

6 The names of power

How to define Latin American economic elites?¹

Mariana Heredia and Yamila Sahakian

Introduction

Elites evoke such strong feelings that it is difficult for the social sciences to define them a point of reference and find a neutral term free of connotations. “High society,” “bourgeoisie,” “upper class,” “big businessmen,” “establishment,” “ruling class,” “the rich,” and “1%,” are used interchangeably without further precision. In particular, the ties between the elite and the upper class have been discussed in the specialized literature on the subject. While these words are usually employed today as synonyms, they come from different traditions. The upper class is rooted in the Marxist tradition and refers to those who accumulate the greatest amount of wealth. The elite goes back to Machiavelli’s writings and refers to those who control the levers of power. To contribute to a deeper and more precise understanding, this chapter provides an intellectual history of mid-range concepts that are most frequently used to name the socioeconomic elites in Latin America, focusing on four of the continent’s major nations: Argentina, Brazil, Chile, and Mexico.

Inspiration for this endeavor is found in the British tradition of historiography and its approach to analyzing social groups. On one hand, like Richard Hoggart (2003 [1957]), we believe that militant analyses tend to exaggerate the significance of political activity in the practices and orientations of different members of society: not all of the lower class is engaged in workers’ struggles, nor do all socioeconomic elites defend their wealth and power in the public and political spheres. On the other hand, rather than being interested in the rich and powerful as unique characters, we will consider them as representative figures of broader categories.

In order to reconstruct these categories, we review the trajectory of those who occupy the highest positions today and consider the conditions that led to their rise. The first step toward historicizing the elites is rooting them in the structures on which their powers and weaknesses were founded during each period. To this end, we draw on sources regarding these protagonists and on analyses that document the limits or decline of the groups with which they were associated. For

DOI: 10.4324/9781003385721-9

doing so, we refer to historical compendia, such as those proposed by Halperín Donghi (1990), Ansaldi, and Giordano (2012), and studies that chart the trajectories of relevant families as those compiled by Fernández Pérez and Lluch (2015).

When observing those who are mentioned in the specialized studies on wealth in the nations analyzed, it becomes evident that these semantic labels and the powerful actors who embody them not only succeed each other, but also overlap. Thus, we note, like Raymond Williams (1997 [1977]), that each historical moment is one and several at the same time: a combination of residual, dominant, and emerging elements. The rise of the elite results from different waves, in this case of enrichment, each of which allows us to shed light on the era in which these social actors became strong, not only thanks to their talents and cunning, but also as a result of the period in which they lived and succeeded.

Owning the past: the persistence of old oligarchies?

According to memoirs published by his son (Braun Menéndez 1985), Mauricio Braun was born in 1865 in a modest home within the vast Russian empire. His parents traveled to Chile, where the government offered them land and advantages for settling in. There, they prospered in commerce, farming, and sheep breeding. Mauricio first worked as an apprentice for accountant José Menéndez and married one of his daughters years later, while his sisters married the owners of the companies he managed. These marital ties would come to weave the Patagonian elite together. The young director then entered into new partnerships and continued to expand thanks to contacts leading to the concession and lease of hundreds of hectares on both sides of the mountain range. In a few years he managed to build, in his words, “the largest sheep ranching enterprise in South America in living memory” (Braun Menéndez 1985, p. 116). With this ambition, he did not hesitate in massacring Selk’nam (Onas) communities with the complicity of military and religious leaders, part of a genocidal campaign that ultimately led to the tribe’s extinction. Nor did he hesitate in subjugating the rural peasants who then revolted on his *estancias*.

The Braun Menéndez family established itself in cattle ranching and maritime shipping before expanding into banking, electric lighting, followed by entry into the meat processing and whaling industries. In the early 20th century, Mauricio and his family settled in Buenos Aires, just as the Magellanic economy began to decline. Once in Buenos Aires, Mauricio expanded into different businesses, but land and livestock continued to be the main source of his fortune. Although not all of Mauricio’s children and grandchildren went into business, a century later, one of his heirs was ranked 36th in the 2020 edition of *Forbes Argentina* (2020), with US\$320 million. Federico Braun has been involved in a chain of supermarkets and was closely associated with Banco Galicia. The family has also continued to cultivate its political influence: Marcos Peña and Miguel Braun

(who were cousins and Federico's nephews) are also recognized for founding think tanks and attained office in 2015 with the center-right *Cambiamos* coalition, where they held the Cabinet Chief and the Minister of Commerce positions, respectively.

The history of the most important families of the 19th century is inextricably intertwined with the construction of Latin American nations, to the extent that it is not surprising that in several countries, 19th-century surnames, such as Braun Menéndez, are considered the quintessence of the elites. The "old oligarchy" was made up of individuals who were visionary, charismatic, skilled in the development of primary or extractive activities. They were able to guarantee themselves and their families' seniority and stability in the world of wealth and were further able to establish clear hierarchical ties with native populations and their workers, ultimately exerting effective influence over state political structures.

In this regard, the overlap between the upper classes and the political elites has historical foundations. First in Europe, with the rule of monarchies, and then in the Americas, with the construction of nation-states, a group of families was consolidated, located in a similar position within the productive framework, sharing lifestyles and interests, and proved capable of organizing themselves and shaping their countries' destinies. In order to designate these groups, many scholars within Latin American studies resort to the category of oligarchy, some problematize and specify the concept (Carrión and Aguilar 1972; Barros and Vergara 2007; Ribeiro 2014) while others analyze its configuration (Bagú 1975; Dos Santos 1995; Cancino 2006; Losada 2007).

The Braun story reminds us that the traditional upper class did not always exist. The process by which the upper class managed to assert itself was neither linear nor identical in all countries. In Argentina, Chile, and Mexico, after wars and internal conflicts, an alliance of factions managed to impose itself over others. With greater continuity in Brazil, restricted democracies were created in all four countries or, in any case, oligarchic republics aligned under the imperative of conquering, as the Brazilian flag says, order and progress.

In economic terms, the predominance of these groups was based on the appropriation of key natural resources. In Argentina, the concentration of rural property became more and more heightened, consolidated into the hands of a few while both native communities and most of the settlers who arrived later were excluded. In Brazil, where economic predominance was based on coffee production in São Paulo and Minas Gerais—a state where cattle were also raised—local elites were especially prominent. In Mexico and Chile, the situation was more complex because land ownership was combined with mining, an industry dominated by American and British capital.

Natural resources would not have been sufficient in fueling the rise of the upper class without two crucial alliances. The first was what Halperin Donghi (1990) called the "neocolonial order:" a network of links with the imperial powers, first with Great Britain and later with the United States, which allowed

Latin American countries to insert themselves into the international division of labor as suppliers of natural resources. In order to fulfill this role, British investments and loans were offered, in some cases, infrastructure was developed (such as railroads or meat packing plants for the Argentine grain and meat trade), and in other cases, direct interventions were carried out (such as the exploitation of Chilean nitrate). Ansaldi and Giordano (2012, p. 631) state that in most of these countries, production for export was based on the concentrated exploitation of a single resource (Chilean nitrate, Brazilian coffee). However, some nations managed to diversify.

The second alliance consisted of the negotiation of agreements between national and local authorities. In most nations, wealth and political power tended to be intertwined. In Latin America, this process was led by the most senior *criollos* on the continent and revolved around the control of key natural resources. In some cases, there was a certain correlation between those who held ownership of dynamic economic resources and those who, through the state, exercised political power over the various territories. In others, this correlation was weaker and various mechanisms (taxation, legislation) helped to cement the overarching order.

Pacification was fundamental to the rise of the oligarchy and each nation came up with its own political formula. In Brazil, the development of different economic activities created rival cities and elites, arousing a strong sense of regionalism. The *República Velha*, which lasted from 1889 to 1930, based its domination on the previous imperial structure. After an initial period of violent and heavy-handed military rule, São Paulo and Minas Gerais resolved the presidential succession of their representatives through oligarchic policies (*dos governadores y do café com leite*) based on clientelistic relationships (*coronelismo*).

Argentina, Chile, and Mexico, on the other hand, maintained strong and centralized states. In the former, the separatist project was defeated and Buenos Aires had to subordinate itself to the national state, federalizing the resources generated by its port. The Chilean state was founded in 1830 under the interests of the landowners of the Central Valley, even though they did not control the trade of the main exportable good, which was then still in foreign hands. After the War of the Pacific, the exploitation of saltpeter for export (mostly controlled by British capital) became central and the associated sectors began to bid for control of the associated political decision-making mechanisms. The strengthening of the state took place through an expansion of legislative power, prevailing over the executive as a parliamentary republic. In Mexico, neither the mining producers in the north nor the agrarian producers in the center and southeast were able to assert domination. Nevertheless, the central regime proved robust in balancing local leaders, at least until the 1910 revolution.

As in most Western nations, there continued to be upper strata with strategic resources and political influence in Latin America. The question is whether the

resources and those who controlled them remained the same. Although answering this question requires detailed and complex inquiries, the old oligarchy showed signs of decay, which in turn led to the renewal of upper classes.

For those who try to document this decline, the first hint was the erosion of the oligarchy's political influence. In Brazil, Argentina, and Chile, political regimes became both more permeable and unstable. The nineteenth-century elites were destabilized by the dynamism of society and their leaders failed to retain control of the nation. In Brazil, the Paulista elite broke the succession regime and miners sought support in the most impoverished regions. In Argentina, since the first decades of the 20th century, the political decline of the traditional elite can be observed both in the weakness of the liberal-conservative parties and the withdrawal of the families from the traditional elite within the political leadership. In Chile, the parliamentary republic proved fragile in the face of social pressures and the growing fragmentation of power that hindered the construction of a legitimized public interest. In Mexico, the social revolution completely altered the previous regime.

As the Braun Menéndez family illustrates, political challenges tended to correspond to drastic changes in the conditions that had given rise to the rise and rule of the old oligarchy, particularly their considerable vulnerability to external market fluctuations. Chile and Mexico carried out agrarian reforms that gradually altered land ownership. Argentina and Brazil did not move in this direction and the decline of agricultural producers was less dramatic.

In addition to relativizing the dynamism and centrality of primary activities, we can ask ourselves how many of these families' heirs have continued to run the continent's main companies. Many observers have pointed out that modernization brought with it new wealth to the point of creating a new category for the elites: the bourgeoisie.

Owning the resources: the national bourgeoisie between illusion and disenchantment

Antonio Pereira Inácio was born in Portugal in 1874 and, when he was only ten years old, he traveled with his father to São Paulo. As detailed in *Memória Votorantim* (2022), "they arrived after hearing stories about Brazil, a faraway land where labor produced abundant fruits and immigrants who arrived with only the clothes on their backs managed to amass great fortunes." The first industries appeared during the coffee export boom. At the age of 15, Antonio got a job in a textile import company in Rio de Janeiro whose owner would become a partner years later. Here, he would raise the capital needed to invest in his retail store in São Paulo. In 1917, he jumped from retail to industry. He then leased the Votorantim textile factory, which he would buy the following year. Soon after, it expanded to include oil and cotton processing units. The company's engineer,

José Ermírio de Moraes, married one of his daughters and took over the management of the group in 1925.

According to Dalla Costa, Drumond, and Las Heras (2015), the company's expansion and diversification gained momentum in the 1940s–1950s. By then, it produced steel, cement, paper, and sugar in various Brazilian states. In the 1960s and 1980s, it continued to develop until it included cement plants throughout the country, orange juice production, the construction of hydroelectric power plants, pulp and paper mills. At the turn of the century, the group expanded internationally and today it operates in over 15 countries. In fact, six members of the Moraes family were featured in the *Forbes Brazil* ranking for 2021 (Ertel and Maroja 2021). The three best positioned (the youngest brother, Ermírio Pereira, his only daughter, Maria Helena, and a grandson, Luis Ermírio) each own the same fortune: US\$1,965 million, sharing the ranking of 41st.

The Moraes, who were exceptionally successful, illustrate the second concept associated with Latin American socioeconomic elites: the so-called national bourgeoisie. While for decades many continued to identify the upper classes with the old oligarchy, this category emerged in Latin American debates to account for the increasingly complex nature of the upper strata. The “national bourgeoisie” became a term that referred to recent migrants or first-generation locals who had earned their fortunes through industrial activities and accompanied the development of the continent's large economies. There are studies on its historical conformation, its close relationship with national development projects, the problematization of its role, and its national character (Aniceto 1975; de la Peña 1976; Brennan and Rougier 2009; Gutiérrez Garbiero 2017; Wyczykier 2017).

A new minority, standing out amid a variety of companies born from the expansion of the domestic market, urban growth, and industrial progress, asserted itself and became, if not an ally, at least the major beneficiary of the policies that encouraged national production and consumption since the 1940s. The Moraes and the Matarazzo in Brazil, the Bulgheroni and the Pescarmona in Argentina, the Zambrano and the Sada in Mexico, and the Said and Yarur in Chile all shaped the contours of this new elite.

In contrast to the interpretations of the oligarchy that tend to emphasize its unity and the correlation between economic resources, political influence, and upward mobility, the characterization of the national bourgeoisie tends to stress that it was more of a “faction” that experienced difficulties asserting itself. Dahl (1961) argues that the dispersion of power is, to some extent, a logical consequence of demographic growth, productive complexity, and the differentiation of roles. These were no longer small, unstructured societies; industrialists were now deployed in the face of the hierarchies that preceded them. This grouping also featured a double dependency: national bourgeoisies required a protectionist state to grow and the foreign currency generated by the primary sector to import inputs and technology.

Cardoso and Faletto (2007 [1967]) emphasize that, although the most profitable economic activities on the continent had been the primary ones, they were no longer able to sustain growth. In Argentina, Brazil, Chile, Mexico, and other large countries of the continent, the rise of the national bourgeoisie was justified by its capacity to expand the economy and sustain the generation of employment, thus contributing to social progress. The deployment of industry implied a more complex production structure, demanding more qualified workers. Its expansion entailed the strengthening of unions and an increase in labor disputes, but it also generated a sense of belonging among company employers and employees.

The national bourgeoisie was thus tied to the hopes and disappointments of the postwar period. By the mid-1970s, many assessed their progress with skepticism. Growth had proved less vigorous and was found to have generated more conflict than in the past, while state planning and the expansion of labor rights, contrary to other countries, meant a growing weakness of democratic institutions. The military coups in Brazil (1964) and Argentina (1966) were justified by their regimes in the name of modernization. On the contrary, in Chile and Mexico, the conflicts of interest among social sectors were institutionalized, paving the way for a stable and lasting democratic period, which was only interrupted in Chile in 1973. Mexico, in contrast, maintained a one-party system for 70 years.

The national bourgeoisie was flanked from the beginning by two other powerful protagonists: foreign capital and public enterprises. The Latin American industry, and the region's economy overall, was never led by local businessmen, not even during its strongest years. The composition of the socio-economic elites of the second postwar period would not be complete without the directors of large foreign companies. They had been, and would continue to be, key figures in the region. Equally important were state-run companies that aided the enrichment of the local business elite, until they were eventually plundered by it. State-run companies were established or nationalized in order to manage energy resources (oil in Mexico and Brazil), infrastructure services (railroads in Argentina), and strategic resources (copper in Chile). Brazil founded basic industries (*Companhia Siderúrgica Nacional*) and mining companies (*Companhia Vale do Rio Doce*), while Chile created the *Corporación de Fomento de la Producción* which "by the end of this period had become a conglomerate of state enterprises that dominated almost the entire national economic sphere" (Martínez Echezárraga 2015, p. 413). Beyond the domain of public enterprises, the state action and resources provided the foundation for urban enterprises to prosper. Along with customs protection and import selectivity, public banks offered credit and utility companies fixed preferential rates. Of course, not everyone benefited equally. It is likely that companies linked to the state-private complex achieved higher profits in Mexico, Brazil, Argentina, and Chile.

The intensification of social conflicts and the inflationary spiral of the 1970s set the stage for drastic fractures. Although the dictatorships of the Southern

Cone were much more consistent in their repression of labor unions and opposition politics, the reforms introduced did not leave the business sector unscathed either. Sooner or later, the financial and trade liberalization adopted in Chile (1974), Argentina (1978 and 1989), Mexico (1982), and Brazil (1990) led to an uneven fate for independent companies and diversified economic groups. While many of the former were losing ground, a group of entrepreneurs managed to consolidate their position.

Optimistic discourses were replaced by new classifications. Economic groups became associated with “the new economic power,” “the business elite,” “the economic or corporate elite,” “business groups,” or “economic conglomerates.” In the last quarter of the 20th century, in a context of wealth concentration and the accusation of unscrupulous ties with the state, elites and their privileged businesses were the targets of other accusations, those surrounding the nationalization of their debts, loans to the state at usurious rates, participation in suspected privatization processes, tax evasion, and the placement of surpluses abroad.

What is certain is that the structures and strategies of Latin American economic groups felt the impact of neoliberal policies (Colpan, Hikino, and Lincoln 2010). In Argentina, while capital from other emerging economies (Chile and Brazil) penetrated the country, local groups withdrew from their main activity or disappeared altogether. The emergence of an important new actor is also noteworthy: private investment funds. In all cases, coexisting with multinationals and liquid funds, there are still some national economic groups that share similar features, including a pyramidal structure with control by founding families, a high degree of diversification, and internationalization.

This coexistence composes what Ben Schneider (2013) calls hierarchical market capitalism, which is typical of Latin America. Schneider describes how local diversified business groups coexist with multinational corporations, along with a low demand for skilled workers and segmented labor markets. At the present time, the question is less whether there is still a fraction of local businessmen linked to large industry, which is undeniable. Rather, one should ask what the importance and uniqueness of the national bourgeoisie for the economic and political dynamics of the region is. Undoubtedly, the term continues to have a great aspirational and labor union relevancy. If the question is the number, the majority of productive units continue to be owned by Latin Americans and are located in large cities. In the intimate forum of entrepreneurs, whether in the public, labor unions, or political spaces, the national bourgeoisie persists as a category capable of mobilizing a fraternity that sensitizes and eventually enables better conditions when negotiating with governments.

However, there is a substantive difference as well: the overwhelming majority of Latin American companies are small and medium-sized, and their situation is radically different from that of the larger groups. Large rural and urban entrepreneurs no longer oppose each other, but intermingle. Most economic

groups have achieved a certain degree of autonomy in relation to the evolution of the domestic economy and state decisions by diversifying their businesses and investing abroad. Finally, the level of concentration is remarkable and this allows for the imposition of conditions on weaker partners.

It is not clear that the distinction between local and foreign big business is still valid. Many big Latin American businessmen do not have their company's headquarters in their countries, neither reinvest their profits locally, nor have a national or regional scale for their businesses. They do not depend as much as before on their nations to grow rich or decline.

Owning capital: borderless capitalism

Carlos Slim, the son of a Lebanese immigrant who, escaping the Ottoman Empire, arrived in Mexico at the beginning of the 20th century, was born in Mexico City in 1940. According to his website (Slim 2022), as a child, his father instilled in him the management of personal finances and incorporated entrepreneurial teachings. He studied civil engineering at the National Autonomous University of Mexico and married Soumaya Domit, with whom he had six children. At the age of 26, he founded Inversora Bursátil Carso, which would later give its name to the holding company he maintains today.

During the debt crisis, he bought several companies and managed to diversify (industry, construction, mining, commerce, food, and tobacco), but it was during the privatization process of state-owned companies that he acquired part of Teléfonos de México, S.A., giving a new direction and drive to his business activity. Aware of the importance of telecommunications, his company managed to control 70% of Mexican mobile telephone industry and expanded throughout the continent. Today his group is highly diversified and Slim is the richest man in Mexico. In 2021, he ranked 16th in the *Forbes* international ranking, accumulating a fortune of US\$62.8 billion (Dolan and Peterson-Withorn 2022).

Slim's fortune was not so closely linked to any particular preferential advantages offered by the state. He managed to grow and establish himself while Mexico faced an unstable situation, being one of the few national businessmen who could adapt the new international order. As Cerutti points out,

The opening brought mixed results (...) Little by little, some large companies and/or families abandoned unprofitable or uncompetitive activities (...) and redirected capital towards areas with better prospects: agribusiness, food, media, the automotive sector, commerce, services. Others (...) became global players.

(2015, p. 162)

Alongside Slim on the *Forbes* podium are the Latin American heirs of the old oligarchy such as Federico Braun, members of the bourgeoisie enriched during

the second postwar period such as the Moraes, and other entrepreneurs of flamboyant fortune and disparate origins. What name were these heterogeneous elites of globalization given? It was not until the early 21st century that a way of describing them became widespread: “the rich” or “the 1%.” The popularity of this notion leads us to Thomas Piketty, who put capital back at the center of the study of inequalities. His first innovation was methodological: supplementing household surveys with tax sources. With these records, Piketty (2001) differentiates “high-income earners” (the 1%) from the “upper middle classes.” The second innovation was to propose a theory of capitalism that leads to the formation of large fortunes.

Since then, the name has been affirmed. There is a growing number of studies on the national rich (Madeiros 2005; de la Torre García 2006; López and Sturla 2020; Letcher, Strada, and González 2022) and Latin American rich in particular (Alvarez Leguizamón 2007; Alarco Tosoni and Castillo García 2020). Unlike the previous nouns, this notion does not designate “typical cases” that link a set of attributes, but rather refers to what Desrosières and Thévenot (2002 [1988]) call a “classification by specific criteria.” Its virtue is that it makes it possible to replicate the methodology used for understanding poverty.

A variety of producers are dedicated to identifying and quantifying those who hold the greatest fortunes, with the aforementioned *Forbes* magazine standing out. For the next level of wealth, there are no longer individual names or individualized calculations, but rather estimates from global consulting firms. The problem with these sources is that they seek to standardize surveys for numerous countries, when in Latin American countries, given the high level of tax evasion, the relationship between the rich and taxpayers proposed by Piketty cannot be taken for granted. Besides the number of zeros that make up their fortunes, little is known about these individuals. Business and celebrity magazines provide few comparative variables. The less common sociological profiles tend to emphasize their cosmopolitanism, the autonomy attained in relation to the territories and populations from which they draw their wealth (Bauman 2010 [1998], p. 17). Thus, the notion of the rich is inscribed in representations that emphasize contrast. Postwar societies had achieved a certain “medianization,” in the sense of both a proportional increase in the number of members of the middle classes and a certain standardization of ways of life that seemed to become universal. Since 1970, these standards have weakened, concentrating advantages and disadvantages at the poles.

Paradoxically or not, concern for the rich coincided with the consolidation of democratic regimes throughout the region. First, the rejection of dictatorships in the Southern Cone, then the electoral alternation in Mexico and the activation of social and political movements seemed to endow these regimes with a legitimacy of origin that would only be accompanied by an improvement in living conditions for the majorities in the early 21st century. More recently, political polarization and the regressive effects of the pandemic generated suspicions

about the ability of the rich to condition governments and circumscribe their margins of action.

Although the upper stratum has been reintroduced into the investigation of social inequality, there is also evidence of shortcomings in the design of strategies to overcome it. As in the case of poverty, the obsession with measurement has emancipated itself from the concepts. The establishment of a satisfactory frontier is controversial and leads us to focus attention on mathematical operations where the composition of this select podium is never clear. Is there a precise threshold above which a Latin American can be considered rich? Where do we draw the line that separates the comfortable reproduction of life from opulence? Heterogeneity masks something more substantive: the stories behind these extraordinary situations, which, in the case of the rich, refer to the power they are capable of exercising. Among the rich in Latin America, there are some who survive thanks to state protection and others who have made their fortunes despite public regulations; there are those who hire thousands of workers and others who barely use a firm to manage their fortunes.

In addition to these deficiencies, there is the reliability of the data to consider. It is evident that business magazines and consulting firms tend to make visible those who have amassed their fortunes through outstanding actions. While Zucman (2015) denounces the wealth hidden in tax havens, it is less emphasized that evasion does not affect all countries equally. In turn, if the notion of need is difficult to define, that of wealth is no less so and can hardly be reduced to the amount of accumulated assets (Rokapoulos and Rio 2018).

The most prosperous men express, to some extent, the size, business possibilities, and strength of their countries. Of the 2,755 billionaires surveyed by *Forbes* in 2021, 724 were American and 626 Chinese (Dolan, Wong, and Peterson-Withorn, 2022). The importance of the four nations analyzed in this work was not equivalent to one another. On the same podium, there were 65 Brazilians, 13 Mexicans, 9 Chileans, and only 5 Argentines. Chilean millionaires were not only more numerous than Argentines, the Andean country also had the highest number of millionaires per capita of the four countries. Yet, even in these simple calculations, it is worth noting that it is not simply a question of how many prosperous people are recorded, but also of the size of their wealth: by 2020, the wealth of the seven richest Brazilians exceeded that of the 50 richest Argentines. The nationality of the wealthy tells us little about the flows from which their fortunes are fed and the tax agencies to which they are accountable. If wealth does not come only from the countries where the owners or shareholders reside, should those who develop their businesses in the region be considered part of the Latin American elite?

The theory behind the concern for the rich is also unclear. In China, large estates, the living conditions of the most vulnerable, and the national economy progressed in unison. In Anglo-Saxon countries, the share of wealth captured by the 1% climbed as inequality increased. In Europe, high-income earners

distanced themselves from the rest, but to a lesser extent (Hager 2020, p. 1178). In Latin America, social inequalities are long-standing and have actually become more moderate, rather than worse, in the 21st century. Although poverty and inequality have been reduced under center-left governments, the number of rich Latin Americans has increased. Their number, however, remains insignificant when compared to those in Asia Pacific, the United States, or Europe (Alarco Tosoni, Castillo García, and Leiva 2019, p. 60).

Conclusions

The “oligarchy,” the “national bourgeoisie,” and the “rich” succeeded each other as central concepts to designate socioeconomic elites in Latin America. The notoriety of these notions rested on their capacity to illuminate predominant groups within the upper strata and the singularity of the link they established with the societies of their time.

That they continue to coexist without order or hierarchy reveals both the persistence of the small groups they signify and the interpretative functions they fulfill. Traditional families, and with them, the evocation of the old oligarchy, continue to fuel many Latin Americans’ anger and fascination. It would seem, however, that their members are no longer the main and only protagonists of the region’s economic and political activities. The national bourgeoisie, for its part, continues to mobilize business claims to defend local productive units. A closer look reveals that, after the market reforms, the vacillating importance of the national bourgeoisie continued to erode and little remains of the fraternity that united the large economic groups with the small and medium entrepreneurs.

Little is also left of the illusions that were placed in them to reverse social inequalities. In recent decades, the term “rich” has been stripped of any regional singularity to affirm itself in the designation of a new cosmopolitan elite. The notion has been generalized to underscore the extent to which financial globalization has enabled unrestrained capital growth, revealing an unprecedented concentration of wealth. Although this issue is more topical, its analytical simplicity and deficient generalization prevents us from reconstructing the links between capital and the populations and territories where it takes root.

The first lesson we learn from the concepts analyzed is that socioeconomic elites are the expression of history. Rather than the closure and ineluctable reproduction of their upper classes, we note a superposition of geological layers where some consolidated families managed to renew themselves, while others took advantage of the opportunities opened up at that specific juncture in time. The heterogeneity of the elites is thus added to that of the contemporary middle classes and lower classes. In the face of this diversity and fluidity, the names themselves should be less important than the mechanisms that guided ambition and allowed the concentration of wealth and privilege.

Thinking about the mechanisms of accumulation brings us back to the problem of scales. The notions of oligarch and bourgeois refer to a limited national unit and that of the rich in a world without borders. If vulnerable populations have become “territorialized” and the rich have become cosmopolitan, at the top of which social pyramid are the upper classes located? Is there a single global elite or are there still national centers of wealth? In the answer to these questions lies perhaps the possibility of coining more substantive and accurate terms.

Note

- 1 This chapter takes up ideas developed for the Argentine case in the book *The 99% versus the 1%* published by Mariana Heredia in Siglo XXI in 2022.

References

- Alarco Tosoni, G., and Castillo García, C. (2020). “Concentración de la riqueza en América Latina en el siglo XXI,” *Problemas del desarrollo* 51(203), pp. 111–136.
- Alarco Tosoni, G., Castillo García, C., and Leiva, F. (2019). *Riqueza y desigualdad en Perú. Una visión panorámica*. Lima: Oxfam.
- Alvarez Leguizamón, S. (2007). “Concentración de la riqueza, millonarios y reproducción de la pobreza en América Latina,” *Sociologías* 9(18), pp. 38–73.
- Aniceto, R. (1975). “Ineludible unidad para la Resistencia chilena,” *Nueva Sociedad* 21, pp. 38–46.
- Ansaldi, W., and Giordano, V. (2012). *América Latina. La construcción del orden. Tomo I y II*. Buenos Aires: Ariel.
- Bagú, S. (1975). “Tres oligarquías, tres nacionalismos: Chile, Argentina, Uruguay,” *Cuadernos Políticos* 3, pp. 6–18.
- Barros, L., and Vergara, X. (2007). *El modo de ser aristocrático. El caso de la oligarquía chilena hacia 1900*. Santiago: Ariadna.
- Bauman, Z. (2010) [1998]. *La globalización. Consecuencias humanas*. Buenos Aires: Fondo de Cultura Económica.
- Braun Menéndez, A. ed. (1985). *Mauricio Braun. Memorias de una vida colmada*. Buenos Aires: s.e.
- Brennan, J., and Rougier, M. (2009). *The Politics of National Capitalism: Peronism and the Argentine Bourgeoisie, 1946–1976*. Pennsylvania: Penn State University Press.
- Cancino, H. (2006). “La dominación oligárquica en Chile en la interpretación de Julio César Jobet,” *Sociedad y discurso* 10, pp. 57–78.
- Cardoso, F. E., and Faletto, E. (2007) [1967]. *Dependencia y desarrollo*. Buenos Aires: Siglo XXI.
- Carrión, J., and Aguilar, A. (1972). *La burguesía, la oligarquía y el estado*. México D.F.: Nuestro tiempo.
- Cerutti, M. (2015). “Grandes empresas y familias empresariales en México,” in Fernández Pérez, P. and Lluch, A. (eds.) *Familias empresarias y grandes empresas familiares en América Latina y España. Una visión de largo plazo*, 1st ed. Bilbao: Fundación BBVA, pp. 153–188.

- Colpan, A. M., Hikino, T., and Lincoln, J. (2010). *The Oxford Handbook of Business Groups*. Oxford: Oxford University.
- Dahl, R. A. (1961). *Who Governs? Democracy and Power in an American City*. New Haven: Yale University Press.
- Dalla Costa, A., Eduardo Drumond, C., and Las Heras, J. M. (2015). "Empresas y grupos empresariales brasileños en perspectiva histórica," in Fernández Pérez, P. and Lluch, A (eds.) *Familias empresarias y grandes empresas familiares en América Latina y España. Una visión de largo plazo*. Bilbao: Fundación BBVA, pp. 189–218.
- De la Peña, S. (1976). "Burguesía nacional y reproducción capitalista," *Revista Mexicana de Sociología* 38(1), pp. 167–170.
- De la Torre García, R. (2006). "Los ricos en México," *Comercio exterior* 56(2), pp. 134–148.
- Desrosières, A., and Thévenot, L. (2002) [1988]. *Les catégories socio-professionnelles*. Paris: La Découverte.
- Dos Santos, T. (1995). *Evolucao Historica do Brasil. Da Colonia a crise da "Nova República"*. Brasil: Vozes.
- Fernández Pérez, P., and Lluch, A. (2015). *Familias empresarias y grandes empresas familiares en América Latina y España. Una visión de largo plazo*. Bilbao: Fundación BBVA.
- Gutiérrez Garbiero, G. (2017). "Interpretaciones sobre la burguesía en Brasil durante el siglo XX," *Revista de la Red de Intercátedras de Historia de América Latina Contemporánea* 4(6), pp. 115–131.
- Hager, S. B. (2020). "Varieties of top incomes?," *Socio-Economic Review* 18(4), pp. 1175–1198.
- Halperín Donghi, T. (1990). *Historia contemporánea de América Latina*. Buenos Aires: Alianza.
- Heredia, M. (2022). *¿El 99% contra el 1%?*. Buenos Aires: Siglo XXI.
- Hoggart, R. (2003) [1957]. *La cultura obrera en la sociedad de masas*. Buenos Aires: Siglo XXI.
- Letcher, H., Strada, J., and González, L. (2022). *Estructura corporativa y riqueza en la Argentina*. Buenos Aires: CEPA-FES.
- López, R., and Sturla, G. (2020). *Hiper Fortunas y Super Ricos: ¿Por qué un Impuesto al Patrimonio hace Sentido?* (495). Facultad de Economía y Negocios, Universidad de Chile.
- Losada, L. (2007). "¿Oligarquía o elites? Estructura y composición de las clases altas de la ciudad de Buenos Aires entre 1880 y 1930," *Hispanic American Historical Review* 87(1), pp. 43–75.
- Madeiros, M. (2005). "O estudo dos ricos no Brasil," *Econômica* 7(1), pp. 99–128.
- Martínez Echezárraga, J. (2015). "Grandes familias empresarias en Chile. Sus características y aportes al país (1830–2012)," in Fernández Pérez, P. and Lluch, A. (eds.). Bilbao: Fundación BBVA, pp. 409–450.
- Memória Votorantim (2022). *Memória Votorantim*. [Accessed October 30, 2022]. Available at: www.memoriavotorantim.com/
- Piketty, T. (2001). *Les hautes revenus en France au XXe siècle. Inégalités et redistributions 1901–1998*. Paris: Gasset.
- Ribeiro, P. (2014). "A lei da oligarquia de Michels. Modos de usar," *RBCS* 29(85), pp. 179–227.

- Rokapoulos, T., and Rio, K. (2018). "Introduction to an anthropology of wealth," *History and Anthropology* 29(3), pp. 275–291.
- Schneider, B. R. (2013). *Hierarchical Capitalism in Latin America*. New York: Cambridge University Press.
- Williams, R. (1997) [1977]. *Mrxismo y literatura*. Barcelona: Península/Biblos.
- Wyczykier, G. (2017). "La problemática del desarrollo, las clases sociales y la burguesía en América latina: reflexiones conceptuales," *Trabajo y Sociedad* 29, pp. 649–665.
- Zucman, G. (2015). *The Hidden Wealth of Nations*. Chicago: University of Chicago Press.

Sources

- Dolan, K. A., and Peterson-Withorn, C. (2022). World's billionaire list. [online] *Forbes*. [Accessed November 3, 2022]. Available at: www.forbes.com/billionaires/
- Dolan, K. A., Wong, J. and Peterson-Withorn, C. (2022). Forbes World's Billionaires List, 2021. *Forbes*.
- Ertel, L., and Maroja, R. (2021). Veja a lista completa dos bilionários brasileiros de 2021 [online]. *Forbes Brasil*. [Accessed November 2, 2022]. Available at: <https://forbes.com.br/forbes-money/2021/09/veja-a-lista-completa-dos-bilionarios-brasileiros-de-2021/>
- Forbes Argentina* (2020). Ranking Forbes 2020: quiénes son y cuánto tienen los 50 argentinos más ricos [online]. *Forbes Argentina*. [Accessed November 2, 2022]. Available at: www.forbesargentina.com/rankings/ranking-forbes-2020-quienes-son-cuanto-tienen-50-argentinos-mas-ricos-n3469
- Slim, C. (2022). *Carlos Slim*. [Accessed November 2, 2022]. Available at: <https://carlosslim.com/biografia.html>