ABSTRACT

This paper will outline the migration experiences of Italians in the State of Victoria (Australia); in particular, it will focus on the ability of the first generation to create the conditions for their business family through their own personal resources. Furthermore, it will highlight the ways in which their entrepreneurial capacity ultimately helped them to shape their own dynasties.

Introduction: Migration and Virtue

For the purpose of this paper, we would like to focus on the personal life of the migrants and consider it a form of resource. By so doing, we hope to be able to capture a dimension which has been neglected in the literature on ethnic business and ethnic entrepreneurship. Thus, we are attempting to capture the theoretical and practical terms of those moments that build the basis of a life in transition. By life in transition we mean specifically the migrant life – someone moving from one context to the other, from a familiar context to an unfamiliar and threatening one – and therefore we will describe and analyse this transitory aspect of life as a resource for the first generation of Italian migrants. However, life in transition here also implies a passage from one living condition to the other. Both processes take time to develop and at a certain point they even intersect and lead to a further transitory phase. This last development will result in the establishment of a family and business, in other words, a dynasty.

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\begin{array}{cccc}
1stG & 2ndG & 3rdG \\
\text{starting point} & \text{virtues} & \text{business} & \text{dynasty} \\
\text{migration process} & & & \text{& family}
\end{array}
\]

We assume that the migration process was a difficult and probably painful experience determined by incognita, uncertainties, risks, total personal investments, fears, courage, determination, patience, in other words personal qualities that built the resources of the personal life. Autobiographies, life histories, and reports written by migrants are clear evidence of this display of, and of the challenges faced in establishing roots in the new country. We further assume in this paper, that the process related to the first generation represents an enterprise and a specific form of personal entrepreneurship. We understand that the term entrepreneurship, with regard to the first generation, involves a change in a given order, in this case a personal order that was abandoned, and the installation of a new order in the country of arrival. The second generation shares a common background and heritage with the immigrant parents. They tacitly agree to remain loyal to the family of origin and to fulfil the parents’ wish to stay close, safeguard and continue the family. They support the family structure and the family resources, help to pool the family money and resources together. Their entrepreneurship evolves as their family and work life converge and they embrace the opportunity to create a stable and strong family enterprise.

In the end, we contend that while personal entrepreneurship shapes identity (Essers and Benschop, 2007), business entrepreneurial attitudes set the conditions for the emergence of families and business for the second generation, and dynasties with regard to the third generation.
The authors intend to analyse how for the first generation of Italian migrants, their poor and difficult migration conditions contributed to strengthening their personal resources, and instigated and supported the development of self-employment and entrepreneurial processes; how these activities have translated into family businesses, especially in the second generation, and, finally, shaped modern forms of dynasties which include the second and third generation of Australians of Italian background. We will report some data regarding three important Italian families that have demonstrated great entrepreneurial skills and crafted their economic imperiums. Those families, which are very well known in Australia, are the Grollos, the Valmorbidas, and the Barros. We have reported some data regarding the first and second generation. However, the primary aim of this paper is to focus on the first generation who initiated the migration process and with it an entrepreneurial journey that led to the creation of families, families business and implanted the seeds for their dynasties. When we speak of virtues we refer to a quality that enables an individual to move towards an aim, and who are therefore teleological, allowing her/him to achieve something (MacIntyre 2007; 1989); and this future-oriented approach requires a certain attitude towards the own morality at a precise moment in life. But we will approach virtues from the perspective of responsibility towards oneself, one of which is happiness. By so doing we draw on Slote (1993 in Statman 1997) according to whom it is morally acceptable for the individual to work for the own happiness, which is something classic moral ethics questions pointing to the fact that individuals have first of all to take care of others. As Crisp and Slote argue (1997) it should be possible for a theory of ethics to “incorporate agents’ lives as a whole, their characters as well as or even instead of their action” (p3). One of the virtues that we will highlight is courage, namely the courage to change a given situation and initiate a process that we will call migration process. This process starts with the feelings and motivation to change destiny and continue into the second phase that we have described as the business and family phase. During that process the migrant is an individual who makes use of her/his personal qualities and find there the strength to achieve goals, but s/he is also embedded in the group where s/he finds support and comfort. The first migration colonies are also described as networks that made chain migration possible.

The Italian-Australian Immigration

The general characteristics of Italian immigration tend to vary according to the time of migration and the place of origin. Generally Italian transnational migration to Australia (as in the USA and Canada) was sparked off because of poor socio-economic conditions prevalent in the home country. Migration from Italy was not homogeneous and contrary to what is generally assumed, Italians from different geographic areas vary considerably in their cultural identity. Migration of Italians, particularly from the regions of Veneto, Sicily, Calabria and Abruzzo became the trend of the bulk of Italian migration between the two wars. These Italians came from the Italian countryside and most came out to join relatives and “compaesani” (fellow villagers). To some extent, campanilismo (the local attachment to township and village) played a more crucial role in determining the long-term development of Italian communities in Australia than regional affiliations (Price, 1960). Initially young individual males migrated, gradually encouraging and supporting other male family members, thus building up small communities of male Italians from the same village or region working in the same industry and geographic area. This created networks of support, mutual aid and strengthened social bonds. At a later stage wives and families would join them. This network is also known in migration theory as “chain migration”.

Chain migration formed the basis of early Italian migration to Australia (Ware, 1981) and played a very significant role in the settlement of Australia. It encouraged group solidarity and formed the basis of the successful business practices of the Italian immigrants.

“It is clear that chain migration processes were an important element in Southern European immigration to, and settlement in, Australia. In the 1950s and 1960s many Southern Europeans came to Australia because of the information, encouragement and direct assistance provided by relatives and friends who had migrated earlier, In those years of a shortage of semi-skilled and skilled workers, there was little concern about the absorption of chain immigrants into the work force.” (Hugo, 1994, p39)

Italian migrants who arrived early in the 20th century (1920s and 1930s) initially found it difficult to obtain work in Australian cities and concentrated in rural areas where they worked as farmers, agricultural labourers growing vegetables, tobacco and vines, as timber cutters, miners and itinerant construction workers. They were joined firstly by their ‘paesani’, forming small Italian communities. Later, when their families joined them, they moved to the larger metropolitan areas, particularly in
Victoria and NSW, where work opportunities in an expanding new market were greater and competition low. Italians created new business such as restaurants, market-gardening, construction companies, (terrazzo workers, concrete pavers, building construction), supporting the trend of creating work and jobs for other Italians (chain migration). Some started working in the emerging factories of the time, changing their profile from peasant to factory workers and employees. (Bertelli, 1985, p69) By the beginning of the 1980s, due to the attraction of city life particularly for the second generation, 40 per cent of the Italian-born migrants resided in Melbourne. (Bertelli, 1983)

**Italian entrepreneurship in Australia**

Numerous first generation Italian migrants who became small entrepreneurs had very poor financial, educational background and linguistic resources, but had a wealth of human, social and cultural resources and skills at their disposal. They were pioneers, ‘survivalist’ entrepreneurs who faced and overcame significant barriers in integrating into a labour market which in the 40s, 50s and 60s was largely dominated by Anglo/Australian enterprises. Interestingly, one of the unintended consequences of the immigration policy designed to bring in farm and manual labourers was the development and eventual success of the Italian migrants business, penetrating the small business market in sectors, initially, that supported and served the local Italian ethnic community (eg. food and catering).

“A self-made culture entrepreneur is one who… acquires all his skills, experience and capital after immigrating, from scratch and invests them in any enterprise with ‘Italian’ characteristics” (Ward & Jenkins, 1984). (the term ‘culture entrepreneur’ was developed by Robin Palmer (1984) in reference to the way in which migrants used their ‘Italianness’ to promote themselves as superior waiters).

As Italian immigration grew, the market for the Italian sector increased, and eventually as the national market grew to appreciate the Italian culture, this market grew more widely offering further opportunities. At the same time, “the family basis of immigrant (Italian) social organisation served as a significant springboard to ethnic (Italian) business formation”. (Lampugnani & Holton, 1991)

Over time the Italian businesses broke out of the initial narrow sectors in which they had developed, largely food and building, and diversified to a wider set of business niches, relying heavily on the support of the family.

Little research has been devoted to Italian-Australian family entrepreneurship and the role that the first, second and third generation Italians (Australian-born children of Italian-born parents/grandparents) play in the maintenance or diversification of their family business within the Australian economy. Choices opened up for them as their educational opportunities exceeded those of their parents thus providing upward mobility in society by access to more secure salaried positions or self-employed positions (eg. lawyers, accountants, doctors, teachers etc), thus abandoning their parents’ small business ventures. Some second generation Italians however have continued in their parents’ footsteps. As the Italian community now moves into its third generation, it is important to begin to undertake an evaluation of their continued participation in the family business and the reasons for this.

**The first generation - the foundation**

Although Italians have “done well” in Australia, their experiences need to be recorded, appreciated and studied further in order to identify the characteristics and values that spurred them to become one of Australia’s successful business groups, particularly in terms of ‘family business’.

Italian migrants who came to Australia in the early 1900s traditionally had a dream for independence, and in particular for land ownership, “the dream of land ownership is intrinsic to peasant culture” (Pascoe, 1987, p131-32). When they arrived as ‘unskilled’ workers, they were forced to undertake heavy manual labour jobs (braccianti), sometimes in remote country areas, with little or no language skills, and no training and/or education – this pattern is referred to as the “southern European occupational ghetto” (Lever-Tracey & Quinlan, 1988).

They pioneered a chain migration pattern in which the men came first, mainly without their family. They were young in their late teens or early 20s, some married with families that they left in Italy, others came with older brothers or joined them in Australia. By 1927 migration into Australia was only
permitted with sponsorship (‘atto di chiamata’) from another resident in Australia who guaranteed employment and maintenance. Luigi Grollo left his hometown of Cusignana, in the province of Treviso, north of Venice, and arrived in Melbourne on the 24 July 1928, after WW1, hoping that the new land would bring plenty of opportunities to make his fortune. He was 19 years old. Luigi was fortunate to be able to circumvent Mussolini’s edict of the previous year, which restricted Italian emigration, because he had been sponsored by his brother Giuseppe, already in Australia. Upon landing, a newspaper story reported that “The Italian liner Principe di Udine... brought 290 foreign settlers, only three of whom could speak English. They were mostly sturdy young Italians, who intend to go on the land.” (Pascoe, 1988, p63).

Luigi Grollo was young and strong, but his early years in Australia were years of basic survival on the land as an itinerant labourer: tough and lonely, working isolated in the forests, underground, excavating, cutting timber, breaking stones in quarries, building a sewage system, managing to survive through the years of the economic depression. “From 1928 to 1940 I lived in a tent: twelve years under canvas; 12 years spent in all sorts of places, always looking for work which, when the Depression arrived, became even more rare. In fact I always managed to find work. I always had the strength and determination. When one job finished you set out to look for another one. Sometimes we had to steal chickens, or scrounge food at the Victoria Markets, but we survived.” (Pascoe, 1988, p76)

Conditions were difficult and arduous and these early years in Australia were marked by extended times of isolation and loneliness that left a deep scar: “I had no friends, I had no brothers, no mother, no father. I was alone! I worked two or three months in a place, and then I would change...It was sad and hard. Australia has been hard for me, very hard.” (Pascoe, 1988, p78)

Years of hard work, loneliness and disappointment:
“I worked like a slave, disinherited, without love, without any family, nothing.”

Luigi Grollo had a strong capacity to adapt to his new country; he was a battler, demonstrating a strong sense of resilience and an inner strength of character which is at the heart of the Italian ‘cultura contadina’:

“Australia for me has been a hard struggle, but I have stayed happy because I was healthy and looked after myself: I was full of energy. I have always been unafraid... I have made friends... I have worked with courage.” (Pascoe, 1988, p78)

In 1948 Luigi Grollo set up his concreting business. Over the years he built a successful business operation concentrating on concreting and paving, including shopping centre car parks, sewerage, and domestic and municipal pools. Emma. His wife, was beside him, keeping not only the business accounts, but taking care of the family and keeping the traditional Italian rituals alive, such as Christmas and Easter celebrations, the annual slaughter of the pig (for salami and sausage making) and wine-making. Looking back on his life, at age 76, Luigi Grollo reflects on a lifetime of hard work, struggle, humility, and eventually success:

“I have done many things. My life is a long story that I cannot ever forget...I have been Australian and have been through good and bad. Where I had to go I have gone.”(Pascoe, 1988, p129)

Luigi Grollo built the beginnings of an empire that was handed down to his two sons in the 1970s, Bruno and Rino Grollo who continue to date, with their families, his business dynasty. By 1994, their wealth was estimated at $350 million (BRW, 1994, p76) and in 2007, both Bruno and Rino Grollo featured individually in the top 200 wealthiest (individuals & families) in Australia, with Bruno’s fortune estimated at $801 million (BRW, 2007 p124) and Rino’s at $300 million (BRW, 2007, p151)

Carlo Valmorbidia’s background in Italy was from a farming background. His father, who also worked in Australia between 1924-1928, and then returned to Italy, became a merchant dealing in dairy products. However World War 2 raged through their village (Valli del Pasubio) at the foot of the Dolomite mountains in northern Italy, and in 1949 he left his hometown to come to Australia, with the idea of returning home soon.

Carlo Valmorbidia felt deeply the effects of the migration process. His words reflect the cultural and psychological shock of arriving in a new country where language, customs, and even food, were vastly different. They were ill prepared to face this shock, and the effects were ever-lasting. Reflecting on the act of migration, Carlo Valmorbidia says:

“The greatest form of humiliation is the act of migration itself. You are born in one place and have all the traditions and culture, but you are forced to leave for political or economic reasons and you have to move on. But the minute you move on you are a second-class citizen regardless of who you are or why.”(Ostrow, 1987, p169)
The initial impact was not a happy one and he deeply resisted and resented the “typical English discrimination” that he was forced to endure on a daily basis, bringing him to compare this with the long-time discrimination that exists in Italy between the north and the south. “When we first arrived, Australia still lived in a primitive way and there was strong discrimination towards Italians. They called us ‘the Mediterraneans’, a term which had a worse meaning than the term “terroni” that was used in Italy”. (Veneti nel Mondo website, 2002)

Valmorbida, like many other early Italian migrants found a hostile environment, and a deep sense of disappointment, anger and desperation filters through in Valmorbida’s words:

“You are humiliated at every second thing. You have to buy into the culture of that country, and to assimilate. You have to renounce your culture, your dress sense, or the environment stays hostile. You feel hopeless. You have to give up part of yourself, and you have to substitute it with what the new country is giving you.” (Ostrow, 1987, p169)

Valmorbida’s deep desire was to return home, to Valli del Pasubio, in the province of Vicenza. The fact that he lived apart from his family and from his hometown, in a foreign land, forced him to cling more strongly to his sense of ‘Italianness’, and to his Italian customs and therefore initially he did not want permanent roots. However his strong desire to return home was also his driving force to do well, to return to Valli del Pasubio having achieved something, “far fortuna” (to make one’s fortune), with money to prove that ‘he had made it’. But when he eventually returned to Italy, he was disappointed:

“You have changed, and they have changed. You realise that you have adopted the new country and you love it and what it has given you. But then you are ‘neither fish nor meat’.” (Ostrow, 1987, p170)

In the 1950s, together with his brothers Carlo, Saverio, Tarcisio and Mariano, he ventured into the import of foodstuff from Italy, established ‘Conga Foods’ and they began to make their fortune by servicing the needs of the local Italian community. They later diversified by founding the two Italian newspapers ‘Il Globo’ and ‘La Fiamma’, and in 1980 acquired a wine company, Mitchelton, and later the Woorinen Vineyard, both in north-central Victoria. Over the years they made their fortune in Melbourne “thanks to our irreprehensible behaviour – he explains - and to our spirit of entrepreneurship… All in all, we have become respected for our work”. (Veneti nel Mondo website, 2002)

In 2007, the family businesses continue in the hands of the Valmorbida second and third generations, including cousins Paul, Adrian, Michael and John. The Valmorbida family featured in the top 200 wealthiest (individuals & families) in Australia, their fortune currently estimated $330 million (BRW, 2007 p186).

Duilio (David) Barro came to Australia aged 15 when his father who was already in Australia, called out the family to join him in 1937. He attended high school for a brief time and then became a building apprentice. He started the first concrete contracting and paving business in Ringwood, in the eastern suburbs of Melbourne in the 1930s. Barro had forecast that pre-mixed concrete was going to be the future in the concreting industry, and he was also able to foresee that for the success of his business, he needed to establish a continuous, cheap supply of materials. This he achieved by opening a rock-quarry, and later a sand quarry near Melbourne. “From that it snowballed – more trucks, more quarries, more people, more computers.” (BRW, 2006, p97) In the 1950s his company developed into ‘Pronto Concrete’, one of the first businesses to deliver pre-mixed concrete to building sites. The Barro Group has been a family business for numerous years: Duilio is still director, and his elder brother, Marc worked in the company executive until a few years ago. He also employs his children in the family business: his youngest son, Raymond, is the business group’s managing director, his daughter, Rhonda, and son Peter, serve as executive directors of the company. In 2007, Duilio Barro featured in the top 200 wealthiest (individuals & families) in Australia, his wealth estimated $649 million (BRW, 2007, p126).

Migrating to Australia was an act of great courage. The early years were rugged and the Italians found very soon that had to adapt to a rough and primitive life that was so distant from their village life in Italy. Life was harsh and lonely, the young men distressed and often desperate. Recounting his early years in Cooper’s Creek, Jimmy Girardi, friend of Luigi Grollo remembers his personal sense of desperation:
“When I went into Walhalla I said “If I got to stop here for one month, “ there was a big creek down below, “I’m going to drown myself right down in that hole there, leave me there!” [But] when I finished up I had stopped there for eight and a half years…” (Pascoe, 1988, p70)

The stories that we have recounted are the stories of many Italian young men who decided, with great heartache, but with great courage, to leave the family home in Italy and attempt their fortune in a far away land which they knew nothing or very little about. They are stories of adventure, desperation, hard work, and loneliness, persistence, and finally, great success. They are also stories that demonstrate the outstanding virtues of those early Italian pioneers: courage, determination, persistence, pride, inner strength, tenacity, resilience, but also vision and an entrepreneurial spirit.

“What is life about? … It’s to live and go out there and fight. It is to work, to not be able to sleep, to worry about the solutions…” (Carlo Valmorbida) (Ostrow, 1987, p170)

These first generation Italian immigrants, who came to Australia young, full of dreams of financial profit and social rewards, worked hard, committed to the idea of one day being successful and rich. They sowed the seeds for new ventures, and with their family support, many established family firms, some which have been continued successfully into the second and even into the third generations, creating successful business family dynasties. It is a tribute to these men who were talented, energetic, full of courage, perseverance and inner strength, with a strong will to succeed.

“First generation progenitors tend to be risk takers who are tenacious, strong willed, exceptionally hard working, innovative, goal directed, and determined to succeed.” (Kaslow & Kaslow, 1992, p313)

The second and third generations – Building the business and consolidating the family dynasty.

The second generation Italians were an upward mobile group, moving from low-skilled to high-skilled employment, gaining a higher education level, being more integrated into the Australian society and “despite the ambivalence the second generation experiences in operating within the Italian and Anglo-Australian cultures, they developed ‘double cultural competences’…” (Castles et al, 1992, p167)

Bruno Grollo joined his father in the paving and concreting business in 1957 when he was only 15 years old. He was then joined by his brother Rino and the business grew and consolidated. In 1968, Luigi, the father collapsed and the brothers took over the business and expanded into property development (Collins, 1992; Pascoe, 1988; Ostrow, 1987). The business grew as they moved into building massive retail and office construction projects that modernized the Melbourne skyline. They consolidated and expanded the business during the 30 years in the Grollo family firm. Gradually Bruno and Rino’s children began to work in the firm “Daniel’s career choice was probably set in concrete. “I can’t remember having anything else I aspired to.” (Gettler, 2005, p50). Daniel Grollo was handed a multi million dollar business, Grocon, at age 29, when he was appointed managing director. “They say the first generation makes it, the second one keeps it and the third one pisses it against the wall – the old man reminds us regularly that we’ve got to make sure that doesn’t happen” (Gettler, 2005, p48).

Daniel is now 36 years old, and joint managing director of Grocon Construction with his brother, Adam, both continuing their father’s tradition in the building industry. Some of their recent building projects include the 82 storey World Tower apartment building in George Street, Sydney, the world’s tallest Eureka Tower, 88 storeys and 554 apartments along Melbourne’s Southbank precinct and the transformation to the MCG for the 2006 Commonwealth Games. They are currently in the process of developing building projects in Dubai.

In 2000, the family divided the business empire, with Daniel and Adam (Bruno’s sons) taking over the Grocon assets and building some of Melbourne’s most outstanding skyscrapers, including Rialto and Eureka Tower. They also operate in Queensland in Brisbane and the Gold Coast. Rino and son Lorenz focus on educational and social infrastructure through their company Equiset. The succession was a rather simple affair, with Bruno letting go of the reins to his sons, while Rino is still directly involved with Lorenz in the family business. “I am a grandfather looking over what’s going on…You have to advise these young people” (BRW, 2007, p151).
CONCLUSION

The experiences of the first generation have shaped ethnic entrepreneurship and have contributed to the development of family businesses and family dynasties in Australia. This paper has outlined the experiences of the first generation Italian immigrants that have been fundamental to this development. It is through their personal stories of hardship, loneliness, and isolation that we identify their motivation and their reasons for ‘making it’ and finding their place in their new adoptive country. Their values and personal strengths formed the basis of their entrepreneurial spirit and visions. It is through these fundamental characteristics that the second and third generations are able to capitalize on the seeds sown by a strong, courageous and tenacious first generation.

NOTES

1  Translation of a famous Italian saying ‘ne’ carne, ne’ pesce’.

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