Corporate Governance and Industrialization in Brazil: An Historical Approach

Abstract:

The main goal of the paper is to analyze the history of modern Brazilian companies through the ownership and capital structure dimensions, with the goal of justifying the relatively quick process of transition of many Brazilian companies towards a dispersed ownership structure since the 1990s. The paper shows that the relevant features in the historical analysis of the shift towards the relevance of corporate governance in Brazil are: changes in industrialization policies, retained profits and government funding as the major source for investments, and a culture of personalization of the figure of the controller/entrepreneur-founder.