

## **Migrant business families in Central America**

Allan Discua Cruz

Centre for Family Business, Lancaster University Management School, Bailrigg, UK

Email: [a.discuacruz@lancaster.ac.uk](mailto:a.discuacruz@lancaster.ac.uk), Tel: +44 1524510722

Leonardo Centeno-Caffarena

Centro de Promoción para el Desarrollo de la Empresa Familiar (CEPRODEF), Nicaragua

Email: [caffarena2005@yahoo.com](mailto:caffarena2005@yahoo.com), Tel: +505 88823953

### **Abstract**

This study deals with migrant business families. The main argument of this chapter is that migrant business families, as a category, underscores a capacity to adapt to new and changing environments. While some recent studies have suggested the prevalence of migrant business families around the world, we still know little about the challenges they face to create and develop their firms, particularly in underexplored contexts. Using a historical approach, we advance understanding by concentrating on Arab and German migrant business families in two Central American developing countries, Honduras and Nicaragua, respectively. We find that initial and subsequent contextual changes in host countries may support and/or disadvantage some migrant families over others over time. Yet a reliance on ethnic and transnational networks may allow migrant business families to adapt and thrive. In contrast to prior work, migrant business family members in developing economies contextually adapt through a cultivating an ethnic family culture, enhancing ethnic networks and strengthening transnational business links. Our chapter argues that the ability of business families to adapt and prosper in a wide range of environments explains their prevalence around the world.

## Introduction

This chapter is motivated by the need to understand migrant business families in developing economies. The emergence and development of businesses by migrants or their descendants has not gone unnoticed in the developed world (Fearnow, 2019; Moules, 2014; Spielmann et al., 2021) yet there is little understanding about how migrant business families emerged and adapted in developing countries. In this study, a migrant business family relates to members of a family of migrants, or descendants of migrants, that engage in the foundation, management and continuity of one or several family business ventures over time (Centeno-Caffarena and Discua Cruz, 2021; Elo et al., 2018). Studying migrant business families is important as recent studies suggest shifting our attention from the firm to the family level of analysis (Discua Cruz and Basco, 2018; Hamilton et al., 2017). Such shift can help our understanding about how family firms, established and run by migrant business families, achieve long-term competitiveness in challenging environments (Discua Cruz et al., 2019). As strategies to develop firms started by migrant families may be only understandable within the context in which they operate (Roscoe et al., 2013; Wright et al., 2014) attention to how migrant business families emerged and survive is needed (James et al., 2020).

The migrant business family concept associates to interrelated theoretical discussions around context, ethnicity, networks, skills and transnationalism. The importance of context relates to the conditions that inhibit or support the development of a firm by any business family (Wright et al., 2014). **Much of the migrant or immigrant entrepreneurship literature concerns the experience of communities from less developed economies migrating to richer economies in Europe and North America (Centeno-Caffarena, 2016).** Yet, ethnicity for business families relates to how people from similar background share information (Larson and Lewis, 2017). Ethnic networks, that is, networks of social relationships connected by ethnicity have been found to be relevant for business (Brzozowski et al., 2014). Such networks become instrumental through transnationalism, that is, the processes by which migrants create and preserve multiple economic, cultural and social relationships that link them to their origin and host societies (Vertovec, 2001). Transnational networks relate to multiple social relationships (e.g. familial, economic, social, organizational, religious, and political) that span borders, linking members of migrant business families to others across borders to provide information, resources to trade or identify international markets (Mustafa and Chen, 2010). Around the world families rely on such ethnic resources to start and develop their firms (Vershina et al., 2019).

Migrant business families have been found to emerge and thrive in developing economies, such as countries in the Central American region (Bull et al., 2014), characterised by weak institutions, social unrest, economic volatility and political turmoil, prevalent in most countries in Latin America (Nordqvist et al., 2011). While Central America represents an interesting milieu to explore how migrant business families have developed over time, most work has been conducted in larger Latin American countries, with smaller countries remaining underexplored, and with little attention as to what has allowed their adaptation in new environment (Gupta et al., 2008). Thus, this study aims to answer the following question: *how have migrant business families emerged and adapted in Central America?*

To answer the abovementioned question this study relies on a historical approach (Carney and Gedajlovic, 2003) to understand the emergence, development and adaptation of migrant business families in Nicaragua and Honduras. Central America represents a context where some migrant business families have thrived, often amidst adverse contextual conditions (Müller et al., 2019). **This study depicts a contrast between these two countries and migrant communities.** Both contexts share some historical similarities such as state intervention fuelling the arrival of migrant families (Amaya, 2000; Von Houwald, 1975). Yet historical accounts also hint that several crises and contextual issues influenced the way migrant business families adapted and endured (Barahona, 2005; Kühl, 2014). Exploring the approach and rationale of migrant business families in both contexts is relevant as some families, when facing diverse contextual pressures may either adapt or abandon such environments (Fernández Pérez and Lluch, 2016). **This chapter is relevant as it depicts families within communities from old Middle Eastern and European countries migrating to a new and developing world, which is seeking to accelerate its own economic and political development.**

Our approach extends understanding on migrant business families in three ways. First, we find that migrant business families in uncertain contexts may adapt by cultivating shared values associated to their ethnic heritage. **Findings suggest divergent experiences of a less welcome Palestinian/Arabic groups in Honduras compared with the generally favourable but somewhat ambiguous Protestant Germans reception in Nicaragua.** When setbacks have occurred, shared understandings between family members are critical to adapt and ensure business survival. Second, we find a deliberate approach to nurture and cultivate local ethnic networks to explore new business opportunities and business expansion. Finally, migrant business families gradually adapt to their host environments by developing multicultural

understandings to advance business purposes, without neglecting their ethnic heritage. **Moreover, we find that distant third parties, (e.g. the USA), may have a lasting influence during war or conflict periods over the process and outcomes particularly in the Nicaraguan context.** Taken together, the findings extend understanding in the literature of migrant business families in developing countries.

The chapter continues as follows: First, it describes briefly the conceptual background and initial argument on migrant business families. Then, it shows how migrant family businesses have emerged adapted in two contexts. It continues by focusing on findings and discussion. Finally, it suggests limitations and opportunities for further research.

### **Migrant business families.**

Migration is not a new phenomenon. Migrant families that have established their firms in host countries around the world are widespread (Elo et al., 2018). Migration policies, the pursuit of business opportunities or the need for a safer place (Elo and Minto-Coy, 2019) may encourage the arrival of migrants to developing economies, often resulting in the establishment of family enterprises (Fernández Pérez and Lluch, 2016). Upon arrival, many migrant families often settle, based on government incentives or policies, in urban or peripheral areas of a host country, with diverse access to business and resource frameworks influencing the pace and breadth of entrepreneurial activities (Elo et al., 2019).

We depart from the argument that migrant families settled in developing economies adapt through support from strong relationships in family and ethnic networks and changing relationships in business and transnational networks (Evansluong et al., 2019; Jack et al., 2010). The nature of strong and weak ties suggests a focus on the relevance of relationships in both networks and the importance of social capital. As social capital resides in the relationships between individuals in networks, which facilitates business activities (Anderson et al., 2007) it provides a theoretical perspective that has traction in studies of family businesses (Anderson and Miller, 2003; Arregle et al., 2007; Uzzi, 1997). We acknowledge that many migrant families may arrive to host countries with limited relational resources, and therefore they may initially rely on family members and those with whom they share some background characteristics yet have to develop relationships within the host country if they want to adapt to its environment (Elo et al., 2018; Evansluong et al., 2019)

Yet, while previous literature suggests that ethnic networks are relevant in the emergence of a firm created by migrants, such networks appear to become less significant for subsequent generations as descendants become more embedded in their host countries (Deakins, Ishaq, Smallbone, Whittam, and Wyper, 2007).

Our study is in line with recent views about a phenomenon where ethnic minority dominance of the economy can be observed (Davis et al., 2020). Such phenomenon can be observed where deficiencies in formal institutions exist and will continue to be observed in developing countries under free market conditions. Davis et al (2020) introduced the term "economic dominance" and discusses the factors that cause a group to become economically dominant in terms of levels of entrepreneurship (e.g. levels of ownership and control of commercial enterprises). While prior studies have suggested how this phenomenon can be observed in Asia with minorities they also suggest that migrant communities may be dominant in terms of entrepreneurship they may also have relatively low levels of income and include large numbers of members who have not engaged in business sectors, and may be under-represented in diverse sectors of the economy.

Recent studies suggest that in adverse or uncertain environments the features of social ethnic networks could be relevant for migrant families in business over time (Centeno-Caffarena and Discua Cruz, 2021) yet do not expand as to how such features emerge or influence their adaptation over time. We argue that further exploration of the historical and contextual influences may provide some explanations (Carney and Gedajlovic, 2003; Colli et al., 2003; Wright et al., 2014)

A historical approach is important to understand business families in previously unexplored contexts (Carney and Gedajlovic, 2003). In this study we focus on two Central American countries for two reasons. First, since their independence from Spain, Nicaragua and Honduras have tried to develop the productive capacity of its various regions. Scholars have documented how such approach was guided through promoting immigration from Europe (Becerra, 2011; Kühl, 2019). Prior historical studies suggest that that not all migrant families were treated the same upon arrival. Second, in both countries diverse contextual crisis emerged over time thus changing the business environment for business families. Such changes may have resulted in some migrant business families experiencing either a favourable or a hostile treatment compared to others. A historical approach may reveal how (whether) migrant business families have endured and the role played by ethnic features to

contextually adapt to changing conditions. We now focus on Honduras and Nicaragua respectively.

### ***Honduras and Arab-palestine migrant business families***

Honduras is a developing Central American country with a population of around 9.2 million and a GDP of about US\$22.9 billion (World Bank, 2018). The Honduran economy has been strongly dependent on agricultural exports with some diversifications of transformed goods in the last decades (Becerra, 2011). Honduras is interesting for this study for the following reasons. First, in the past, state intervention aimed to increase foreign direct investment and the number of immigrants from specific countries to settle in the country, which influenced the emergence of migrant business families (Discua Cruz et al., 2016). Second, immigration was seen as a way to facilitate foreign direct investment, technology transfer, the development of an enterprising culture, the creation of manufacturing activities to develop productive areas in the country not all immigrants families were treated fairly (Amaya, 2011, p. 30). Finally, of all the different migrant families that arrived to the country, the Arab-palestinian ethnic group showcased a unique adaptability and development in business (Euraque, 2009; Illescas, 2009) and thus relevant to understand the adaptability of segregated migrant business families.

#### *The segregated welcome of Arab-Palestinian migrant business families in Honduras*

For Honduras, it was between 1883 and 1899 when immigration was most stimulated. In 1895, a new Immigration Law was introduced giving equal civil rights to Hondurans and immigrants (Lemus and Bourgeois, 1897). Foreign investment security, generous legal and commercial advantages were offered (Lombard, 1887). After the introduction of this law, Honduras began receiving the highest levels of foreign immigration from North American, British, German, French, Italian, and later Arabs and Chinese (Amaya, 2011, p. 35). New immigrants settled mostly around the productive and coastal northern areas of the country (Euraque, 1997). In the early 20th century, Honduras was still promoted as the country of greatest natural wealth in Central America with clear advantages over neighbours, such as low labour costs, diversity in agriculture, trade and mining in the northern and central regions of the country (Scott, 1909).

In 1906, a new immigration reform was introduced, fuelling immigration during the first three decades of the 20th century. Immigration from the US and Europe reached significant levels in industry and trade (Euraque, 2001). This law aimed to support a new productive

process: banana production on the northern coast of Honduras. By 1911, the participation of European families (mainly from Germany, Italy and France) is significant in the lists of trading, manufacturing and distribution companies, particularly in the northern area of the country (Fletes, 1911). Imports came directly from the countries of origin of European immigrants (Koebel 1917) and the country increased their exports of banana, coffee, wood, gold and silver based on state interventions to promote immigration in specific geographical areas to improve agricultural production (Alonso, 2007). Yet, such immigration laws were devised to favour migrants from Europe in providing them with land and incentives for production compared to those who came from the Middle Eastern regions.

In the beginning of the 20<sup>th</sup> century, agricultural production was considered mainly a sector for first class citizens (Barahona, 2005). Compared to concessions provided to Germans or British immigrants to develop the agricultural capability of the country, the role for Arab-Palestinian migrant families was ascribed to internal commerce, occupation that was considered for lower class members of the new migrant society (Indiano, 2014, p. 130). Despite such constraints, by 1918, the greatest percentage of immigrants was of Arab-Palestinian origin, with some coming from Syria and Lebanon (Amaya, 2000) who settled near the location of transnational and export companies (Discua Cruz et al., 2016).

#### *The changing adaptation strategies of Arab-Palestinian migrant families*

From their arrival, the Arab-Palestinian community adhered to a patriarchal style, dominated by the first wave of migrants, who concentrated information, influence and resources among people of the same ethnic group and ensured solidarity among their members (Amaya, 2000). These migrants used what has been described by Indiano (2014) as an adaptation of a cultural symbol, the “olive tree” strategy, which is based on a traditional custom by which an olive tree is planted for every child born to benefit them in the future (Rohan, 2010). Yet in the Honduran variant, as they did not have access to land, they decided to “plant” a business for every child born. The patriarchs of these migrant community oversaw the gradual development of family businesses based on key principles. The olive tree strategy was characterised, suggests Indiano (2014) by three aspects: first, austerity; second, family first, then family and ultimately family. Such approach meant a focus on relentless working hours alongside family members, focus on developing family skills and the preservation of ethnic heritage (Indiano, 2014). These rules, representing a survival and defence mechanism, were not written yet visible for anyone who dealt with them.

The Arab-Palestinian families did not actively seek to settle in the country, not only because they did not see their residency in the region as permanent but also because the immigration laws were not geared to make them feel welcomed (Indiano, 2014). The initial migrant families arrived speaking Arab yet they adapted with some ease to prevalent norms as they were Coptic Christians, whose norms were mostly aligned with the major religious culture of the country at the time (Catholic faith). They adapted by learning the language and started importing and trading unique products from their countries of origin (items related to religious practices close to the Holy Land), which was welcomed by working class citizens. The initial approach of Arab-Palestinian migrant families related to selling their products door to door without any fixed address, allowing customers to pay in instalments over time. Gradually they started to import others products from their countries which could be affordable to the majority of the population. They leased large houses to establish retail businesses, which were never intended for the next generation to continue. As they were segregated from social and business circles, they cultivated a strong family culture avoiding social interaction with natives. Such commercial instruments and strategies continued over the next generation. In doing so, the first and second generation stoically endured their classification as “second hand” citizens and contextually adapted to a hostile environment.

Yet, as Arab-Palestinian family businesses developed, the local perception of immigration to the country was increasingly characterized by animosity (Euraque, 2009). Local business families linked to the government pressured the government to enact a new immigration law in 1929, which, in contrast to previous ones, was characterized by xenophobia and racism. These laws limited the arrival of "Arabs" and demanded greater contribution of capital for trade activities further encouraging the immigration of "white" Europeans and North Americans.

To counteract the effects of the new immigration laws, the Arab immigrant families adapted by applying their increased know-how of the local culture and turned to ethnical support practices. As a result of restrictions, the initial families became more reliant in their ethnic networks. As they were not considered worthy of being accepted in social circles, they made businesses their sole purpose (Indiano, 2014, p. 136). Moreover, to create a close ethnic circle the initial migrant families endeavoured to bring to Honduras extended family members from their countries of origin or motivated sons born in Honduras to return to Palestine, marry and bring their wives back (Amaya, 2000). As soon as relatives arrived, they were supported financially to locate themselves in diverse cities in the country and create a rudimentary



commercial supply and financial network. They kept their ethnic circles strong, and were discouraged to interact with locals, prompting a preference for ethnic-based marriages. To preserve their ethnic heritage, they created their own educational circles and promoted social encounters to preserve the distinctive features of their community.

Between 1933-1948, the Arab-Palestinian immigrant community began to settle supported by protection from a new president who became a friend of the initial patriarchs. By granting them citizenship status, the new generations engaged into business diversification, redirecting investments to other sectors of the economy supported by the state such as tobacco, light manufacturing, textiles and sugar. All these industries prospered in the years after the Great Depression and before and during the Second World War. Between 1949-1979, descendants of Arab-Palestinian migrant business expanded operations and took economic advantage of state-led fiscal and economic policies, investing in the industrial, trade, financial and agricultural sectors (Amaya, 2000). Moreover, at the end of the 1950s new migrant business businesses of Arab-Palestinian descent emerged spurred by another process of immigration: the Cuban crisis of 1959. According to Romero (2008, p. 73), a "small but decisive migration of Arab families arrived from Cuba as part of the exile provoked by the 1959 revolution, among them the Lamas and Atala families, who became prominent in financial activity".

In this period the third generation of descendants of Arab-Palestinian families, sent their offspring to study overseas (e.g. USA or Europe) so they could return and take over growing businesses, supported by strong ethnic networks, knowledge of local and ethnic culture, new acquired skills and a strong interest to continue preserving their ethnic heritage. An exemplar of such development is Corporacion Dinant, led by Miguel Facussé Barjum, who graduated in the US and established his business in the 1960s, expanding operations gradually in the whole Central American region, eventually controlling more than 60% the regional market for household cleaning products (Illescas, 2009). Moreover, the Atala family, descendants from the Cuban exile, went on to create the Grupo Financiera Comercial Hondureña (FICOHSA) in 1974 supported by the gradual training of their succeeding generations in US universities.

Since the 1980s, the Arab-Palestinian migrant business families strategy has concentrated on business diversification and a focus on preparing upcoming generations to adapt a local, ethnic and international culture to do business (Discua Cruz et al., 2016). Such approach allowed the gradual development of family business groups compared to the approach of

local business families, who lost the opportunity to develop existing capabilities or diversify (Leyva, 2000). Interestingly, in spite of several intermarriages with elite local families, the Arab-Palestinian migrant business families always remained a somewhat separate and reserved group (Euraque, 2009) who, since their initial segregation, may have decided to instil in upcoming generations a strong reliance on ethnic networks to create and expand their businesses.

The previous depictions suggest that despite their prejudicial reception in Honduras it appears that the Arab Palestinians have maintained the unity of their ethnic solidarity while successfully accommodating local communities and political interests. As a result this ethnic group has emerged as the dominant capitalist class in the country to which politicians and authorities must take into account in their governance (Indiano, 2014). In other words, although, Arab Palestinians experienced a difficult start they have more successfully overcome obstacles to cement their prominent economic and social role in their adopted Honduran society.

### *Nicaragua and German migrant business families*

Nicaragua is a developing country located in Central America with a population of about 6.2 million and a GDP of about US\$13.8 billion (World Bank, 2017). The Nicaraguan economy is strongly associated to agricultural production, which plays a vital role in employment generation, entrepreneurship, food security, poverty alleviation, biodiversity conservation, culture tradition, and financial investments (Salcedo and Guzman, 2014). Nicaragua is particularly interesting in this study for several reasons: First, Nicaragua was one of the first Latin American contexts that highlighted the dominance of family businesses in the region (Strachan, 1976) and where migration waves, mainly from European countries, helped initial economic development (Leogrande, 1996). Second, similar to Honduras, migration from Europe was enticed to promote production and improve the local economy; resulting in migrant families dominating business trade and export) yet historical records suggest that contextual crisis (e.g. wars and governmental changes) affected migrant business families in business in Nicaragua (Duarte, 2009). Finally, of all the migrant families that developed businesses in Nicaragua, the presence and relevance of the German community has been well documented (Kühl, 2014; Von Houwald, 1975) and thus relevant to explore what characterises their adaptability.

### *The welcomed genesis of German migrant business families in Nicaragua*

The first European migrants arrived in Nicaragua in 1800s when the Nicaraguan government, following similar policies from other Latin American countries, enticed migration from Europe by facilitating land to promote the production of coffee and improve the local economy. Historical records place migration from Germany since the 1840s, fueled by an interest to explore and colonise regions of the Central American isthmus and dreams of establishing a new German protectorate in prior Spanish colonies (Von Houwald, 1975).

Early German migrants settled primarily near the Atlantic coast and in the northern areas of Nicaragua. Earlier records reveal that many arrived without having any idea about the country or the local people, and they came without knowledge of the language or defined goals – they were interested in testing their fortune and so many German migrants who stayed in Nicaragua, did it by pure chance. The first migrant waves perceived significant cultural distance between German migrants and Nicaraguan natives (Kühl, 2004). Some had planned to spend only a short time outside their home country and explore the tropical regions and then return to Germany.

Yet, as many German migrants were single males upon arrival, marriage with local women occurred, which created an opportunity to develop new businesses led by a German-Nicaraguan business family that cater for products of interest in both Nicaragua and Germany (Kühl, 2011b). Some of the principles that characterized the first Germans arriving in Nicaragua and their families related to punctuality, solidarity among countrymen, hard work, honesty, businesses diversification, frugality and zeal towards excessive expenses, which contrasted to more relaxed attitude of locals (Kühl, 2014). These features characterized the business culture of the first German migrant families in the country.

Yet, the need to develop strong ethnic ties to conduct business activities, both in Nicaragua with the German community became necessary. Many German migrant business families created firms with the German market as the prime target for export, developing diverse industries in the country, and strengthening the commercial and ethnic links between families in the two countries (Centeno-Caffarena and Discua Cruz, 2021). From 1852 to 1858 the German government appointed consuls in the most important Nicaraguan cities linked to a growth in trade between the two countries fueled by German migrant business families. By the turn of the century, Germany was already a respectable customer from Nicaragua, a good

buyer of coffee, cotton, wood, colorants and other tropical products and also a preferred supplier of quality articles "Made in Germany" (Von Houwald, 1975).

At the beginning of the 20th century German migrants accounted for the largest value of Nicaraguan exports, mainly to Germany, with several corporations, managers and workers, migrating and settling in the country (Von Houwald, 1975, p. 41). In this period, contrary to German migrants who stayed in the country by chance, a second wave arrived seeking fortune based on their professions as traders, technicians, physicians and farmers. Several accounts of intermarriages within the already established German community and also with locals suggest that the German migrant business families created a diverse community who could leverage their ethnic ties over time (Kühl, 2017).

In some cases, those who had already arrived sent for their brothers, relatives or friends to settle in the country creating a greater influx and the development of new German migrant business families. Moreover, many German trading houses began to send their own employees to Nicaragua, reinforcing the ethnic circles in the country. The riches of the country were already known, and new German migrants wanted to trade, invest and settle (Kühl, 2012). The arrival of German migrants was well regarded in Nicaragua (Kühl, 2014). Moreover, German migrants were proud of their homeland and many, who since their arrival did not care much about their nationality, tried to keep their ethnic heritage alive in business and within their ethnic or mixed families (Von Houwald, 1975, p. 60). This is exemplified, in the practices of trading or commercial houses founded by German migrants where the German flag would be shown outside their firms or to play German music such as the "Gemütlichkeit" in their premises (Von Houwald, 1975).

Notwithstanding, whilst German migrants in Nicaragua were a close-knit community, the tendency to isolate did not characterise them (Kühl, 2011b, 2012, 2014). On the contrary, the German colony in Nicaragua was always open to embrace the culture of their host country, evidenced by the many marriages with locals found in the national registry. Moreover, they were keen to establish cultural institutions where locals could also learn about their culture (Von Houwald, 1975). In places where large numbers of Germans lived, such as in the capital city Germany's diplomatic representatives and consular officers, concerned about their compatriots, supported the creation of German cultural, educational, leisure and social associations.

Yet, it is in this period where cultural tensions were first encountered by German migrants. When marriages with locals occurred, the Catholic Church did not approve their marriage, as Germans were predominantly Lutherans. Conversion to Catholicism was demanded, which most of the Germans did not accept (Von Houwald, 1975). Hence, conversion to Lutheranism or Protestantism by Nicaraguan partners occurred, influencing in the family culture, which impacted in the way business was done.

#### *The arrested development of German business families in Nicaragua*

Despite enjoying a privileged position as migrants in the last century, German migrant families would be affected by changing local governments and two worldwide events in the 20<sup>th</sup> century. Whilst prior immigration laws favored land ownership and settlement support for German migrants, a new government in 1911 started to introduce laws that restricted privileges to migrants and started to evade responsibilities in state-supported financial instruments were Germans had invested substantial capital (Von Houwald, 1975, p. 142).

Moreover, during the First World War (1914 to 1918) the German colony endured severe business penalties as the Nicaraguan government sided with the US in declaring war to Germany and thus German families were seen with suspicion. The trading routes between Germany and Nicaragua, which were the backbone of German migrant families were severed. Following WWI, and the restoration of diplomatic relationships, German migrant families were affected by years of political instability in Nicaragua (Von Houwald, 1975). Despite the growing adversities during the interwar period and to address the setbacks of WWI, German families created diverse associations such as a German club (1932) and a German school (1934) (von Houwald, 1975) which aimed to nurture and strengthen ethnics ties.

Yet, it was during the Second World War (1939) the Nicaraguan government, like most Central American countries honoring pacts with the US, declared war on Nazi Germany and its allies. In 1939, the German community accounted for 330 residents, not including descendants. Government officials confiscated all property and assets (commercial property, farms, machinery, vehicles, etc.) from any person of German origin, including those born in Nicaragua; all men, including the elderly, were detained and taken to detention centers, commercial houses were dismantled and business leaders incarcerated (Von Houwald, 1975, p. 150). This approach saw the abrupt interruption of ethnic and commercial connections with the country of origin, bankrupting many German migrant business families.

Following WWII, several German families continued in the country. German migrant families decided to continue strengthening their ethnic circles to the creation of cultural centers. The German ethnic community in Nicaragua aimed to preserve over time specific values, skills and cultural features which have endured through diverse crisis. Many descendants developed new businesses in new areas, such as construction and engineering in the 60s and 70s (Kühl, 2011a). Yet compared to previous decades, in the 1970s the German community only accounted for 300 Germans living in the country (von Houwald, 1975, p. 44-45).

Yet again, in the 1980's, German families in business suffered the confiscation of assets due to communist policies enforced during the Sandinista government (Leogrande, 1996; Tyroler, 1991). Several companies founded by German migrant families did not survive the Sandinista Era. Many German business leaders exiled to neighboring Central American countries (e.g Honduras and Costa Rica) or fled to the US with family successors, whilst some others remained in the country looking after any remaining property, amidst tense diplomatic relationships between Sandinista Nicaragua and Germany (Helm, 2014; Roche, 2006). In many cases, employees defended the property and prevented the destruction of business premises from revolution fighters honoring the good relationships between German business families and Nicaraguan employees (Centeno-Caffarena and Discua Cruz, 2021).

Following such adverse events, and with the return of democratic governments to Nicaragua in the 1990s the descendants of German migrants, shaped their family and business strategies to reinforce the relevance of ethnic ties. Upon their return from exile, German migrant business families prompted the reactivation of ties in transnational ethnic networks, to procure trustworthy information, knowledge and skills that would benefit their firm's internationalisation process. In addition, many incorporated the lessons learned from experiences about the expropriation of family assets and mistreatment in WWI, WWII and the Sandinista era in Nicaragua. The narratives around such adverse circumstances became part of a collective family memory, fueling diversification, strengthening of transnational business links and preserving a German ethos in business (Centeno-Caffarena and Discua Cruz, 2021). Such shared understandings by German business families also generated a distrustful attitude towards government officials and reinforced the relevance of strengthening relationships within the German community. This approach shifted the previously open approach of German business families towards a more reserved culture.

Thus, it is not surprising to find that following such adverse circumstances, the composition and strategies of German migrant business families has varied from previous centuries. Many Germans who arrived following the interwar periods have lived for decades in the country and made Nicaragua their second homeland, yet still keep their German nationality and ensure that their descendants have a dual nationality option (Von Houwald, 1975). There are numerous "son of Germans", who were born in the country and that represent the fourth or fifth generation of the immigrants who arrived early in the last century (Kühl, 2014). Many of them still speak the German language and proudly cultivate the memory of their origin, maintaining connections with relatives in their country of origin. For these families, successor training, and business relationships in diverse networks are linked to external markets (Centeno-Caffarena and Discua Cruz, 2021). Successors are sent to Germany to study and sometimes return with a German spouse. Despite adverse circumstances, the remaining German business families in Nicaragua represent a bridge of friendship and understanding between the two nations.

Our study suggests that despite a favourable start, German Protestants in Nicaragua, may have capitalised on their cultural traits and individual differences from locals (Davis et al., 2020) yet as contextual challenges increase their expected dominance as a minority group was curtailed. For instance, this is represented in the perception that Germans were economically dominant, based in large part upon their business leadership in areas of the economy (e.g. exports) and for their network organization, nevertheless they were gradually uninterested to involve in other sectors of the economy, including retailing and public services, due to several contextual events (e.g. WWI, WW2, Sandinista era) limiting over time the development of their family businesses, and moving to sectors where they could capitalise on their individual preferences and cultural approach to business.

## **Discussion**

At the outset of this chapter, we were concerned with understanding how have migrant business families developed and adapted in Central America. We uncovered that there are different varieties of migrant business families that may be affected by contextual factors (Carney et al., 2009; Wright et al., 2014). By exploring the emergence and adaptability of migrant business families in Honduras and Nicaragua, we can appreciate how many migrant families devise ways of doing things into a host country because their cultural background, training and mind-set are different from local counterparts (Elo et al., 2018). Many migrant

business family members arrived often with limited resources yet had already access to relationships that could procure access to trade networks and could support ethnic solidarity (Amaya, 2000; 2011).

In terms of social relationships, we support the view that migrant business families have an advantage in terms of a transnational link when they arrive but also can create a close-knit network (Anderson et al., 2005). A key aspect of developing a close-knit network, is the supportive nature of relationships where you share some features, such as ethnicity. Such features provided a strong bond between members that allowed them to endure diverse challenges, either from their arrival (e.g. Arab-Palestinian families) or over time (German families). This study reveals that migrant business families focus on developing strong family relationships where an ethnic element is developed as a family feature to ensure solidarity and to shape and preserve a way of conducting business that would differentiate migrant from local families. Such features are exemplified in the business and family values observed in both countries. As these migrant families established themselves in industry and commerce, such values influenced the way diverse resources (human, social, financial) were gradually managed (Sirmon and Hitt, 2003) to take advantage of opportunities or to restart affected businesses.

In terms of contextual aspects, it is clear that contextual changes are influential in the way migrant business families develop (Wright et al., 2014). This study reveals that state intervention, in terms of sponsoring migration waves and creating welcoming conditions, whether intended to boost the productivity of a country or shape its cultural development, is a determinant factor for the emergence and development of migrant business families in developing economies. **Further state intervention however, when it creates discrimination for migrant families (e.g. alliances to deal with world conflicts) may curtail their development (Davis et al., 2020) and force families to rely strongly on their family and ethnic ties to survive.** State intervention (or lack of it) may support reforms intended to minimize or arrest the development of migrant business families as some of these contexts may not have the institutional framework to capitalise on migrant families. In doing so, state intervention may foster, probably inadvertently, the rapid development of some migrant business families, while limiting the growth or causing the demise of others, only to revert such process as world events occur. We contribute further to our understanding of context influencing business families by revealing that whilst some contexts may be unwelcoming to migrants and create hardships in their initial development (e.g., Arab-Palestinian migrant business



families) they may ease their approach over time whilst other contexts may initially display welcoming conditions yet turn hostile over time (German migrant business families in Nicaragua) to be in-sync with world events.

An interesting finding in this chapter relates to adaptability. Regardless of the origin of the migrant business families, this chapter shows that despite adverse conditions, only families that capitalized on resources provided by kinship and ethnic fabric, diversified and prepared their successors professionally, were able to react to, participate in, and even influence their environment (Evansluong and Ramírez-Pasillas, 2018). Families in both countries developed an initial culture, based on ethnic elements, that cemented the way they would work for future generations. Future generations, compared to prior studies, are able to reinforce their ethnic heritage, speak fluently several languages and navigate ethnic and host country cultures efficiently. Thus, subsequent generations not only have the advantages of knowing both the unique migrant family cultures but also and in most cases are able to either incorporate a new way of doing things by studying overseas in either a new (Arab successors in the US) or somewhat familiar culture (German successors in Germany). In doing so, they are able to reinforce their transnational links when they return to their countries and manage multiple cultures, facilitating their adaptability over time.

This study suggest that state intervention may have an influence in the reliance of family and ethnic ties as a resource for business families. Davis et al (2020) suggests that discrimination might tend, to increase a group's endowment of “social capital” and if a group faces discrimination then they will find it advantageous to participate in business activities in which they face less adverse conditions (i.e Honduran state-sponsored discrimination against Arab-Palestinians reduced the opportunity costs of engaging in certain types of activities for initial migrants). Yet **despite their prejudicial reception in Honduras, it appears that the Arab Palestinians have maintained the unity of their ethnic solidarity while successfully accommodating local communities and political interests. Recent studies suggest that this ethnic group has emerged as the dominant capitalist class in Honduras, to which politicians and authorities must take into account in their governance, as they control the largest businesses and are providers of essential services to the country (e.g electricity). In other words, although, Arab Palestinians despite their most difficult start they have more successfully overcome obstacles to cement their prominent economic and social role in their adopted societies (Amaya, 2000; Indiano, 2014).**

On the other hand, the German Protestants in Nicaragua with the more favourable welcome and seemingly better integrated into the local community have experienced a difficult development. Despite evident adaptability and commercial success upon their arrival, they have not fared well. Recent accounts suggest that their openness to blend with the local culture has meant that whilst Nicaraguans with German ethnicity have increased whereas close to one percent (1%) of the population has German roots (Kuhl, 2021) their business dominance has waned. This can be attributed to experiencing an initial softer challenge to meet in order to integrate and whilst their efforts fail to adequately maintain solidarity was evident (e.g. creation of ethnic institutions) the effect of the third parties, namely US interference in the region during World War I & 2 and the asset confiscation under the Sandinistas affected deeply their development. Moreover, our study also suggests that the strength of the German ethnic community was also influenced by their assimilation of Nicaraguan culture through marriage with locals and the lack of interest of subsequent generations in strengthening the relevance of a German ethnic heritage in business.

Given the long timeframe of our study there is an opportunity to suggest the effectiveness of collective solidarity by migrant business families - that is the degree to which ethnic and family solidarity is successful in allowing their development and adaptability in adverse or favourable contexts based on family and ethnic ties. Such effectiveness will vary in different communities and under different circumstances. Table 1 shows that such effectiveness may be understood in terms of the context, the level of family openness and the type of business activities that different generations engage over time. The effectiveness of collective solidarity can be understood when family and ethnic ties can be seen as a resource, depending on the nature of the context.

This study suggests that the intertwining between family and ethnic ties cannot be underestimated to understand the way migrant business families adapt in their societies. Table 1 suggests that family ties become essential as the main provider of key resources for businesses to emerge and survive. In adverse contextual conditions, family dynamics become close and safeguarded. Family marriages may be preferred within the local ethnic community only or arranged through family networks in countries of origin. Business activity may then be only influenced by the skills provided by family members. Conversely, in favourable conditions, family ties may become less attached to ethnic networks as incoming members may be welcomed by society and mixed marriages allows further embeddedness within the local context. Favourable conditions may allow family members to explore diverse business

opportunities and exploit the local connections, cementing their gradual integration in society and their participation in diverse business activities over generations.

Table 1 also shows that ethnic ties serve as a key resource for migrant business families in adverse and favourable contextual settings. Based on Davis et al (2020) we suggest that ethnic ties may encourage collective solidarity by reducing the contract/transaction costs within an ethnic group. Such enhancement occurs by providing relevant information about other migrants or locals thus allowing the screening of potential trading partners. Moreover, sharing similar cultural and linguistic factors may make it relatively easy for members of the same ethnic group to assess each other trustworthiness and to agree on mutual business understandings. Table 1 suggests that in adverse settings ethnic communities may help support a transnational link which may turn into the lifeline of existing businesses.

Conversely, in favourable settings migrant families may be encouraged to formalise their social interactions and culture and share it with the host society through the creation of cultural institutions (e.g. schools, social clubs). Association to such institutions and to minority ethnic groups may serve as a replicator of business reputation for emergent and existing businesses. Yet dense ethnic networks can also produce ethnic gatekeepers (e.g. Arab-Palestinian patriarchs in Honduras (Indiano, 2014) which may both safeguard or encourage social interaction outside ethnic groups depending on how favourable the contextual setting becomes. In both adverse or favourable conditions ethnic group solidarity may allow screening of members of the same ethnic group or members outside the groups to create and develop businesses.

Our study brings forward the notion that migrant business families, due to often dynamic contextual conditions (e.g. going from adverse to favourable contexts and vice versa) may be in favour of developing diverse business ventures and engage in the development of business groups (Carney and Gedajlovic, 2003). Such portrayal differs from the family business as a nuclear family with a single business, which is something that is more common in Western settings, but less applicable to the merchant communities described in this chapter. As the dynamics of contextual conditions may change, migrant business families may create and develop diverse businesses based on family skills, preferences and resources alone or in conjunctions with trusted locals (Rosa, Howorth and Discua Cruz, 2014), thus including other forms of kinship based on their lived experiences. Therefore, our study challenges researchers to critically examine traditional notions of the nuclear family with a single business to understand the historical dynamics of business families not only in Central America but in

diverse contexts where contextual conditions may change such as emerging or transitional economies and affect business families (e.g. Cuba, Venezuela, Tibet, Afghanistan, communist-based governments transitioning to more democratic and capitalist-based societies).

Finally, in both contexts explored, ethnic culture reinforcement occurs through influx of new migrants or through the going back and forth from their family home country. We find that such reinforcement is important, as migrant business families may develop a unique culture based on ethnic heritage. Thus, the opportunity to see cultural relevance in host contexts may only be reinforced and amplified through new migration waves. When such waves reoccur, migrant business families may reinforce shared understandings and ways of doing things in business with others, highlighting the relevance of ethnicity and family for business (Vershina et al., 2019). Taken together, our findings support the relevance of a historical approach (Carney and Gedajlovic, 2003) to understand that migrant business families can develop a capability over time to overcome diverse obstacles by adapting to changing circumstances and capitalising on family and ethnic relationships.

Table 1 Effectiveness of collective solidarity in migrant business families

		Ties	
		Family	Ethnic
Context	Adverse	<p>Family dynamics aimed to remain private Essential for business emergence in terms of labour and skills Provider of emotional support Transnational family link strengthened Business activity supported by around family skills in restricted industries</p>	<p>Increased reliance on building cohesiveness within group Close and private ethnic interactions Important for business setup and survival as transaction costs are reduced Provider of business relevant information, societal connections, goods and services Business activity expansion around collective ethnic skills and resources Reliance on Ethnically based trading network to minimize opportunistic behaviour</p>
	Favourable	<p>Family ties aimed to blend with society Relevant for business emergence and development Provider of emotional support and societal connection Business activity around family preferences and preferred sector</p>	<p>Creation of ethnic social institutions to enhance embeddedness within host societies Provider of information and resources for business diversification  Replicator of business reputation Business activity in association with resourceful locals  Shared linguistic and cultural aspects minimize misunderstandings in business activities</p>

## Conclusion

This chapter suggests that some contexts may be often unkind to migrant business families yet their adaptability emerges through features related to nurturing ethnic and family relationships, creating spaces that support their ethnic heritage and learning from adverse situations. Some migrant business families may become extremely successful whilst others may fade away and disappear. The possibility that discrimination against a group might contribute to its economic success has important implications for business family researchers and policymakers. The findings in this chapter present a challenge to business family researchers to carry out more in-depth investigations into the impact of contextual challenges and historical processes to understand how migrant and local business families operate. Yet their audacity in exploring new frontiers and adaptability amidst adverse circumstances suggest that their approach and responses must not be underestimated in our understanding of business families around the world.

## References

- Alonso, B. S. (2007). The Other Europeans: Immigration into Latin America and the International Labour Market (1870–1930). *Revista de Historia Económica (Second Series)*, 25(03), 395–426. <https://doi.org/10.1017/S0212610900000185>
- Amaya, J. (2000). *Los árabes y palestinos en Honduras (1900–1950)*. Editorial Guaymuras.
- Amaya, J. (2011a). *Los Judíos en Honduras (2da ed.)*. Editorial Guaymuras.
- Amaya, J. (2011b). *Los Judíos en Honduras (2da ed.)*. Editorial Guaymuras.
- Anderson, A., Park, J., and Jack, S. L. (2007). Entrepreneurial Social Capital: Conceptualizing Social Capital in New High-tech Firms. *International Small Business Journal*, 25(3), 245–272. <https://doi.org/10.1177/0266242607076526>
- Anderson, A. R., and Miller, C. J. (2003). “Class matters”: Human and social capital in the entrepreneurial process. *The Journal of Socio-Economics*, 32(1), 17–36. [https://doi.org/10.1016/S1053-5357\(03\)00009-X](https://doi.org/10.1016/S1053-5357(03)00009-X)
- Arregle, J.-L., Hitt, M. A., Sirmon, D. G., and Very, P. (2007). The Development of Organizational Social Capital: Attributes of Family Firms. *Journal of Management Studies*, 44(1), 73–95.
- Barahona, M. (2005). *Honduras en el siglo XX: Una síntesis histórica*. Editorial Guaymuras.
- Becerra, L. (2011). *Evolución Histórica de Honduras (21ava ed.)*. Baktun Editorial, Litografía Lopez.
- Brzozowski, J., Cucculelli, M., and Surdej, A. (2014). Transnational ties and performance of immigrant entrepreneurs: The role of home-country conditions. *Entrepreneurship and Regional Development*, 26(7–8), 546–573. <https://doi.org/10.1080/08985626.2014.959068>

- Bull, B., Castellacci, F., and Kasahara, Y. (2014). *Business Groups and Transnational Capitalism in Central America: Economic and Political Strategies*. Palgrave Macmillan.
- Carney, M., and Gedajlovic, E. (2003). Strategic innovation and the administrative heritage of East Asian family business groups. *Asia Pacific Journal of Management*, 20, 5–26.
- Carney, M., Gedajlovic, E., and Yang, X. (2009). Varieties of Asian capitalism: Toward an institutional theory of Asian enterprise. *Asia Pacific Journal of Management*, 26(3), 361–380. <https://doi.org/10.1007/s10490-009-9139-2>
- Centeno-Caffarena, L. (2016): “Entrepreneurship and family business phenomenon: corresponding, antagonist or indifferent from each other?”, In J. M. Saiz-Alvarez (Ed), *Handbook of Research on Social Entrepreneurship and Solidarity Economic*. (pp 298-328). IGI Global.
- Centeno-Caffarena, L., and Discua Cruz, A. (2021). Internationalization of a migrant family firm and contextual uncertainty: The role of ethnic social networks. In T. Leppäaho and S. L. Jack (Eds.), *The Palgrave Handbook of Family Firm Internationalization*. (pp 431-460). Palgrave Macmillan.
- Colli, A., Fernandez, P., and Rose, M. (2003). National Determinants of Family Firm Development? Family Firms in Britain, Spain and Italy in the Nineteenth and Twentieth Centuries. *Enterprise and Society*, 4(1), 28–64.
- Davis, K., Trebilock, M. J., and Heys, B. (2000). Ethnically homogeneous commercial elites in developing countries. *Law & Policy in International Business*, 32, 330-361
- Discua Cruz, A., and Basco, R. (2018). Family Perspective on Entrepreneurship. In R. V. Turcan and N. M. Fraser (Eds.), *The Palgrave Handbook of Multidisciplinary Perspectives on Entrepreneurship* (pp. 147–175). Springer International Publishing. [https://doi.org/10.1007/978-3-319-91611-8\\_8](https://doi.org/10.1007/978-3-319-91611-8_8)
- Discua Cruz, A., Basco, R., Parada, M. J., Malfense Fierro, A. C., and Alvarado Alvarez, C. (2019). Resilience and family business groups in unstable economies. In *The Family Business Group Phenomenon—Emergence and Complexities* (Rautianinen, M., Rosa, P., Pihkala, T., Parada, M.J and Discua Cruz, A., pp. 315–352). Palgrave MacMillan.
- Discua Cruz, A., Ramos Rodas, C., Raudales, C., and Fortin, L. (2016). Large family businesses in Honduras: The influence of state intervention and immigration in the twentieth century. In *Evolution of family businesses: Continuity and change in Latin America and Spain*. Edward Elgar Publishing.
- Duarte, L. E. (2009). Los Nazis y Nicaragua Magazine, La Prensa. *La Prensa*, [www.laprensa.com.ni/magazine/reportaje/los-nazis-y-nicaragua](http://www.laprensa.com.ni/magazine/reportaje/los-nazis-y-nicaragua).
- Elo, M., and Minto-Coy, I. (Eds.). (2019). *Diaspora Networks in International Business: Perspectives for Understanding and Managing Diaspora Business and Resources*. Springer International Publishing. [//www.springer.com/us/book/9783319910949](http://www.springer.com/us/book/9783319910949)

- Elo, M., Sandberg, S., Servais, P., Basco, R., Discua Cruz, A., Riddle, L., and Täube, F. (2018). Advancing the views on migrant and diaspora entrepreneurs in international entrepreneurship. *Journal of International Entrepreneurship*, 16(2), 119–133. <https://doi.org/10.1007/s10843-018-0231-x>
- Elo, M., Servais, P., Sandberg, S., Discua Cruz, A., and Basco, R. (2019). Entrepreneurship, Migration, and Family in Peripheral Contexts – Avenues for Growth and Internationalisation. *International Journal of Entrepreneurship and Small Business*, 36(1/2), 1–15. <https://doi.org/10.1504/IJESB.2019.096973>
- Euraque, D. A. (1997). The Arab-Jewish Economic Presence in San Pedro Sula, the Industrial Capital of Honduras: Formative Years, 1880s-1930s. *Immigrants and Minorities*, 16(1 y 2), 94–124.
- Euraque, D. A. (2001). *El capitalismo de San Pedro Sula y la historia política hondureña (1870-1972)* (2da ed.). Editorial Guaymuras.
- Euraque, D. A. (2009). Los árabes de Honduras: Entre la inmigración, la acumulación y la política. In *Contribuciones árabes a las identidades iberoamericanas* (pp. 233–284). ROTOSA. <http://www.pensamientocritico.org/primer-epoca/casara0511.pdf#page=234>
- Evansluong, Q., Ramirez Pasillas, M., and Nguyen Bergström, H. (2019). From breaking-ice to breaking-out: Integration as an opportunity creation process. *International Journal of Entrepreneurial Behavior and Research*, 25(5), 880–899. <https://doi.org/10.1108/IJEBr-02-2018-0105>
- Evansluong, Q., and Ramírez-Pasillas, M. (2018). The role of family social capital in immigrants' entrepreneurial opportunity creation processes. *International Journal of Entrepreneurship and Small Business*, 36(1–2), 164–188. <https://doi.org/10.1504/IJESB.2019.096973>
- Fearnow, B. (2019, July 22). *Nearly half of all Fortune 500 companies were founded by immigrants or their children, study finds*. Newsweek. <https://www.newsweek.com/immigrant-founded-fortune-500-companies-us-gdp-1450498>
- Fernández Pérez, P., and Lluch, A. (2016). *Evolution of Family Business: Continuity and Change in Latin America and Spain*. Edward Elgar Publishing.
- Fletes, E. (1911). *Commercial directory of Honduras, 1911*. Schröder and Jeve.
- Gupta, V., Levenburg, N., Moore, L., Motwani, J., and Schwarz, T. (Eds.). (2008). *Culturally sensitive models of family businesses in Latin America* (Vol. 1–10). ICFAI University Press.
- Hamilton, E., Discua Cruz, A., and Jack, S. (2017). Re-framing the status of narrative in family business research: Towards an understanding of families in business. *Journal of Family Business Strategy*, 8(1), 3–12. <https://doi.org/10.1016/j.jfbs.2016.11.001>
- Helm, C. (2014). Booming solidarity: Sandinista Nicaragua and the West German Solidarity movement in the 1980s. *European Review of History: Revue Européenne d'histoire*, 21(4), 597–615. <https://doi.org/10.1080/13507486.2014.933179>



- Illescas, J. (2009). *Los grupos de poder y los sectores industrial y agrícola. Honduras: Poderes facticos y sistema político*. (Tercera reimpresión 2009). CEDOH.
- Indiano, C. (2014). *Los oligarcas: ¿de donde salieron los ricos?* Zafra.
- Jack, S., Moulton, S., Anderson, A. R., and Dodd, S. (2010). An entrepreneurial network evolving: Patterns of change. *International Small Business Journal*, 28(4), 315–337.  
<https://doi.org/10.1177/0266242610363525>
- James, A., Hadjielias, E., Guerrero, M., Discua Cruz, A., and Basco, R. (2020). Entrepreneurial families in business across generations, contexts and cultures. *Journal of Family Business Management, ahead-of-print*(ahead-of-print). <https://doi.org/10.1108/JFBM-01-2020-0003>
- Kühl, E. (2011b). Jinotega y su Café por Eddy Kuhl. *Revista de Temas Nicaraguenses*, 44, 158–167.
- Kühl, E. (2012). La Primera despulpadora de café en Matagalpa. *Revista de Temas Nicaraguenses*, 49, 4–5.
- Kühl, E. (2014). Primeros Inmigrantes a Nicaragua por Origen. *Revista de Temas Nicaraguenses*, 77, 228–258.
- Kühl, E. (2017). Algunos Inmigrantes Alemanes a Nicaragua y sus Obras. *Revista de Temas Nicaraguenses*, 112, 281–293.
- Kühl, Eddy. (2011a). Construcción y Constructores: El Boom de la Construcción en Nicaragua, Décadas de los 60s y 70s. *Revista de Temas Nicaraguenses*, 38, 70–86.
- Kühl, Eddy. (2019). *Los buenos y los malos en la historia de Nicaragua*. PAVSA.
- Kühl, Eddy. (2021). Interview to Mr. Eddy Kuhl on August 11.
- Larson, J. M., and Lewis, J. I. (2017). Ethnic Networks. *American Journal of Political Science*, 61(2), 350–364. <https://doi.org/10.1111/ajps.12282>
- Lemus, M., and Bourgeois, H. G. (1897). *Breve noticia sobre Honduras: Datos geográficos, estadísticos e informaciones prácticas*. Tipografía Nacional.
- Leogrande, W. M. (1996). Making the economy scream: Us economic sanctions against Sandinista Nicaragua. *Third World Quarterly*, 17(2), 329–348.  
<https://doi.org/10.1080/01436599650035716>
- Leyva, H. M. (2000). *Hacia una dinamica cultural del desarrollo en Honduras*. Programa de las naciones unidas para el desarrollo, PNUD.
- Lombard, T. R. (1887). *The new Honduras: Its situation, resources, opportunities and prospects, concisely stated from recent personal observations (1887)*. Brentano Publishers.
- Müller, C., Botero, I. C., Discua Cruz, A., and Subramanian, R. (2019). *Family Firms in Latin America*. Routledge.
- Mustafa, M., and Chen, S. (2010). The strength of family networks in transnational immigrant entrepreneurship. *Thunderbird International Business Review*, 52(2), 97–106.  
<https://doi.org/10.1002/tie.20317>

- Moules, J. (2014, 04). Migrants set up one in seven UK companies, study reveals. *Financial Times*.  
<http://www.ft.com/content/dc7f9f0e-a3ae-11e3-88b0-00144feab7de>
- Nordqvist, M., Marzano, G., Brenes, E. R., Jimenez, G., and Fonseca-Paredes, M. (2011). Understanding entrepreneurial family businesses in uncertain environments: The case of Latin America. In M. Nordqvist, G. Marzano, E. R. Brenes, G. Jimenez, and M. Fonseca-Paredes (Eds.), *Understanding entrepreneurial family businesses in uncertain environments: Opportunities and resources in Latin America* (pp. 1–29). Edward Elgar.
- Roche, M. (2006). Competing Claims: The Struggle for Title in Nicaragua Note. *Vanderbilt Journal of Transnational Law*, 39(2), 577–606.
- Rohan, D. (2010). *El sueño del olivar*. Suma de Letras.
- Romero, R. (2008). Los grupos financieros y el poder político. In L. S. Víctor Meza Ramón Romero, Manuel Torres y Jorge Illescas (Ed.), *HONDURAS: Poderes Fácticos y Sistema Político*. CEDOH.
- Roscoe, P., Discua Cruz, A., and Howorth, C. (2013). How does an old firm learn new tricks? A material account of entrepreneurial opportunity. *Business History*, 55(1), 53–72.  
<https://doi.org/10.1080/00076791.2012.687540>
- Salcedo, S., and Guzman, L. (2014). El concepto de agricultura familiar en América Latina y el Caribe, FAO, Chile. In S. Salcedo and L. Guzman (Eds.), *Agricultura Familiar en América Latina y el Caribe: Recomendaciones de Política*. FAO.
- Scott, L. S. (1909). *HONDURAS: THE NEW ELDORADO*. J.G Hauser.
- Sirmon, D. G., and Hitt, M. A. (2003). Managing Resources: Linking Unique Resources, Management, and Wealth Creation in Family Firms. *Entrepreneurship Theory and Practice*, 27(4), 339–358. <https://doi.org/10.1111/1540-8520.t01-1-00013>
- Spielmann, N., Discua Cruz, A., Tyler, B. B., and Beukel, K. (2021). Place as a nexus for corporate heritage identity: An international study of family-owned wineries. *Journal of Business Research*, 129, 826–837. <https://doi.org/10.1016/j.jbusres.2019.05.024>
- Strachan, H. (1976). *Family and Other Business Groups in Economic Development: The Case of Nicaragua*. Praeger.
- Tyroler, D. (1991). Nicaragua: Recent Debate Surrounding Property Confiscated By Sandinista Government. <https://Digitalrepository.Unm.Edu/Noticen/5557>, 1–2.
- Uzzi, B. (1997). Social structure and competition in inter-firm networks: The paradox of embeddedness. *Administrative Science Quarterly*, 42, 35–67.
- Vershinina, N., Rodgers, P., Mcadam, M., and Clinton, E. (2019). Transnational migrant entrepreneurship, gender and family business. *Global Networks*, 19(2), 238–260.  
<https://doi.org/10.1111/glob.12225>
- Vertovec, S. (2001). Transnationalism and identity. *Journal of Ethnic and Migration Studies*, 27(4), 573–582. <https://doi.org/10.1080/13691830120090386>

- Von Houwald, G. (1975). , *G. (1975): “Los Alemanes en Nicaragua”*;: Vol. Colección Cultural. Banco de América. Nicaragua.
- World Bank. (2018). *Doing Business in Honduras and Nicaragua—World Bank Group*.  
<http://www.doingbusiness.org/>
- Wright, M., Chrisman, J. J., Chua, J. H., and Steier, L. P. (2014). Family Enterprise and Context. *Entrepreneurship Theory and Practice*, 38(6), 1247–1260. <https://doi.org/10.1111/etap.12122>