolis of São Paulo became consolidated within the national urban network based on the topology of investment banks.

This growing importance acquired by São Paulo as the headquarters for these banks in Brazil derives mainly from the particular processes by which economic and urban restructuring has taken place across the country: a) economic deregulation (e.g., through the creation of multiple banks); b) financial liberalization (through, amongst other things, the participation of large foreign institutions in bank mergers, acquisitions and privatization processes); and c) the development of

information and communication technologies (represented by the immaterial integration efforts of the territory initiated by the creation of the Ministry of Communications, and culminating in the development of a satellite communication system - BRASILSAT I and II -, amongst other “support networks” and “service networks” linked to information and communication technologies⁹). The effects of these phenomena are synthesized in the role of the market as a structurer of urban networks that operate through verticalities and hierarchical events emanating from specific centers of territorial command and control; in the Brazilian case, mainly by São Paulo (Alves, 2015).

While the primacy of the informational metropolis of São Paulo is highlighted by the role of command and control that this management center exercises within the territory¹⁰, in the intra-urban dimension we may assess that these attributes are spatially concentrated in a few fragments, and the expansion of its metropolitan center throughout the years is well known. This is the process that we seek to analyze in the following items of this article.

The formation of the metropolitan corporate complex of São Paulo

As a way of detailing the fragments of the metropolis of São Paulo that are presented as the main centralities forged by an environment strongly built on technique, science and information, we propose to analyze the topological evolution of investment banks within their urban structure. As Cordeiro (1993, p. 324) states:

The metropolis, privileged by the concentration of activities from the transactional system, capable of organizing the macrospace, becomes the main issuer of decisions and innovations in the economic, social, cultural and political sense. Within the metropolitan space, the center is the most significant example of the microspatial organization of this system.

In her studies, Cordeiro sought to characterize the microspaces constituted by an agglomeration of important headquarters belonging to national and foreign financial and non-financial companies (transactional, quaternary sector or, even, the upper circuit of the urban economy) as Corporate Complexes of the Metropolitan Center of São Paulo. Thus, Cordeiro identified the expansion process of this Metropolitan Center over the decades through the displacement (“spontaneous growth”) of nuclei/centers, which spatially concentrated activities with the prerequisite of face-to-face contact for making significant decisions.

In the case of São Paulo, Cordeiro identified three main centers of this corporate complex throughout history, highlighting the periods in which each was forged:

1. Main Center (composed of the Traditional Center – the “Historical Triangle” area - and the New Center - from Ramos de Azevedo Square to República Square) in the 1950s and 1960s;
2. Paulista Center in the 1970s;
3. Berrini/Faria Lima Center from the 1980s.

⁹ Such conceptual differentiation permits the basic technical equipment of the territory to be identified as “support networks” (microwave and satellite networks), which enables the fluidity of data transmission networks, characterized as “service networks” (DIAS, 1996).

¹⁰ According to Corrêa (1989, p. 20) “in reality, the city of São Paulo actually plays a dual role in managing the national territory: on the one hand as an effective management center and, on the other, as an intermediary center for international management.”

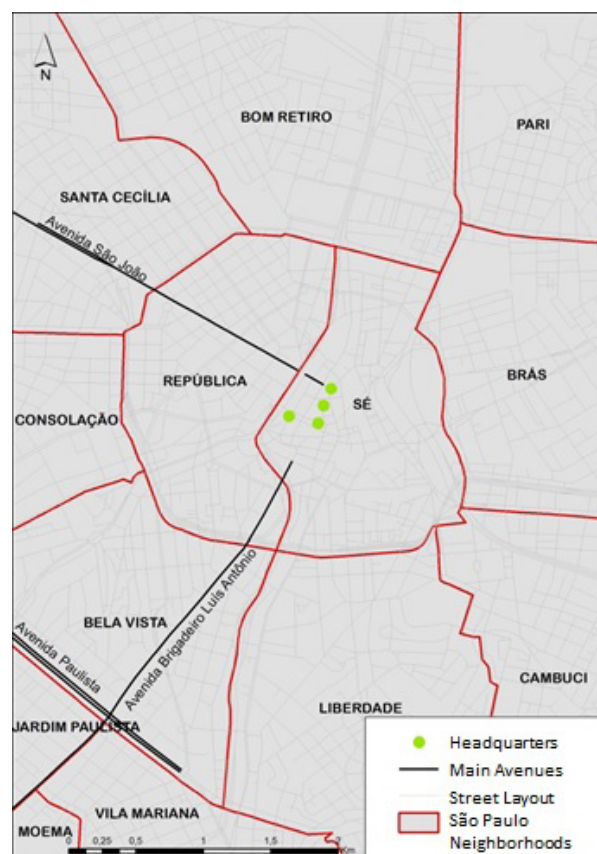
Following this, we organize our analysis by the predominance of each of the centers of the Metropolitan Corporate Complex of São Paulo in relation to the distribution of investment banks. It is also our intention to highlight the displacement process of the main centrality, which occurred on two occasions: from the Main Center to the Paulista Center, and from the Paulista Center to the Berrini/Faria Lima Center. In both cases, the phenomenon initially appears as a trend and then as a result of the consolidation of previously outlined signs.

Main Center

Until the late 1960s, the centralizing microspace of the Metropolitan Center of São Paulo was the Main Center; “where the City of São Paulo was exclusively in the Ancient Central Triangle” (Cordeiro, 1992, p. 11).

For the specific case of the institutions studied herein, in 1966 - the year in which the investment banks began to operate in Brazil - there is an broad spatial concentration in the area of the so-called “Traditional Center” of the municipality, as shown in Map 1.

Map 1 - São Paulo: investment bank headquarters in 1966



Map production: Raphael Curioso
Data Organization: Caio Zarino Jorge Alves
Source: *Revista Bancária Brasileira*, December 1966.

The investment banks installed in the city of São Paulo (four in total, according to data from the *Revista Bancária Brasileira* [the Journal of Brazilian Banking] of December 1966) were

located on Líbero Badaró, XV de Novembro, Álvares Penteadó and João Brícola Streets, within the vicinity of the so-called “Historical Triangle”.

At the time, this area was postulated as the most important centrality of the city, configured by the intense dynamism of trade, consumption and services, in addition to command and control activities arising, originally, from the conversion of accumulated capital from the coffee economy into other activities (import/export, trade, banking, etc.) (Monbeig, [1953] 2004; Martins, [1979] 2004).

This was because if, on the one hand, the “Avenues Plan”, implemented by the Prestes Maia administration (1938-1945), was a “global proposal that encompassed the road system, circulation and transport, in addition to guidelines for beautification and street layout, zoning, urban expansion and tax legislation” (Frúgoli Júnior, 2000, p. 53), on the other hand, it reaffirmed the centrality of the Traditional Center by establishing it as a “nodal point of the city’s complex road system” (Frúgoli Júnior, 2000, p. 55). We may therefore conclude that the Metropolitan Center of São Paulo was “lean” because, at the time, its corporate complex was based on a single point or “microspace” (monocentric).

In 1973, of the thirteen investment banks based in São Paulo, we were able to obtain the address of twelve institutions by consulting the December 1973 issue of the *Revista Bancária Brasileira*. While there were ten institutions in the Main Center, there were just two in the Paulista Center, as presented in Map 2.

Map 2 - São Paulo: investment bank headquarters in 1973



Map production: Raphael Curioso
Data Organization: Caio Zarino Jorge Alves
Source: *Revista Bancária Brasileira*, December 1973.

Even though the Main Center - as proposed in Cordeiro's definition - is of great relevance for attracting these geographic fixes, signs of the São Paulo metropolitan center expansion may already be observed with the spread of the corporate complex towards the Paulista Center, reaching Avenida Paulista and its surroundings, such as the corridors of metropolitan services formed by Augusta Street and the Brigadeiro Luís Antônio, Nove de Julho and Rebouças Avenues.

It is believed that such data are related, on the one hand, to the weight of the pre-existing, consolidated material base of the Main Center and, on the other hand, to the formation of a new dynamic pole that included new infrastructure requirements for the functionalization of more dynamic agents of the economy in the Paulista Center. According to Cordeiro, "on this date, the Paulista Center was just beginning to form, and Paulista Avenue was already home to the headquarters of several companies [...]. Fleeing the Main Center, which was over saturated, the central offices of large companies were seeking areas of greater prestige" (Cordeiro, 1992, p. 11).

The displacement of territorial command and control activities also stemmed from the new uses of space that were much more linked to the popular economy, which had begun to take place in the first centrality. This process "was concomitant with the beginning of the move by companies and banks to other sub-centers, with a deterioration of parts of its urban equipment and a decline in its real estate value" (Frúgoli Júnior, 2000, p. 61).

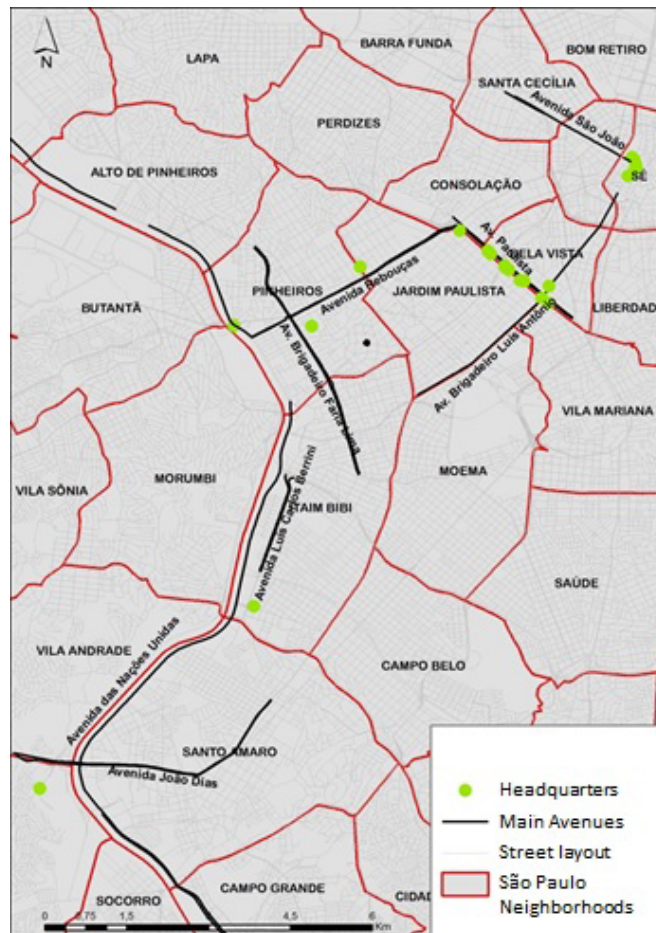
Paulista Center

In 1988, the predominance of the Paulista Center could be observed in the topology of investment banks in São Paulo, when 26 investment banks in the urban structure of São Paulo were unevenly distributed mainly between:

1. Paulista Center (eleven just on Paulista Avenue itself, with three more in the surrounding area – two on Av. Brigadeiro Luiz Antônio and one on Av. Henrique Schaumann), with 14 banks;
2. Main Center (six on Boa Vista Street, one on XV de Novembro Street and one on Álvares Penteado Street), with eight institutions.

The consolidation of the Paulista Center as the main centrality attracting investment banks - and for the quaternary sector of the economy as a whole, since the contents of these geographical fixes are associated with other sophisticated activities through synergies and face-to-face contact - may be observed on Map 3. This map seems to confirm the effectiveness of the signs presented in 1973 with regard to the expansion of the São Paulo metropolitan center, through the displacement of its corporate complex.

Map 3 - São Paulo: investment bank headquarters in 1988



Map production: Raphael Curioso

Data Organization: Caio Zarino Jorge Alves

Source: National Financial System: Statistical and General Data, June 1988.

Until the 1930s, Paulista Avenue was largely used by the luxurious residences of the coffee farmers (given its proximity to the Main Center, where the coffee export offices and banks were located). However, from 1940 onwards, the “verticalization” process of constructions began together with a diversification of uses, which intensified in the 1970s, with the implementation, albeit partial, of the Nova Paulista Project (1968-1974)¹¹. This picture precisely symbolizes the spread of the metropolitan center of São Paulo from the Main Center to the Paulista Center (Avenida Paulista and the corridors of metropolitan services - the Brigadeiro Luís Antônio, Rebouças, Nove de Julho, Brazil and Faria Lima Avenues). According to Frúgoli Junior (2000, p. 130):

The comparative growth of the financial sector’s headquarters between the Main Center and the Paulista Center may give an idea of the growth of the latter: of the 89 bank headquarters in the state of São Paulo, in 1968, 70 were in the Main Center, in the Triangle area; by the end of the 1970s, 81.1% of this total was still in the Main Center, although the Paulista Center already had 16.6%; by 1987, there were 50 headquarters in the Main Center and 80 in the Paulista Center.

¹¹ A collection of infrastructural changes that “adapted” the area to receive headquarters for command and control activities (Frugoli Júnior, 2000).

As in 1973, the predominance of the Main Center was concomitant with the signs of expansion of the São Paulo metropolitan center towards the Paulista Center, so by 1988, the major participation of the latter, regarding the number of investment bank headquarters, was simultaneous with signs of a new spread of the corporate complex, this time towards the Berrini/Faria Lima Center. This was because, as stated by Cordeiro (1992, p. 9),

In the 1980s, with the strengthening of the chain of “world cities” and the expansion of large state-owned companies, and national and international private industrial and financial conglomerates, the Paulista Center was no longer sufficient to meet the needs of implementing its management and decision system.

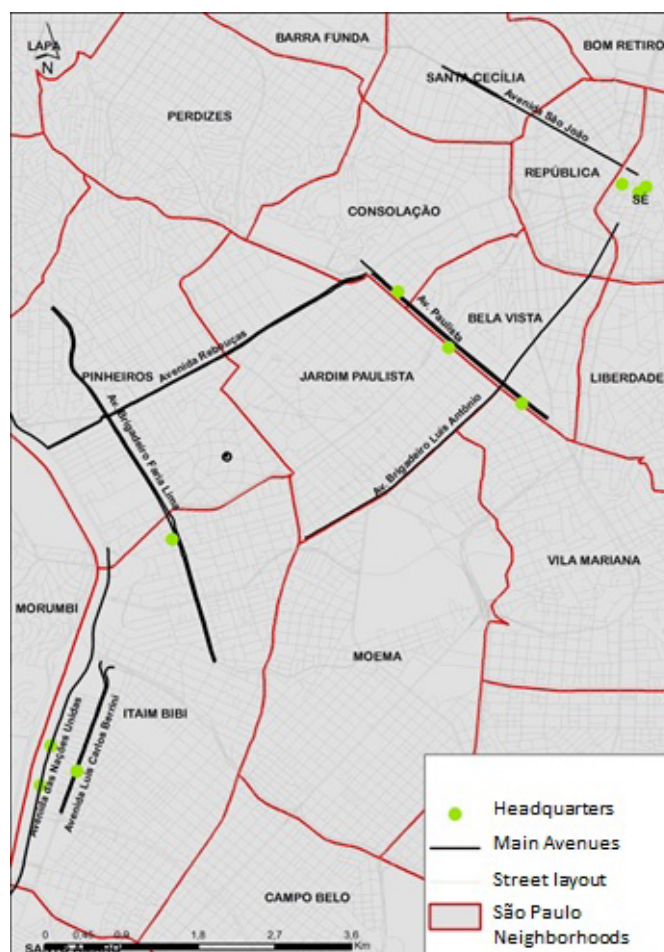
The headquarters of two investment banks were situated in the newest expansion vector of the metropolitan center of the corporate complex (the Berrini/Faria Lima Center), one of which, the Banco Santista de Investimento SA, operated at the Centro Empresarial São Paulo (CENESP), a new paradigm in terms of the infrastructural conditions on offer, corresponding with a more sophisticated demand by the hegemonic agents.

Through the creation of the company Lubeca Empreendimentos Imobiliários, the Argentine group Bunge y Born made it possible to build CENESP as a complex consisting of five buildings with a considerable range of services (from internal telecommunications systems to restaurants, pharmacies and bookstores). Inaugurated in 1977, the Argentine group brought together its own companies, previously headquartered at Boa Vista Street (in the Main Center), to CENESP (the Berrini/Faria Lima Center).

According to Fix, the location of CENESP was an indication that “the Center had ‘deteriorated’ and Paulista and Faria Lima were already demonstrating an ‘excess of growth’” (Fix, [2001] 2012, p. 87). Cordeiro (1992, p. 11) highlighted this same phenomenon by noting “the development of a new concentration area for corporate headquarters to the southwest of the Metropolitan Center, in the direction indicated by the expansion of Faria Lima Avenue.”. In addition, as milestones of this expansion, the same author also indicated “the installation of the Centro Empresarial São Paulo, in 1977, and the corridor formed by Engenheiro Luís Carlos Berrini Avenue, in Brooklin, explored by the real estate and construction company Bratke Collet.”.

With the expansion process of the Metropolitan Center of São Paulo continuing, through the displacement of its corporate complex (constituted by the “microspaces” containing a substantial number of hegemonic agent headquarters from the transactional economy and related activities), by 1998 a loss of relative significance was revealed both in the Main Center and the Paulista Center, while the Berrini/Faria Lima Center (the Southwest Sector/Quadrant) presented an increase in its participation. Even with these changes, the newest centrality of the quaternary sector of the economy was not highlighted in absolute terms, since it was home to four institutions, while the other two had four and three headquarters, respectively; as demonstrated in Map 4.

Map 4 - São Paulo: investment bank headquarters in 1998



Map production: Raphael Curioso
Data Organization: Caio Zarino Jorge Alves
Source: *Revista Bancária Brasileira*, December 1998.

During this period, the polycentric character of the Metropolitan Corporate Complex of São Paulo appeared with more defined contours in the distribution of investment banks amongst the Main Center, the Paulista Center and the Berrini/Faria Lima Center¹².

However, by considering this banking topology of 1998 as part of a dynamic process of reordering the corporate complex of the metropolitan center of São Paulo, it should be emphasized that the greater dispersion of the service centers in the quaternary sector was a consequence of both the increasing attractiveness brought about by the Southwest Sector and the relative loss of importance of both the Main Center and the Paulista Center.

The Berrini/Faria Lima Center

Finally, in 2013, the state capital, São Paulo, reaffirmed its condition of primacy by representing approximately 71% of the investment bank headquarters installed in Brazil - which corresponded to 10 out of a total of 14 institutions (Alves, 2015).

¹² It should be mentioned that this analysis derives from data on the location of eleven of the fourteen investment banks based in the metropolis of São Paulo in 1998. Information on the precise address of three institutions was not available in the *Revista Bancária Brasileira* of December 1998.

In the intra-urban dimension, the most recent expansion stage of the metropolitan center, based on the spread of the Metropolitan Corporate Complex of São Paulo, took place with the predominance of the Berrini/Faria Lima Center. This centrality was the most evident expression of the selective, fragmentary character with which contemporary modernization has taken place in the urban fabric of the São Paulo metropolis, in the manner that it spatially concentrates foreign hegemonic agents with a global action strategy¹³.

On the one hand, this urban structure presents districts with a high concentration of the poor population, lacking basic public facilities associated with the daily life of a city and dependent on economic activities with a low level of capital, organization and technology. On the other, there are some restricted points that have been adapted, through a strategic alliance¹⁴ between the State, pension funds and real estate developers (Fix, [2001] 2012; Fix, 2007), to receive facilities from hegemonic agents strong in capital, organization and technology. It is from these more restricted points that significant connectivity is established with other specific points in foreign cities, i.e., in contemporary modernization,

It is not São Paulo that is transformed or “adapted”, but just a part of the city, where most of the resources, both public and private, have been concentrated. In this manner, it is possible to herein delineate the characteristic skyline of cities that seek to project themselves worldwide. It recreates itself in a peripheral country, within a large unequal metropolis, a city similar to that of the central countries, although of more modest dimensions (Fix, [2001] 2012, p. 123).

The intra-urban analysis of the informational metropolis through the distribution of investment bank headquarters seems to corroborate both the thesis of a sharp fragmentation in its urban fabric, through the spatial concentration of quaternary services in the “Berrini/Faria Lima Center” or the Southwest Sector (as may be observed in Map 5), and the highly internationalized character of the main centrality of the metropolitan corporate complex.

13 It is precisely this global action strategy of advanced producer services that Peter Taylor (2001), director of the *Globalization and World Cities Research Network* (GaWC), defines as a criterion for formulating his proposal for a concatenated network of world cities on three levels: the supranodal (world economy), the nodal (world cities) and the subnodal (global producers of services with high added value); this last level being that of the key agents and not the nodal dimension (of world cities).

14 With regard to the division of labor between agents who remodel specific fragments of the city and its consequences, Fix argues that “while the ‘new city’ is financed primarily by the State (infrastructure), and by national private capital (most new buildings of large offices are from Brazilian pension funds), it is occupied (or rather rented) by ‘transnational’ companies.”

Map 5 - São Paulo: investment bank headquarters 2013



Map production: Raphael Curioso

Data Organization: Caio Zarino Jorge Alves

Source: The Annual Report - Central Bank of Brazil, 2013.

Eight of the 10 banks are located either on Brigadeiro Faria Lima Avenue itself (as is the case with four) or on the outskirts of its extension. The other two institutions are located on Alameda Santos, parallel to Paulista Avenue.

The highlight of this southwest quadrant presents itself as the full realization of what was a trend already designed in 1988 and, later, in 1998, when the distribution of investment banks was shared between the “Berrini/Faria Lima Center” (the Southwest Quadrant), the “Paulista Center” and the “Main Center”: the consolidation of the former as the main centrality of the corporate complex of the metropolitan center of São Paulo, becoming the epicenter of command for capitalist activities in the territory. Moreover, this centrality is characterized by the wide locational preference of foreign investment banks that, in their strategy of global operation, decided to settle in this fragment of the metropolis: all the headquarters of investment banks with foreign control present in the national territory in 2013 (seven institutions) are located in the “Berrini/Faria Lima”, as presented in Table 1.

Table 1 - São Paulo: type of investment bank control in 2013

Institution	City	*TC	**CMCCSP
Banco Standard de Investimento S.A.	São Paulo	NPFC	Berrini/Faria Lima
Standard Chartered Banco de Investimento S.A.	São Paulo	NPFC	Berrini/Faria Lima
BBVA Brasil Banco de Investimento S.A.	São Paulo	NPFC	Berrini/Faria Lima
BES Investimento do Brasil S.A.	São Paulo	NPFC	Berrini/Faria Lima
BANIF Banco de Investimento (BRASIL) S.A.	São Paulo	NPFC	Berrini/Faria Lima
Banco de Investimentos Credit Suisse (BRASIL) S.A.	São Paulo	NPFC	Berrini/Faria Lima
Banco UBS de Investimento S.A.	São Paulo	NPFC	Berrini/Faria Lima
BR Partners Banco de Investimento S.A.	São Paulo	NP	Berrini/Faria Lima
Banco Alfa de Investimento S.A.	São Paulo	NP	Paulista
Banco Induscred de Investimento S.A.	São Paulo	NP	Paulista

*TC (type of control): NPFC – National private with foreign control; NP – National Private; FP – Federal Public.

** Center of the Metropolitan Corporate Complex of São Paulo

Source: The Central Bank of Brazil Site (2014).

Thus, the specific constitution of the “Berrini/Faria Lima Center” in relation to the city seen as a whole, allows us to identify the inequality in the content of science, technology and information “embedded” in the built environment of the intra-urban dimension. As Milton Santos indicates,

This new modern, selective city is superimposed onto the city as a whole, the existential theater of all its inhabitants, a technical-scientific-informational city, full of the intentionalities of the new manner of producing, created (on the surface and underground, in visible objects and infrastructures) with the ever-renewed demands of science and technology. A minority space within the agglomeration, the non-dominant space from the viewpoint of extension, is, however, the dominant space of economic and political processes, the relentless logic of which overlaps and commands that of the other subspaces quantitatively dominant in the landscape, but qualitatively subordinate regarding the functions (SANTOS, [1994] 2013, p. 71-72).

Final considerations

If on the scale of the urban network it is possible to establish a firm association between the topology of investment banks and the territorial management centers - given the functions performed by these geographic fixes - through the investigation contained herein, we may similarly conclude that there is also an important dynamic agglomeration of these services from the quaternary sector within the dimension of the urban structure of the informational metropolis of São Paulo.

Depending on the synergy between the different hegemonic agents for decision making based on complex information (involving high risk and instability), face-to-face contact remains a central modus operandi for the creation, conception and emanation of commands with a high scientific, technological and informational content. These originate in specific fragments of the

city, restructured according to the modern infrastructural needs, to house the headquarters of advanced producer services in “smart buildings”. We have identified these aspects as one of the driving forces for the expansion of the metropolitan center of São Paulo between the Main Center, the Paulista Center and the Berrini/Faria Lima Center.

In 1966 and 1973, it was possible to confirm the predominance of the Main Center as a fragment of the urban fabric that was most attractive for the headquarters of investment banks. The distribution of these financial institutions in their first year of operation indicated a metropolitan corporate complex restricted to the Main Center, while in 1973 it showed signs of displacement towards the Paulista Center.

However, in 1988 and 1998, the major importance of the Paulista Center was concomitant, on the one hand, with signs of a relative loss of participation in the Main Center and, on the other, with the tendency to shift from the predominant centrality to the Berrini/Faria Lima Center.

Lastly, in 2013, we saw the metropolitan corporate complex become polarized by the Berrini/Faria Lima Center, or Southwest Sector, whereby all the institutions under foreign control within Brazil, were located in this specific fragment of the urban fabric.

The configuration of these specific centralities, which make up the corporate complex in the metropolitan center, contrasts with the rest of the city, due to the high degree of science, technology and information present in the built environment. However, in view of the rigidity of objects, the flexibility of action on the part of those who discover their social and geographic situation through the difficulty of accessing goods and basic services essential to human dignity, may unfold into a state of instability. Within this process, the awareness of the individual, whose value is formed in function of a daily life located in the concrete territory, reverberates inside the rupture from the repetitive, reified praxis of human action as a mere instrument, in order to elaborate a liberating praxis.

With all the intrinsic complexity and contradictions of the massive mobilization processes, the demonstrations of June 2013 assumed that the city was not only the stage for public demands, but also the “object” of dispute for a less unequal distribution of resources. Part of this understanding may be captured by the fact that the route of recent demonstrations has covered the “Berrini/Faria Lima Center”, where most of the investment bank headquarters and hegemonic agents in general are located; symbols of current corporate urbanization, whose guidelines have been confronted by urban social movements.

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