

I

Overview

Vipin Gupta and Jaideep Motwani

In this volume, we scan a sample of empirical work on family businesses—focusing on the Latin Europe cluster. The societies in the Latin Europe cluster share a common influence by Roman culture. They are guided by the Roman Catholic principle that salvation from original sin is possible only through faith, with the help of sacraments performed by a priest, and not through one’s own actions or merits (Gupta and Hanges, 2004). Family businesses are a dominant form of organization in the Latin European culture. In the cluster, about 80 percent of Italian businesses with 20 to 500 employees (Corbetta, 1995), about 70 percent of medium to large Spanish businesses (Gallo, 1995), and about 70 percent of all firms in Portugal (IMD International, 2000) are estimated to be family businesses.

The sample of selected articles in the Latin Europe cluster is given in Table 1. The articles cover five countries—Belgium, Ireland, Italy, Portugal, and Spain. A diversity of research methodologies is represented: survey, historical analysis, ethnography, and in-depth case studies.

In the following paragraphs, we present data on the culture and socio-techno-economic work culture of the societies in the Latin Europe cluster, in order to better understand the context in which the region’s family businesses operate.