# Index

Acemoglu, D. 37, 163, 172, 208

agricultural sector
  - in Argentina 42–3, 52, 126, 133
  - in Brazil 33, 109
  - in Chile 256, 258
  - in Colombia 39–40, 167
  - in Costa Rica 197–9, 202–4, 207
  - in Latin America 52
  - in Mexico 39–40, 82, 95
  - role played in Latin American and Spanish economies 39–40
  - in Spain 218–19, 222

Agüero, F. 67–8

ALFA 14–15, 81, 88, 94

Allende, Salvador 258–9

Amaya, J. 196, 198, 200, 202–6, 208

América Móvil 25, 27–30

Añaño family 248–51, 253

Andino (General Tiburcio Carías) regime 201–2

Arango, M. 65, 67–9, 71

Arango, Plácido 67, 69

Argentina
  - adoption of ISI 45, 47
  - agricultural sector 42–3, 52, 126, 133
  - development of family businesses 43, 47–8
  - family businesses
    - first phase of ISI period 124–6, 133
    - introduction 123–4
    - largest 127–32, 136–40
    - liberalization through restructuring and globalization 135, 141–6
    - post-convertibility period 146–7
    - second phase of ISI period 133–5
    - study conclusions 147–50
  - food sector 126–7, 135, 142–3
  - formation of business groups 52

  - free trade agreement 29
  - grouped
    - by longevity 7, 11–12, 149
    - by sector 8–9, 14–15
    - by volume of sales 7, 10, 12
  - innovation introduced in 51
  - multinational companies 27, 29, 133–4, 141, 147, 283
  - tango 34
  - trade with Asia 23–4

Argueta, M. 201, 204

Azcárate, Justino 62, 64–5, 70

Azpiazu, D. 141, 144

banana enclave 199–201

banana trade
  - in Costa Rica 181, 184, 187
  - in Honduras 199–201, 203, 208–9

Banco Bradesco 25

Banco de Chile 14, 262, 266, 270

Banco de Galicia y Buenos Aires 14, 137

Banco de Santander 29, 32, 63, 165, 226, 229

Banco do Brasil 25, 105, 114

Banco Nacional de Desenvolvimento Econômico (BNDES) 105, 114, 116, 283

Barahona, M. 184, 196–8, 203, 205, 209

Barbero, M.I. 2, 9, 43, 47–8, 124, 126, 134, 150, 164

Baumol, W.J. 160, 169–70, 172, 278–9

BBVA 29, 229, 247, 266, 284

Becerra, L. 192, 204–6

Belmont family 248, 251, 253

Bemberg Group 125–7, 130–31, 134, 139, 146

Bértola, L. 46, 100, 104, 109, 180–81, 183, 186

Bimbo 14–15, 32, 66–7, 69
Evolution of family business

Bisang, R. 143, 145
Botín family group 63, 225–6, 229, 279–80
Braskem SA 14–15, 115
Braun family 128–31, 137–8, 257, 262, 279–80
Brazil
acquisitions 30
brand image 33
family businesses
definitions 98–100
industrialization 104–13
largest, chronology 102–3, 107, 110, 112, 115
Old Republic 100–104
from privatization to internationalization 113–17
study comments 117–19
formation of business groups 52
free trade agreement 29
grouped
by longevity 7, 11–12
by sector 8–9, 14–15
by volume of sales 7, 10, 12
multinational companies 24–8, 109–13, 283
Portugal as bridge for companies 32
reverse innovation 33–4
trade with Asia 23–4
Brescia family 242–3, 245, 247, 253
Bridas Corp. 24, 136, 138, 142, 145
Büchi, H. 259–60
business fabric
entrepreneurial families forming component of 78
formation of 78
nature of 94
Cabana, F. 219, 224, 230–31, 233–5
Cabrera, M. 226, 235
Caldeira, J. 106, 119
Camacho, A.C. 180, 192
Campodónico, H. 243–4
Carmona, X. 222–3, 226, 230
Casanova, L. 1–2, 29, 32, 35, 51, 158
Casas Pernambucanas family group 101–3, 106–8, 111–12, 115–17
Catalan foundations 63–4, 70
Catholicism
creating paternalistic and dependent culture 67–8
development of private charity 66
influence on family 49
limiting foundations 63
CBD 25
CEMEX
acquisition of Spanish company 231
acquisition of US company 29–30
on brink of bankruptcy 96
capital costs 31
characteristics 81
domination of other minerals sector 14
example of mother company forming business group 77
founding of 44, 90
as global player 82, 93
internationalization 92–3
Lorenzo Zambrano era 91
philanthropy 66
restructuring and oil boom 90–91
sales versus assets 15
Cencosud 15, 266–7
Centro de Fundaciones de España 64, 70–71
Centro Mexicano de Filantropía (CEMEFI) 67–9, 71
Centro Mexicano de Instituciones Filantrópicas 66, 68
Cerutti, M. 2, 9, 40, 44, 46, 83, 87, 95
CFE 25
Chandler, A. 37, 39, 158, 160
Chateaubriand, Assis 100, 105–7
Chile
economic history
Allende’s government 258–9
exports of raw materials 256
Great Depression impact 257–8
new model of market economy 259–60
return to democracy 260
‘salitre’ boom 257
entrepreneurial families
characteristics 269–71
contributions 271–2
of independent Chile 260–68
introduction 255
‘pirañas’ 263, 267–8
study conclusions 272–3
grouped
  by longevity 7
  by sector 8–9, 14
  by volume of sales 7, 10, 12
investment grade 31
multinational companies 27–8
trade with Asia 23–4
China’s impact 23–6, 30, 265
Chrisman, J.J. 77, 158, 179, 196, 218, 281
Chua, J.H. 5, 38, 77, 98, 281
Cisneros, Gustavo 62–3
coffee trade
  Brazilian 100, 117–18
  Colombian 165, 167–70, 173
  Costa Rican 181–4, 187
  Honduran 198–9, 203, 209
Colli, A. 4, 6, 38, 158, 168, 218, 277, 285
Colombia
  agricultural sector 39–40, 137
  conflict-ridden 171
  emergence of family firms 45
entrepreneurial families
  comparative analysis 166–9
  introduction 157
  need for research 158–9
  and presidential families 164–6, 169–71
relationship with politics and State 159–64
study conclusions 169–72
family philanthropy 60
formation of business groups 52
grouped
  by longevity 7, 11–12
  by sector 8–9, 15
  by volume of sales 7, 10, 12
innovation introduced in 51
multinational companies 24–5, 27–8, 158–9
pressuring political powers 53
Shakira 33–4
Comillas-Güell group 219, 221, 224
Compañía 15
Fabricadora de Papel 104
Geral de Indústrias 103
Siderúrgica Nacional 105
Vale do Rio Doce 105
Coordinadora Catalana de Fundacions 63–4, 70
corporate governance 50–51, 53
Cosan C.I. 15, 115
Costa Rica
  agro-export model 181–3
  economic opening 186–91
grouped
  by longevity 7, 11–12
  by sector 8–9
  by volume of sales 7, 10, 12, 16
historical development of family
capitalism 180–81
1900–1948, 181–3
1948–1978, 183–6
1978–present 186–91
large family businesses (LFB)
current situation 191–2
golden period of 183–6
introduction 178–80
lack of ‘young’ 190–91
largest 193
managerialization process 189–90
novice entrepreneurs 191
study conclusions 192–4
survivors and cessations 188–9
multinational companies 283
substitution of imports model 183–6
Cousiño family 261, 264
Credicorp 14, 246
Dalla Costa, A. 9, 98, 105, 114, 119–20
D’Ans, M.A. 196–9, 201–2, 208
Dávila, C. 2, 9, 40, 159, 161, 163–4, 169, 172–3, 203, 206
Dean, W. 99–101, 103, 107
destructive functions 160, 169–70
Di Tella, G. 125, 133
Diários Associados 100, 105–7
Díaz Morlán, P. 220–22, 225
Discua Cruz, A.F. 9, 196, 206
diversified business groups (DBGs)
  124–6, 134, 141–9
Dornbusch, R. 125, 133
Drumond, C.E. 9
Durand, F. 241, 244, 246
Evolution of family business

ECLAC (Economic Commission for Latin America and the Caribbean) 23, 30

economic growth
  Central American period of 184
  Chilean period of 256, 260
  Colombian period of 171
  role of SMEs and family firms 37–8, 52, 272–3
  role of State 38–9

economic history
  Brazilian 100–117
  Chilean 256–60
  Costa Rican 178, 181–91
  Mexico 44–5, 81–2
  Spanish 40–41, 217–35

economic policy
  Chilean 273
  cycles of 51–2
  and family businesses 48, 53, 282
  in Latin America 45–7
  Peruvian 239, 243–7, 252
  State role in 39

Ecopetrol 25, 27, 32
Edwards family 261–5, 267–8, 279–80
EKA 180, 191, 193
Embraer 32–3
Embrapa 33

emerging countries
  family groups in 1–2
  transformation to economic powers 23–7

Empresas COPEC (Figure I.6) 15
Euraque, D.A. 197–202, 206, 208–9
Exame 98–9, 110, 112, 115

Falabella 15

family businesses
  characteristics
    in Chile 269–71
    in Mexico 83–4
    in Spain 235
  definitions 98–9, 158
  in emerging countries 1–2
  in Latin America and Spain 49–53
  compiling empirical evidence 6–16
  conditioning factors in historical evolution of 40–48

definitions of concepts 4–6
difficulties researching 4
diversity 276–7
historical periods of creation 11, 13
influence 28
introduction 2–4
as key to business networks 38–40
methodology 16–17
sectorial specialization 8–9, 13–16
longevity 7, 11–12, 279–81
organizational structure 32, 276
philanthropic dimension 57–8
relationship with environment 281
relationship with politics and State 159–64
State influence 281–3

see also individual countries

family capitalism
  historical development in Costa Rica 180–91
  need for research 158–9
  Spanish 223–8, 231

see also Argentina

family foundations see philanthropy, family
FCC 14, 220, 232
FEMSA 14–15, 81, 93–4
Fernández Pérez, P. 1–4, 6, 9, 38, 42, 51, 57, 66, 77, 158, 162, 164, 168, 218, 231, 234–5, 280, 282

food sector
  Argentina 126–7, 135, 142–3
  Latin America 13–15
  Spain 229–30
Ford Foundation 58–9, 65, 68

foreign direct investment
  and family businesses 50, 144, 149
  immigration for facilitation of 198
  multinationals boosting entrance of 283
  and State action 39
Fortabat family 126, 129–30, 132, 134, 136–8, 140
Fundación Eugenio Mendoza 61, 70

Galve, C. 2, 9, 39
García Canal, E. 1, 29, 38
García Ruiz, J.L. 42, 228
Garza Sada see Sada family
Gerdau family group 101–3, 106–7, 111, 114–17

Global Latinas
coming of age of 30–34
definition 23, 35
globalization
liberalization through, in Argentina 135, 141
1990s and post-2001 crisis 143–6
initial reforms, advances and setbacks 141–3
Mexico, moving towards 87–93
Goldstein family 202, 204–6, 209
Grupo Carso 30, 32, 81
Guillén Miranda, M. 1, 9, 29, 38, 184–5, 238, 245
Herrero family 222–3, 226
Herrigel, G. 159, 277–8
Hidalgo, A. 181–2, 186–8
Honduras
 grouped
 by longevity 7, 11–12
 by sector 8–9
 by volume of sales 7, 10, 12, 16
large family businesses (LFB)
creole 197–200, 202–3, 206
introduction 196
Jewish 202–7
literature review 197–207
study conclusions 207
multinational companies 283
Hoshino, T. 48, 50
IADB (Inter-American Development Bank) 23–4, 30
immigration
Argentina 43, 135, 148–9
as boost to family business development 283–4
Brazil 100–101, 117
entrepreneurship resulting from 227
Honduras 197–202, 204–5, 207
Ibero-American 32, 284
Peru 241–4
import substitution industrialization (ISI)
in Argentina
 first phase 124–6, 133
 second phase 133–5
 in Brazil 104–9
 in Chile 258
 in Costa Rica 183–6
 in Honduras 203
 in Latin America 45–8, 52
 in Mexico 82
Inditex 14, 232–3
industrialization
Brazilian
evolution of 100–101
with help of multinational and state-owned companies and private firms 109–13
through substitution of imports 104–9
in Chile 257–8
difficulty in developing, in Spain 40–42
in Peru 251
State-led
 in Costa Rica 181, 183–6
 in Latin America 3–4, 39–40, 282
Indústrias Reunidas Matarazzo 100, 102, 105–7, 119
innovation 25, 33–4, 51
institutional frameworks
changing nature of 278–9
and economic growth 37–8
major, conditioning two ideal types of capitalism 277
Mexican entrepreneurial response to new 66–7
public institutional influence on 159–61
Instituto de la Empresa Familiar 42, 66
internationalization
of Brazilian family businesses 113–17
of Chilean family businesses 269–70
in Latin America
as learning experience 30–31
phases of 29–30
in Mexico
inevitability of 92–3
problems of 89–90
of Peruvian family businesses 246–53
in Spain 228–35
Evolution of family business

Itaúsa-Investimentos 25
Iversen, M.J. 159, 277

Jaén, G. 61–2
Jones, G. 1, 163, 267, 277

Khanna, T. 1, 148, 238
Kiger, J.C. 58–9

kinship texture 83
Klabin family group 101–4, 106–8, 111–12, 115–17
Kosacoff, B. 142, 144, 146

Latin America

family businesses 49–53
conditioning factors in historical evolution of 42–8
as key to business network 38–40
multinational companies
boosting foreign direct investment 283
characteristics particular to 32–3
influence of family businesses 28
internationalization as learning experience 30–31
largest 27–8
natural market 31–2
‘new reality’ 34
reverse innovation 33–4
rise of emerging 28–30
transformation of 23–7
sectorial specialization 8–9, 13–16

Leff, N. 82, 148
Leiva, J.C. 9, 182, 184–5, 188
León, A. 184, 189–90
Liberal Reform 197–9
Lizano, R. 179, 183–4, 188, 192
Lluch, A. 9, 43, 47–8, 132, 150, 267
López family 164–8, 172–3

‘Manichean critique’ 157, 162
Marcovitch, J. 101, 103–8
Marichal, C. 2, 44
Martín Aceña, P. 226, 229
Martínez Echezárraga, J. 9, 269, 271
Matte family 262–70, 279–80
Melin, L. 4–5, 281

Mendoza, Eugenio 60–63, 65, 70
Mercadona 14–15, 229–30, 232
merchant houses 170
MERCOSUR 143, 283
Mexico
1920s period 44–5
acquisitions 30
adoption of ISI 45–6
agricultural sector 39–40, 82, 95
catalyst of foundation movement 60
control of biggest companies 50
entrepreneurial families
characteristics 83–4
conceptual framework 77–9
historical evolution 81–2
and large companies 84–7
sample 79–81
study comments 94, 281
towards globalization 87–93
formation of business groups 52
free trade agreement 29
free trade agreement 29
by longevity 7, 11–12
by sector 8–9, 14–15
by volume of sales 7, 10, 12
impact of Revolution 43–4
innovation introduced in 51
investment grade 31
meetings of foundations 71
multinational companies 24–8
new philanthropy 66–9
Peruvian country entry into
250–51
Porfiriato era 43–4, 81–2, 86
role of financing system 44
Miller, R. 163, 172, 277
mining and oil exploitation 40
Modelo 14–15, 93
Monsalve Zanatti, M. 9, 240
Morais, F. Chatô 106, 119
Morck, R.K. 50, 148, 158, 162, 172
multinational companies see individual countries
natural market 29, 31–2
‘new reality’ 34
Norberto Odebrecht 15, 27–8, 110–12, 114–15, 119, 248
Nuevo León 44–6, 66–7, 89
Index

Ocampo, J.A. 46, 100, 104, 109, 180–81, 183, 186
Odebrecht see Norberto Odebrecht
Ospina family 164, 166–9, 172–3

Palacios, M. 165, 172–3
Palepu, K. 1, 148
Parejo, A. 222, 233
Parodi, C. 243, 245
PDVSA 25, 27, 32
Pemex 25, 27, 32
periodization 278–9
Perón, Juan Domingo 47, 125–6, 134
Peru
   grouped
      by longevity 7, 11–12, 252
      by sector 8–9, 14–15
      by volume of sales 7, 10, 12
   large family businesses (LFB)
      formation of 239–42
      introduction 238–9
      new business groups 243–5
      restructuring 245–52
      study conclusions 252–3
   multinational companies 27, 283
      joining with 246, 252–3
   trade in Europe 32
   trade with Asia 23
Peters, G. 181–2
Petrobras 24–5, 27, 29–30, 32, 35, 105, 114
philanthropy, family
   conclusions and future research 71–2
   introduction to 57–8
   large US foundations
      influence 58–60
      meetings with Ibero-foundations 69–71
   Mexican foundations 66–9
   Spanish foundations 63–6
   Venezuelan foundations 60–63
Porfiriato 43–4, 81–2, 86
Portocarrero, F. 60, 68, 239–42
Posas, M. 203–4
Prado family 240–42
presidential families
   in Colombia 164–6
   comparative analysis of 166–9
   scope for further research 169–70
   social network 171
privatization
   in Argentina 48, 143–4, 148
   in Brazil 111, 113–14
   in Honduras 206
   in Latin America 29
   Latin America 23
   in Peru 245–7, 249
professionalization of management 51, 145, 150, 224, 232–3
Puig, N. 3, 38, 42, 51, 57, 59, 65, 164, 221, 224
Puig-Raposo, N. 57–8, 63, 66
regional traditions 42
Repsol 31, 145
research, need for 158–9
Restrepo family 166–9, 172–3
Rettberg, A. 159, 170
reverse innovation 33–4
Revista Poder 247–9
Rey-Garcia, M. 58, 63, 66
Reyes family 164, 166, 173
Riviera, D. 248, 250–51
Robinson, J.A. 37, 163, 172
Robles, F. 185, 188–9
Rocca family 126, 129, 136–9, 149
Rocchi, F. 43, 124
Rockefeller Foundation 58–9, 62
Rodrigo y Alharilla, M. 219, 224
Rodriguez family 248–53
Romero family 242–7, 252–3
Ros, J. 196–7, 203, 205
Rose, M. 158, 277
Rosenthal family 202, 204–6, 209
Rovira, J. 181, 184, 186–8
Sada family
   birth of entrepreneurship 84
   characteristics 81
   as example of climate of business creation 44
   first generation entrepreneurial activity 85
   and glass 87–8
   internal expansion 88–9
   internationalization, problems of 89–90
   and philanthropy 67
   post-revolution period 85–6
Safford, F. 165, 172
Evolution of family business

Said family 262–6, 268, 270
Salas, V. 2, 39
salitre boom 257
Samper family 164, 166–9, 173
Sanborn, C. 60, 68
Sánchez Alonso, B. 196, 198–9
Santander see Banco de Santander
Santiso, J. 2, 158
Santos family 164–8, 173
Schneider, B. 45, 51, 172, 277
sectorial specialization 8–9, 13–16
Semana 159, 166
Servitje family 32, 66–7, 69, 79
Sharma, P. 5, 77, 281
SIAM Di Tella Group 126, 129, 136, 142
Silva, S. 99, 103, 107
Slim family 69, 79, 81, 232, 282
SMEs
Argentinean 43
conditions development dependent on 53
considered marginal 37
dependent on supply of capital 44
greater development in Mediterranean seaboard 42
impact of ISI policies on 46–7
maintaining ground 39, 42
as mechanism for understanding evolution of economies 38
reduced capacity of 50
role in economic growth 37–8, 52, 272–3
role of State 39–40, 51–3
self-financing 41
Soriana 15
Spain
family businesses 49–53
Andalucía 222
Asturias 222–3, 225
Basque Country 220–21, 223–4
Catalonia 42, 219–20, 223–4
conditioning factors in historical evolution of 40–42
Franco era 223–8
Galicia 222
as key to business network 38–40
long-term perspective 217–18
Madrid 221–3, 227, 235
political transition, economic crisis and internationalization 228–35
pre-Civil War years 218–23
family philanthropy 72
foundation movement 59, 63–6, 70
grouped by longevity 7, 11–12
by sector 8–9, 14–15
by volume of sales 7, 10, 12
meetings of foundations 70–71
multinational companies 283
sectorial specialization 8–9, 13–16
State
industrialization driven by
in Costa Rica 181, 183–6
in Latin America 3–4, 39–40, 282
influence on families’ entrepreneurial initiatives 281–3
on Mexican economic and social life 66
and public policies in Latin America 43, 45–8
role in economic growth 38–40
in family businesses 39–40, 51–3, 159–64
in regulation of markets 49
State intervention
in Argentinean economy 124–5, 133
in Chilean economy 258–9, 263, 265, 273
Honduras
aim of Liberal Reform 197–8
banana enclave 199–201
General Tiburcio Carias Andino regime 201–2
outcomes 207
regarding foreign capital and immigration 198–9
transition to developmental State 202–5
transition to Neoliberal State 205–7
in Peruvian economy 243–4
in Spanish economy 41
State-owned companies aiding industrialization of Brazil 109–14, 119, 283
Argentina
increase in 134, 141–2, 147
privatization of 143–4
determining factor for representation of family business 149
in Peru 246
Steier, L. 50, 148, 172
Summa 185, 188, 191
Suzigan, W. 99, 103, 107
TAM Linhas Aéreas S.A. 14–15, 115, 117, 267, 270
tariff protection policies 52
taxation systems 49–50
Telefônica 27, 29, 64, 221
Telmex 14–15, 69
Tenaris 14–15, 29, 136
Ternium 15, 136
Thorpe, R. 183, 186, 243
Tornquist Group 125, 127–32, 134, 136–8, 142
Torres Martinez, J. 88–9
Torri, G. 40, 226, 229
Ultrapar Holdings 25
United States
as biggest investor in Latin America 23
foundations
Ibero-foundations, meeting 69–71
influence of 58–60
Latin Americans educated in 34, 67, 87, 166, 209, 271
links to Mexico 29–30, 82, 84, 87, 89–92
modernization theories rooted in 163
Urquiola group 65, 221–4, 226, 229
Valdiliso, J.M. 2, 224–5
Vale 25, 27, 30
varieties of capitalism (VoC) xiv, 172, 277–8
Vásquez, E. 244–5, 247
Venezuela
family philanthropy 60–63
meetings of foundations 70–71
multinational companies 24–5, 27
Vidal Olivares, J. 223
Vidriera Monterrey-Vitro 87–90
Villalobos Grzywobicz, J. 66–7
Voorend, K. 185, 188–9
Votorantim family group 101, 103–4, 106–8, 110–13, 116–17, 119
Wal-Mart of Mexico 27–8, 67
Wiese family 242–3, 245–6, 248, 279–80
Yafeh, Y. 1, 238
Yarur family 262–6, 268, 270, 279–80
Ybarra family 219–22, 224–5, 233
Ybarra-Zubiria family 219–21, 224
YPF 24, 31
Zambrano family
and cement 90
characteristics 81
durability 83
founder of Cemex 44
globalization 93
internationalization 92–3
Lorenzo Zambrano era 91
and philanthropy 66
post-revolution period 86–7
restructuring and oil boom 90–91
from trade to mining-manufacturing 86
Zeitlin, J.H. 159, 277–8