This is not just another book on the region with the purpose of providing the A-B-C of doing business in this part of the world, in particular, to practitioners of major U.S. multinational corporations. On the contrary, the book has a strong focus on small- and medium sized enterprises (SMEs), the major forgotten ones, in the international business literature. Importantly, it is insisted throughout the book, that the opportunities existing in the region are mainly open for the SMEs given the timing and uniqueness of these opportunities for they to excel in a win-win competency with Latin American partner firms guided also by the spirit of entrepreneurship and creativity.

The major thesis of the book rests upon the reality of a switch of the economic and political pendulum of the region because Latin America is undergoing a powerful transformation in its social order. It is an era of upheaval and new possibilities in which traditional and modern ways of doing business coexist. This transitional period of transformation has created the potential for (a) a lasting period of economic growth, and (b) smaller U.S. companies to trade and invest in the region on unprecedented advantageous terms. And this reality is new! In contrast to the one that materialized in the 1990s under the surveillance of the Washington Consensus, and which sought reform and transformation on macroeconomic grounds in such a way that considered to some extent as legitimately existing a nation-state - MNCs unique relationship, nowadays reality is bottom – up where the evolution of business overlaps with the revolution of new creative ideas.

A relevant question brought by the book’s thesis is Why are businesspeople indifferent to politics, when it was so important in the past? In effect, in the past politics was the dominant force while during the 1990s it shared to some extent a well performed act of balance with economics. Today, it is another key component of the environment of doing business in the region. What happened? What changed? Did politics lose its relevance? Is there a paradigm shift from politicians to economists where the former believe in power and the latter in the supremacy of markets? Did the Latin American governments improve their ability, motivation and attitude to implement economic policies in a re-emerging style of political economy? And the fix-all answer is the revolutionary idea in Latin America of substitution of the political goals of the past for today’s relevance of financial goals embraced by her economic actors. And why? According to Becker the answer rests upon the fact that the region has enabled itself to develop its own source of cash flows which through a well thought exercise of timing and “powers acts through the economic and political realms [create] a potential for SMEs to compete more advantageously … [and where] the trick is to transform that potential from a strategic concept to a cash flow reality.” Consequently, the purpose of the book is to guide smaller U.S. firms in knowing how to recognize and profit from opportunities unfolding in Latin America in low-risk, cost-effective ways.
The book is written to equip readers interested in small- and medium-size companies with the information needed to achieve and sustain success in Latin American markets. The author, Thomas H. Becker, begins by highlighting economic, geographic and cultural facts that will be useful for those interested on each of the region's countries, for marketers interested in selling to the 37 million Latin consumers in the U.S., and for researchers who want to know about the subtleties of this part of the world that may make it unique at the time of interpreting empirical findings. The reader is acquainted with why deep-seated transformations in the region have positioned it for a period of economic growth, why such growth holds special appeal for small- and medium-size U.S. companies, and what are the top export sales opportunities for those companies. Chapters on the history and culture of Latin America explain differences in the way business is done there, and provide tips on how U.S. executives can use those differences advantageously. The book describes how U.S. buyers or sellers can gain advantage and achieve their price and other goals by recognizing and countering differences in the negotiating styles, strategies, and stages they may encounter in Latin America. The daily routine of doing business in Latin America is covered with tips on assessing and developing the market, choosing and signing up distributors, getting paid, managing logistics, dealing with bribing issues, and protecting intellectual property.

A non-exhaustive list of major points made by the author includes the following: (1) cultural literacy is a cash-equivalent: a business resource that, if developed and used correctly, can substitute for price or other costly concessions; (2) smaller U.S. firms possess capabilities that can help Latin American firms overcome obstacles which block them from achieving their high-growth potential; indeed, alliances based on transferring those capabilities can create attractive profits for both partners; and (3) negotiating and selling in Latin America is fundamentally and predictably different than in the U.S.

In so doing the author has sought to advise those responsible for managing SMEs by dividing the book in three parts: People, Places, and Possibilities; Why and How Latin Americans Do Business Differently; and The Art of Making and Keeping the Deal. Each part consists of two chapters each where a comprehensive review of the issues is presented in a manner useful to practitioners and researchers alike interested in Latin America. Although the book is written mainly for practitioners, it is still possible to derive some substantive implications for researchers. The latter may benefit the most when doing research on the region by avoiding, first of all, the generalized misconception, particularly when they have not been exposed before to this part of the world, by believing that every country south of the U.S. is like any other country in the region in such a way that, for example, a study on Mexico applies to all the region and also the other way around. However, as Professor Becker points out correctly, “There is no one-size-fits-all description of Latin America. Each country has its own striking idiosyncrasies,” which is a major contribution to help avoid the so-called syndrome of the “self-reference criterion” as a tendency to lump aspects of this part of the world to every single country by ignoring that there are many situations in which issues are country-specific ones. The striking paradox is that Latin America is an integration of countries on some lines while co-existing with differentiation among themselves in others!

It can be argued that the integration – differentiation paradox may have serious consequences at the time of modelling structural equations for doing research on the region in issues that involve the consideration of culture, negotiation, organizational behaviour, human resources, productivity, competitiveness, ethics and corruption, etc. Specifically, it is imperative to consider an interactive relation, also called an interactive effect, because it acts as a moderator variable which might modify or alter results. In other words, a concern for the variables, (observed and latent), relations between them (direct and reciprocal for unanalyzed associations), and identification of disturbances (i.e., a search for residual variances) must be in placed by the attentive researcher. In addition, in the language of structural equation modelling, it is necessary sometimes to use model trimming as a last resort because it involves the imposition of a constraint on the values of one or more parameters estimates. In other words, because of the explicit identification of some idiosyncrasies specific to this
region by the book under review, a researchers is prompted to ask, among others, the following questions: 1) what to include in the specification of a recursive path model?; 2) how to measure the theoretical variable?; 3) how about the directionality of the flow variables?; 4) are they stock variables; and 5) what are the indirect and total effects? More fundamentally, the researcher, by knowing in advance more about the region, might avoid fooling himself with the research design by adding a disturbance or measurement error correlation and / or by specifying that certain indicators load on more than one factor without substantive reasons simply because the researcher is tempted to extrapolate models proven elsewhere as reliable to this new geographic unit. As a result, it is here suggested as an implication for research, that some mistakes are avoidable by conducting exploratory factor analysis, screening for accuracy and articulating constructs in such a way that the resulting model might not be either over-fitted or oversimplified.

Another aspect with implications for research on the region has to do with small- and medium-size firms as another unit of analysis suggested by the book. Institutional research suggests that international business would not exist without the multinational corporation, and this one would not exist without foreign direct investment. However, functional areas like finance and marketing have recognized the important role and value of small- and medium-size organizations because of their effects as anomalies on market efficiency theory, and on the internationalization process, respectively. On the one hand, a number of researchers have observed that portfolios of small firms’ stocks have earned higher average returns than those of large firms’ stocks and which is known as the “small-firm effect.” On the other hand, regarding internationalization, it has been pointed out that a firm’s size is one of the main groups of factors determining export activity which, in the interface case of Spain and Latin America has a special meaning due to the fact that, as indicated by Guillén (2005), “the opportunities and problems produced by the enhanced stature of Spain in global economic and political affairs as a result of foreign direct investment (FDI) by Spanish firms” [may be due] “to have acquired a prominent presence in the global economy, especially in Latin America.” This is a call for considering in a research agenda, not only Latin America as a unit of analysis, but the interplay of its small- and medium-sized firms with their equivalents of other parts of the world. That “small is beautiful” is a research roadmap suggested by Becker in his book to those wishing to navigate the unfamiliar waters of Latin America and the Caribbean.

The first part of the book asks the initial relevant question of who and where, to which the author replies with a clever three-P model of People, Places and Possibilities. Chapter one on Where and What Is Latin America?, it tackles up a key issue from the outset of what to the casual observer may be an apparent, naïve and irrelevant controversy of the “Americas and the Americans.” And in this regard Becker argues vehemently about the need to conform with implicit rules of sensitivity which, if ignored, can represent the starting point leading to failure. However, with caution, the author proposes a Latin America close-up in his called quick notes that provide the reader with a great deal of information and data useful for those seeking a target-market focus from the very beginning. In chapter two, Latin America Means Business, however, is where one can learn where to find the most promising business opportunities for SMEs. In effect, according to Becker, there exists in the region two clear cut platforms of opportunity: infrastructure needs and E-commerce which can be seized by SMEs as long as their managers understand the framework of democracy’s dividends yield by the interaction of the simultaneous trends of both political- and economic freedom. An example of the first one would be how the state, in its transition from planner and creator of growth to facilitator of growth has provided the incentives for making smaller business more competitive by having access to SME-suitable infrastructure and services and opportunities to compete fairly. And an example of the second one refers to the instance in which by easing the foreign investment rules, smaller businesses are made more competitive through financing investment capital needs with equity. Importantly also, the author takes an issue with several myths that over the years have wrongly labelled the region and which, rather than help and simplify the way business should be conducted, they have hurt the most.
The second part addresses the questions of Why and How Latin Americans Do Business Differently? This part is a very significant interpretation on both historic and cultural grounds in providing an explanation of the underlying reasons of why and how Latin American counterparts act and behave differently when doing business. Chapter three, The Historic Legacy, is a well-achieved synthesis by the author of Spain's non-trivial influence of five centuries on the culture and institutions of the region in such a way that well-known features of the role of the state, civil law and the legal labyrinth, corruption, the status of persons, and the cult of power have blended to propel the birth of import substitution industrialization policies at the nation-state level, on the one hand, and the family-owned business or so-called economic groups, so prevalent from country to country, on the other hand. However, the author is perceptive of the new winds blowing in the region in 1992, right after the lost decade but five hundred years later of a sort of "imprints of colonialism" leading to an independence through a revolution from the past. This is an interesting chapter because in the recollection of events and its interpretation, a comparison is made with what happened by contrast in the U.S. As a result, Becker proposes a historical basis of contrast between the economic and political systems of the United States and Latin America that constructively helps the reader understand the unfolding of two distinct patterns that started contemporaneously, but which obviously, yielded quite impressive different results. However, the author, which incidentally, analyzes the region with a remarkable doses of optimism mixed with a formidable style of good humour expressed in metaphors, believes that the region has finally learned the lessons of history, and therefore, confronts the future with what he describes as a “20-21 vision.” A contrast of business practices is provided between modern and traditional companies which serve to conclude that the future is now.

Chapter four, Using Cultural Literacy to Home Your Competitive Edge, is a rich source of information and knowledge founded on the key proposition that the understanding of culture in Latin America can be considered as capital that should be acquired and wisely expended by those who want to do business successfully in the region because as Becker warns, “You cannot afford to ignore your customer's cultural roots.” As a result, he surveys the literature on business and culture for building seven guideposts to Latin American business culture on the foundations of research findings by Edward T. Hall, Geert Hofstede, and Lawrence E. Harrison, among other scholars. Interestingly, the author considers both managerial and social implications of each individual guidepost. And while he again makes comparisons to contrast management practices between the United States and Latin America and provides orientations regarding rules and social interactions, he devotes a singular discussion to the interesting interplay of universalism and particularism in business rooted on Don Quijote de la Mancha after Cervantes immortalized this epic masterpiece four-hundred years ago. At this point, however, there is room for a constructive critique of why the reader may have some feelings of disappointment with the book. Becker had the unique opportunity to transcend further with his work had he decided to go beyond in his analysis by considering more in detail regional differences and similarities worldwide. For example, the emergence of family-owned businesses or economic groups, although a by-product of the historical legacy, has also a strong cultural component observable in other cultures as well such as Japan and Korea which, help explain also, why an empathy and synergy may develop quicker between oriental and Latin American businesspeople than between the latter and their Anglo American business partners. Although this may be considered an inferential hypothesis, it may be subject to empirical testing, and which the author should have suggested as a direction for research.

The third and final part of the book focuses on the question of how by considering the Art of Making and Keeping the Deal. Chapter five, Negotiating and Selling Tips, is one in which the author distils all his thirty-plus years of experience in the region in the light of solid research done by Nancy J. Adler, John H. Dunning, John Graham, Roger Fisher and William Ury, to cite a few of serious scholars on this subject. For example, according to a finding by Adler, Graham and Gehrke, “Latins hold sellers and smaller companies in lower esteem than buyers and large companies,” to which Becker advises “take pains to be especially deferential.” In another instance, for researchers like John H. Dunning
and J. Michael Geringer, the belief is that between 30 percent and 60 percent of international joint ventures fail after being formed; however, for Becker, the follow-up is one in which loyal customers should be considered a gift, and not a given in Latin America because the way Anglos and Latins who negotiated in the first place, may view their new agreement quite differently. Consequently, this is a chapter in which the author realizes the pervasiveness of imperfect markets which prompts to suggest again culture as a bridge to productive business deals and where the consideration of negotiating variables between U. S. and Latin American negotiating styles should lead to the understanding of the pattern of negotiating in Latin America in accordance with a process that conform to a predictable pattern in well distinguishable stages.

Chapter six, How to Avoid Letting Your Good Latin American Deal Go South, provides the basis to stay in the money through taking care of relationships and business from knowing customers and competitors to getting paid.

All in all, the book is framed in well formulated questions around the key characterization of the aspects of doing business in the region and that serves the purpose also of being, more than a companion, a leading reader to help researchers, practitioners and students interested in the advancement of a research agenda, an increase in the effectiveness of managerial results, and an understanding of books recently published that focus on Latin American functional studies of marketing, management, finance, and politics. None-the-less, the author should be cautioned to not extrapolate some consequences derived from anecdotes, metaphors, rhetoric and eloquence without a strong evidence and empirical support. The presentation of some models and the discussion of an integrated framework rooted in economic-, political- and social considerations would have certainly helped the reader to map all the aspects included in the book. A further discussion of privatization, foreign investment, and current stages in research and development, technology transfer, capital formation and education, among other topics, would have provided a more encompassing view of the new Latin America. To pose Latin American small- and medium-sized firms vis-à-vis their counterparts in the U.S. only is a misspecification that falls short of the new realities of globalization. Neither Latin America is an exclusive territory of the U.S. nor the Latin firms are precluded to do business with firms from the other sides of the Atlantic and the Pacific.

In summing up, this is a book that answers the need of smaller U.S. companies for an authoritative guide to business as it is practiced in Latin America today. It sets the standard for distilling savvy business and cultural intelligence into crisply-written keys to profit in a region that is breaking with its past, and is making things happen about its future.

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