Some Empirical Results: The Impact of Globalization in the Internationalization of Mexicans Multinationals

César Francisco Cárdenas-Dávila[1] & José G. Vargas-Hernández[2,*]

1 Department of Administration, University Center for Economic and Managerial Sciences, University of Guadalajara, Zapopan, Jalisco, México

2 Postgraduate Studies, Universidad Autónoma de Durango, Culiacán, Sinaloa, México

*Correspondence: University Center For Economic and Managerial Sciences, University of Guadalajara, Periférico Norte 799 Edif. G201-7, Los Belenes, C.P. 45100, Zapopan, Jalisco, México. Tel: 52-333-770-3340 Ext. 25685. E-mail: jgvh0811@yahoo.com

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Abstract

The aim of this paper is to analyze the impact of commercial globalization trend in relation to the internationalization of Mexicans firms. In addition, this paper analyzes the advantage the Mexican firms took in the liberalization agenda of the Mexican government with the multilateralism and regionalism policies. For this purpose, the statistic descriptive modeling methodology is used to relate grow of the internationalization of the Mexican firms, the impact in the foreign investment and the main destination countries of Mexican multinational companies.

Keywords: *globalization; internationalization; multilateralism; multinationals; regionalism*

JEL: F62, F21, F13, F23, F15

1. Introduction

Mexico has experienced a sustained increase in the internationalization of Mexican companies, an increase that is due in large measure to the trade policy of openness adopted by the country. Following the entry of Mexico to the General Agreement on Tariffs Trade (GATT) - now the World Trade Organization (WTO) - in 1986 and later with the signing of the first trade agreement in Mexico, the NAFTA North (NAFTA) in 1994 America, adopting the commercial trends of multilateralism and regionalism, has led to an increase in the internationalization of Mexican companies.

In light of the foregoing, Mexico, from the late 90's, has experienced an increase in investment abroad of large Mexican companies, which have managed to cope with changes in international markets and structural adjustment policies (Vargas Hernández, 2011), so it follows that the support of the Mexican government to Mexican companies, as well as the impact of the current trade globalization, results in a sustained increase in the internationalization of Mexican companies.

2. Adoption of Openness Trade Policies

Currently, an increase in the internationalization of Mexican companies, derived from the commercial policy of openness adopted by Mexico and commercial globalization which is part of a trend that can be divided into two branches, one hand multilateralism is observed, same as is understood as trade openness of a country through the holding of free trade agreements, and secondly, regionalism, which is understood as the openness of a country through regional integration (Arango Quintero & Cardona Montoya, 2008).

In 2015, Mexico has a network of 10 FTAs with 45 countries (FTAs), 30 Agreements for the Promotion and Reciprocal Protection of Investments (BITs) and nine agreements limited scope (Economic Complementation Agreements and Scope Agreements Partial) in the framework of the Latin American Integration Association (ALADI).

It also actively participated in multilateral and regional organizations and forums such as the World Trade Organization (WTO), the Asia-Pacific Mechanism (APEC) Economic Cooperation, the Organization for Economic Cooperation and Development (OECD), the Latin American Integration Association (ALADI), the Pacific Alliance, the Latin American Pacific Rim Forum (Arco), Project Mesoamerica Integration and Development (Mesoamerica Project), the Trans-Pacific Strategic Economic Partnership Agreement (TPP), among others.

3. Comparative Foreign Trade in Mexico for Free Trade Treaties -Multilateralism

Following the signing of free trade agreements described above, foreign trade in Mexico suffered an exponential increase. In this section, from the point of view of multilateralism, the trade balance is analyzed, detailing information for each free trade agreements are there in Mexico, making a comparison since the trade agreement entered into force and the year 2014, last year the Ministry of Economy on record.

The purpose of this comparison is to analyze what free trade is the one that has had a major impact, either positive or negative in Mexico, likewise, which was the percentage change and share of exports and imports of each member countries of the trade agreement.

However, major trading partners of Mexico are members of the North American Free Trade Agreement (NAFTA), ie, the United States and Canada, representing 82.7 percent of all Mexican exports and 48.8% of total Mexican imports in 2014 (Ministry of Economy, 2015).

In the following table, the comparison of exports and imports was observed from the entry into force of NAFTA -1994 and a comparison with 2014.

Table 1. Comparison of NAFTA Trade

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
NAFTA	**1994**	**39,586.5**	**298,011.0**	**652.8**	**45,205.3**	**178,577.5**	**295.0**
United States	1994	38,154.5	287,978.0	654.8	44,055.4	168,614.6	282.7
Canada	1994	1,431.9	10,033.0	600.7	1,149.9	9,962.9	766.4

Source: Ministry of Economy (2015)

As shown in the table, Mexican exports accounted for 39,586.5 million in 1994, before the signing of NAFTA in 2014, a variation of 652.8 percent was increasing exports to 298,011 million dollars. In the case of imports in 1994, they were imported 45,205.3 million, with a variation of 295 percent, and increasing imports 178,577.5 million. Finally, in terms of the trade balance in the prior to the entry into force year a deficit of -5,618.8 million it had and for 2014 was a surplus 119,433.6 million.

In the following table, the comparison of exports and imports was observed from -2001- the entry into force of the North Triangle Free Trade Agreement, consisting of Honduras, El Salvador and Guatemala and a comparison with 2014.

Table 2. Comparative Foreign Trade Northern Triangle

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
Northern Triangle	**2001**	**893.7**	**2,857.7**	**219.8**	**123.9**	**1,093.6**	**782.7**
El Salvador	2001	239.9	600.5	150.3	19.8	127.2	542.4
Guatemala	2001	505.6	1,740.4	244.2	90.8	488.7	438.1
Honduras	2001	148.2	516.7	248.6	13.3	477.7	3,498.3

Source: Ministry of Economy (2015)

Exports between Mexico and the Northern Triangle in 2001 accounted for 893.7 million dollars, with a variation of 219.8 percent in 2014, and an increase of total exports of 2,857.7 million. Imports amounted to 123.9 million dollars in 2001, experiencing an increase of 782.7 percent totaling 1,093.6 million. The trade balance with the North Triangle in the previous year of the entry into force was 769.8 million dollars and by 2014, this figure had increased to 1,764.2 million.

In the third table, the comparison of exports and imports was observed from -2001- the entry into force of the Free Trade Agreement with the European Free Trade Association (EFTA), composed of Norway, Switzerland and Iceland and a comparison with the year 2014.

Table 3. Comparison of EFTA trade

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
EFTA	**2001**	**123.2**	**1,422.1**	**1,054.4**	**765.5**	**2,138.0**	**179.3**
Island	2001	1.4	0.7	-48.2	0.9	9.8	980.4
Norway	2001	14.4	55.5	285.2	44.2	141.3	219.5
Switzerland	2001	107.4	1,365.9	1,171.8	720.4	1,987.0	175.8

Source: Ministry of Economy (2015)

The main trading partner of Mexico in member countries of the European Free Trade Association is Switzerland, with 1,365.9 million, although growth in exports and imports is observed, but this country is the one that has best taken advantage of the agreement because the total amount of imports amounted to 1,987 million dollars which represents a deficit in the trade balance of Mexico. In the case of other countries, these do not represent a significant increase; on the contrary, as observed with Iceland, there was a negative variation of -48.2 percent from the prior to the entry into force of the trade agreement year.

The European Union represents the second trading partner of Mexico in terms of exports and imports with 5.7% of total Mexican exports going to the region, mainly to Germany, UK, Belgium and the Netherlands, for that matter of total imports, these accounts for 12.3%, with Germany, Spain and Italy leading provider of Mexico.

Table 4. Comparison of Foreign Trade FTAEUM

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
FTAEUM 27	**2000**	**4,229.1**	**13,619.9**	**222.1**	**13,074.6**	**41,214.9**	**215.2**
Germany	2000	1,939.6	3,501.2	80.5	5,009.1	13,731.7	174.1
Austria	2000	34.6	135.3	290.8	170.0	1,061.2	524.4
belgum	2000	238.2	1,642.6	589.6	304.9	939.5	208.1
Bulgaria	2000	2.6	32.8	1,149.5	14.5	59.3	308.8
Cyprus	2000	1.0	7.4	622.9	0.4	7.7	1,701.1
Denmark	2000	52.9	145.6	175.1	126.4	537.1	324.8
Slovenia	2000	1.5	7.9	421.0	16.8	116.5	592.0
Spain	2000	311.6	998.1	220.4	1,317.1	4,575.7	247.4
Estonia	2000	0.2	3.3	1,450.2	3.4	144.9	4,207.4
Finland	2000	12.8	75.7	491.9	175.8	430.7	145.1
France	2000	295.4	1,403.1	375.0	1,387.7	3,729.3	168.8
Greece	2000	11.7	31.0	164.8	15.9	201.4	1,162.8
Hungary	2000	144.3	192.7	33.5	92.7	983.6	960.8
Ireland	2000	66.3	262.4	295.9	328.7	1,584.0	381.9
italy	2000	164.2	1,063.2	547.5	1,649.2	5,186.6	214.5
Latvia	2000	0.0	23.5	0.0	0.0	10.6	4,864,229.5
Lithuania	2000	0.1	74.6	145,745.1	0.2	25.0	14,024.6
Luxembourg	2000	12.0	138.4	1,052.7	10.0	116.4	1,065.7
Malta	2000	0.7	3.5	419.0	10.2	93.5	815.7
Netherlands	2000	345.4	1,340.6	288.2	325.4	1,118.9	243.9
Poland	2000	8.6	194.5	2,155.5	46.1	890.8	1,834.1
Portugal	2000	19.3	44.8	132.8	52.2	473.4	807.6
United Kingdom	2000	542.5	1,806.1	232.9	1,068.8	2,442.0	128.5
Czech Republic	2000	0.2	239.2	136,367.2	9.5	1,095.1	11,458.9
Slovak Republic	2000	0.0	31.4	0.0	6.2	191.3	2,975.3
Romania	2000	2.0	96.0	4,657.6	31.2	390.9	1,153.9
Sweden	2000	21.5	121.7	465.0	694.4	1,008.3	45.2

Source: Ministry of Economy (2015)

However, as shown in the table above, since the signing of the Economic Partnership, Political Coordination and Cooperation Agreement between Mexico and the European Union and its member countries, commonly called FTAEUM, foreign trade between the two suffered a growth of 221.1 per percent, mainly driven by Germany and the UK. Also include countries from Eastern Europe, mainly the Czech Republic, Slovakia, Estonia, Latvia and

Lithuania with whom the foreign trade was practically nonexistent, opening the door for the export of Mexican products to those countries.

The integrated by Mexico, more recent regional block is the Pacific Alliance, which is integrated of Colombia, Chile and Peru, with the latter, has signed a commercial treaty.

Table 5. Comparison of Foreign Trade TLC Pacific Alliance

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
Pacific Alliance	**2012**	**1,135.2**	**8,436.3**	**743.1**	**763.1**	**2,569.3**	**336.7**
Colombia	**1995**	**305.8**	**4,566.1**	**1,493.0**	**116.3**	**851.9**	**632.8**
Chile	**1999**	**735.1**	**2,145.8**	**191.9**	**552.0**	**1,397.4**	**153.2**
Peru	2015	94.2	1,724.4	1,730.8	94.9	319.9	237.3

Source: Ministry of Economy (2015)

From the above list, include Colombia and Chile, countries with which Mexico has trade agreements since 1995 for the former and 1999 for the second, as together, add 6,711.9 million, that is the reason why Mexico decided to create the Pacific Alliance. Now, if we add the recent trade agreement with the Republic of Peru, whose exports to that country in 2014 amounted to 1,724.4 million dollars, giving a total in terms of exports to the block of Pacific Alliance of 8,436.3 million dollars, Total imports of 2,569.2 million dollars, representing a surplus for Mexico, on foreign trade with this trading bloc.

In the following table, the countries with which Mexico has a trade agreement are listed. Seven countries are listed, however, stresses that both Venezuela and Bolivia ceased to be partners of Mexico from 2006 to 2010 for the first and the second, however, they remain on the table for purposes of historical comparison.

Table 6. Comparative Foreign Trade TLC Several Countries

		Exports			Imports		
Countrys	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
Venezuela*	**1995**	**173.7**	**1,549.8**	**792.3**	**265.6**	**67.6**	**-74.5**
Costa Rica	**1995**	**80.8**	**991.5**	**1,127.4**	**27.6**	**2,541.8**	**9,123.5**
Bolivia*	**1995**	**13.4**	**223.1**	**1,563.0**	**19.1**	**26.1**	**37.0**
Nicaragua	**1998**	**51.2**	**783.1**	**1,429.8**	**11.4**	**636.8**	**5,463.2**
Israel	**2000**	**16.7**	**135.8**	**713.9**	**172.5**	**640.4**	**271.2**
Uruguay	**2004**	**34.3**	**299.5**	**773.3**	**101.5**	**372.7**	**267.3**
Japan	**2005**	**1,190.5**	**2,394.0**	**101.1**	**10,559.4**	**17,479**	**65.5**

Source: Ministry of Economy (2015)

Now, Japan contributes 2,394 million dollars to the total exports in 2014, followed by Venezuela, with total exports of 1,549.8 million dollars, Venezuela, despite not having a current commercial agreement, remains an important trading partner for Mexico, that country should take the advantages of having a trade agreement and thus increase their exports to our country, because the total imported by Mexico from Venezuela is only 67.7 million in 2014.

In the last comparative, those countries with which Mexico does not have a trade agreement in force with the exception of Panama, treaty-pending entry into vigor, highlighting the main trading partners of Mexico, by relevance, leaving the other countries are listed category "rest of the world".

Table 7. Comparative Foreign Trade without FTA

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
Without FTA	1994	985.4	16,487.5	1,674.02	3,195.8	90,733.3	2,739.2
Argentina	1994	282.9	1,301.7	360.1	245.6	1,048.3	326.8
Brazil	1994	228.6	4,648.7	1,933.1	1,168.2	4,470.9	282.7
Ecuador	1994	56.5	901.7	1,496.1	8.9	164.8	1,757.9
Cuba	1994	85.0	360.7	324.5	7.1	11.6	64.4
South Korea	1994	28.3	1,853.2	6,459.7	925.8	13,723.0	1,382.3
Singapur	1994	125.1	529.1	323.0	215.1	1,199.9	457.7
Panama	1994	124.8	969.8	677.2	60.7	20.1	-66.9
China	1995	42.1	5,493.4	12,960.9	478.5	66,073.3	13,709.5
India	1995	41.7	429.2	930.5	137.2	3,701.5	2,598.3
Rest of the world	1995	818.9	7,942.0	869.9	3,343.8	28,977.5	766.6

Source: Ministry of Economy (2015)

The total amount of Mexican exports to those countries without free trade agreement amounted in 2014 to 1,6487.5 million, a figure very significant, because if we add the total exports to the EU and EFTA countries, reaching 15,042 million dollars, is ie, the second largest trading partner-the European Union-Mexico is overtaken by these countries with which it has no trade agreement, not omitted to note that this figure falls short compared to 298,011 million dollars of total exports to NAFTA.

The main driver of the countries with which Mexico does not have a trade agreement with is China is 5,493.4 billion, followed by Brazil with 4,648.7 million dollars and South Korea 1,853.2 million dollars, the rest of the world a total of 7,942 million dollars are exported and imported 28,977.5 million.

In overall terms, the total exports to countries with trade agreements before 1994 was 42815.6 billion, having grown exponentially 2014 of 328.999.4 million dollars, ie a variation of 668.4 percent. In the case of imports, the total figure before 1994 was 58178.7 million dollars, increasing purchasing foreign products 247.037.7 million dollars, ie a variation of 324.6% was held.

Table 8. Total Concentrate Imports and Exports of Mexico with and without FTA

		Exports			Imports		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
TOTAL	**1994**	**44,603.3**	**355,153.3**	**696.3**	**63,796.8**	**366,748.5**	**474.9**
WITH FTA	1994	42,815.6	328,999.4	668.4	58,178.7	247,037.7	324.6

Source: Ministry of Economy (2015)

It is observed the impact in the foreign trade of Mexico, generated by the signing of free trade agreements, because of the totals in these areas, before the signing of trade agreements, only 4% of total exports from Mexico was to countries with which there is not an existing trade agreement, by 2014, that figure increased to 7.3%; Similar situation with Mexican imports, since before 1994, the country imported all with not a commercial treaty had was 8.8%, however, in 2014, the total imports from these countries amounted to 32.7% This situation is explained by the increase in imports from countries like China, Korea and Brazil.

Table 9. Total Concentrate of Total Trade and Trade Balance with Mexico without TLC

		Total Trade			Trade Balance		
Country	Year of entry into force	Year before entry into force	2014	Change %	Year before entry into force	2014	Change %
TOTAL	**1994**	**108,400.0**	**721,902.0**	**566.0**	**-19,193.5**	**-11,595.2**	**-39.6**
WITH FTA	1994	100,994.0	576,037.0	470.4	-15,363.1	81,961.7	-633.5

Source: Ministry of Economy (2015)

Mexico's trade balance before the signing of trade agreements had a deficit of 19,595.2 million and by 2014, this shortfall was a decrease of 39.6 percent, otherwise the case with the trade balance with those countries with which we have trade agreements as they move from a deficit of 15,363.1 million dollars for 2014, the trade balance closed with a surplus of 81,961.7 million.

4. Comparative Mexico's Foreign Trade-By-Trade Blocs -Regionalism

Once analyzed Mexico's foreign trade-by-trade policy of multilateralism, comparative foreign trade is carried by major, ie, regionalism, regional blocks which Mexico participates actively in most of them. In the following table, a concentrate of total exports is done by region and country, where the major regions and business partners in Mexico are listed:

- North America, comprising the United States and Canada
- Latin American Integration Association (ALADI), composed of Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay, Venezuela and Cuba.
- Central America, comprising Belize, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.
- European Union composed of Austria, Belgium, Denmark, Spain, Finland, France, Greece, Holland, Ireland, Italy, Luxembourg, Portugal, UK, Sweden, Cyprus, Estonia, Hungary, Lithuania, Malta, Poland, Slovenia, Latvia, the Czech Republic and the Slovak Republic.

- European Free Trade Association (EFTA), comprising Iceland, Norway and Switzerland.
- NICs -Newly Industrialized Country- Composed of Korea, Taiwan, Hong Kong and Singapore.

Table 10. Total Exports by Region and Country

COUNTRYS	2012	2013	2014
TOTAL	***370,751.6***	***381,210.2***	**399,977.2**
North America	**298,779.7**	**309,892.1**	**329,560.00**
ALADI	**20,918.6**	**20,024.7**	**18,160.40**
Central America	**4,855.5**	**4,826.7**	**4,870.50**
European Union	**21,873.8**	**19,704.4**	**20,292.60**
EFTA	**887.3**	**1,143.7**	**1,453.40**
NIC´S	**3,648.2**	**3,547.5**	**3,978.20**
Korea	1,728.3	1,526.9	2,028.30
Taiwán	371.3	487.1	392.1
Hong Kong	825.0	956.7	1,028.80
Singapur	723.7	576.8	529.1
Japan	**2,610.7**	**2,244.1**	**2,609.20**
Panama	**1,135.7**	**1,046.5**	**989.1**
China	**5,720.7**	**6,470.0**	**5,979.50**
Israel	**115.7**	**111.9**	**135.8**
Rest of the world	**10,224.0**	**11,014.8**	**9,506.60**

Source: Ministry of Economy (2015)

As shown in the above table, the total exports to these regions during the years 2012, 2013 and 2014 have been fluctuations, in the case of North America, has continued steady growth, however, in regions such as ALADI, exports to the region they have been gradually decreasing year by year, in the case of Central America and the NICs, exports have remained virtually unchanged for the past three years.

However, in terms of imports, these have not been significant fluctuations in the case of the North America, ALADI, Central America and European Union imports have maintained a timid growth. So with the NICs and Japan, where it has been virtually no difference in imports during the past three years.

Table 11. Total Imports by Region and Country

COUNTRYS	2012	2013	2014
TOTAL	***370,751.6***	***381,210.2***	**399,977.2**
North America	**194,999.7**	**197,109.0**	**205,323.3**
ALADI	**9,081.7**	**9,385.2**	**9,776.2**
Central America	**4,489.9**	**4,884.5**	**4,299.4**
European Union	**40,710.6**	**42,693.0**	**44,034.8**
EFTA	**1,655.5**	**1,876.2**	**2,151.4**
NIC´S	**21,242.9**	**21,942.1**	**21,640.1**
Korea	13,350.1	13,507.4	13,781.9
Taiwán	6,183.0	6,689.0	6,368.0
Hong Kong	338.8	289.2	290.3
Singapur	1,371.1	1,456.4	1,199.9
Japan	**17,655.2**	**17,076.1**	**17,544.6**
Panama	**82.9**	**17.4**	**20.3**
China	**56,936.1**	**61,321.4**	**66,256.0**
Israel	**735.9**	**615.8**	**640.6**
Rest of the wordl	**23,161.1**	**24,289.5**	**28,290.6**

Source: Ministry of Economy (2015)

From the above comparison, foreign trade between Mexico and the regions with which it has and does not have trade agreements, the North American region, Mexico's main trading partner stands, however, there are new opportunities for Mexico as in the case of, composed of Korea, Taiwan, Hong Kong and Singapore, or China, countries with which there is not an existing trade agreement. NICs or -Newly Industrialized Country- It is imperative for the foreign trade policy, directing efforts to create commercial ties with these countries, and consequently, reduce the growing dependence in terms of trade with the North American region.

5. Select the Destination Country for the Internationalization of Enterprises

Selecting the destination country in the internationalization of Mexican companies is certainly difficult decision to take for companies. According to Jimenez Martinez (2007), most industrial enterprises in Mexico consider the geographical location as an indispensable element in the process of internationalization as affecting factors such as access to material resources, work force and infrastructure existing transport routes in the country destination when making a decision.

A. Multinational Mexican companies

For this research, the 12 Mexican multinational or global companies were taken according to Forbes (2014) and CNNExpansion (2015), both published list issued according to the number of plants and offices abroad as well as income received from operations abroad. The aim is to analyze the decisions taken by businesses when internationalize to a country specific.

The company leads the ranking of the most global companies in Mexico's Mexichem, followed by Cemex, Bimbo, America Movil, ALFA, GRUMA, Softtek, Coca-Cola FEMSA, Vitro, Metalsa, Cinepolis and Grupo Salinas.

Table 12. Mexican Multinational Companies

Name	Description	Data	Internacionalization
Mexichem	Leader in the chemical and petrochemical industry overall, with over fifty years of experience company. Mexichem linking more than 19,200 employees globally and has more than 120 production plants, two fluorite mines, 6 training schools and 16 research and development laboratories distributed in more than 100 sites around the world.	MDD sales of 5,177, 102 plants, 69% of the installed production and 85% of employees are outside the country.	Mexichem operates in 31 countries and markets its products in more than 90. 80% of its sales come from international operations.
Cemex	CEMEX is a global company of materials for construction industry offering high quality products and reliable service to customers and communities in America, Europe, Africa, Middle East and Asia services. The operations network produces, distributes, and markets cement, ready-mix concrete, aggregates, and related in more than 50 countries, while products trading partners in nearly 108 nations.	MDD 15,227 sales, EBITDA 2,643 MDD, 43,000 employees worldwide, Production capacity Cement-94M tons	It operates in more than 50 countries and maintain trade relations with 108 countries. 80% of sales come from international operations.
Bimbo	Grupo Bimbo S.A.B. de C.V. It is a Mexican company with operations in America, Asia and Europe. The company produces more than 10,000 products through 100 brands. It has 167 production plants: 39 in Mexico and 128 abroad, plus 3 traders and 8 strategic partners. It has one of the widest distribution networks in America, surpassing the 52,000 routes.	In 2013 it generated revenues 13,786 14,064 MDD and MDD in 2014. It has 128,000 employees.	Presence in 27 countries in America, Europe and Asia. Grupo Bimbo has more than 2.4 million points of sale located in 22 countries.
América Móvil	Leader in mobile telecommunications in Latin America and the world's fourth largest company. America Movil has more than 289 M. wireless customers, over 34 million fixed lines, 22.5 million broadband accesses, more than 21 million TV subscribers. Operates in several countries under the name Claro and with Telmex are controlled by Grupo Carso.	Annual sales of 60.115 billion. It has 173,174 employees, 53% are based outside the country.	Operations in 18 countries in America and Europe in 7 countries. 62% of their sales come from its international operations.

ALFA	The largest independent producer of aluminum engine components for the automotive industry, producers of polyester (PTA, PET and fibers). Leading producer of expandable polystyrene in America, in Mexico, leads the market in petrochemicals as polypropylene and caprolactam. Producer and marketer of food brands (Sigma) and a leader in IT and communications services to the enterprise segment in Mexico.	MDD 17,224 income, the EBITDA is 2,040 MDD, operates in 25 countries and employs 70.453 people..	. It has 21 plants in five countries, has operations in more than 25 countries
GRUMA	GRUMA is the global food company, proudly Mexican, leader in the production of corn flour and tortillas in the world and in the category of flat breads and flatbreads. Its main global brands are Maseca, Mission and a large number of local leading brands as Guerrero in United States, Tortiricas and Tosty in Costa Rica.	MDD annual sales of 4,139, has 101 plants, of which 60% are based outside the country	Operations in America, Europe, Asia and Oceania with 79 plants and a presence in 112 countries. 59% of their sales come from its international operations.
Softtek	Softtek is a global provider of process-driven IT. Through service delivery models on-site, on-shore and its trademarked Global Nearshore registered mark, Softtek helps CIOs to enhance alignment with the business. Softtek is the creator and leader of the nearshore industry.	It has 9,000 employees, 80% of sales come from overseas operations.	It has 30 offices in North America, Latin America, Europe and Asia and 11 development centers abroad.
Coca-Cola FEMSA	Coca-Cola FEMSA is the largest Coca-Cola bottler in the world. It is the second largest equity stake in Heineken, one of the leading brewers in the world and a presence in over 70 countries. They developed FEMSA Comercio, OXXO highlighting the chain's largest and fastest growing in Latin America shops.	351 M. serve consumers. MDD 11,847 annual sales. Their installed production 5,047 M. boxes.	55% of its sales come from its international operations, has 44 plants, 59% abroad.
Vitro	Leader in the manufacture of glass in Mexico and one of the most important in the world. The companies produce, process, distribute and sell a wide range of glass products: drinks, wine, beer, cosmetics and pharmaceuticals, as well as the automotive and construction. It is also a supplier of raw materials, machinery and equipment for industrial use.	In 2013 it reported sales of \$ 1.675 billion and gave employment to 15,730 people..	Has facilities in 8 countries of Latin America and its products have a presence in 34 countries.
Metalsa	Metalsa is part of Proeza Group, a Mexican corporation that has developed businesses that are distinguished by their robustness, innovation and contribution to the development of its employees on behalf of society as Citrofrut, Zanitas Clinic Hospital and Metalsa, dedicated to the production of structural assemblies metal for the automotive industry; Your customers (Toyota, Ford, and Chrysler) accounted for 60% of total revenues.	Production of chassis and structures for light vehicles represent 80% of its production.	. Approximately 60% of total revenues are concentrated in the final consumption in the United States. It operates in 13 countries.
Cinepolis	It is the leading film exhibition largest in Latin America and fourth worldwide in 2015, 3000 operate 885 digital screens in 464 sets. Of the total 327 cinemas are located in Mexico, while the remaining 137 in 11 other countries where they are present. In 2014 it amounted to 201.8 million viewers (44.1 257.7 in Mexico and elsewhere in the world).	Collaborate 28,400 people, with a market share of 65.38% in Mexico.	Have 98 theaters in Mexico City, 9 cities in Central America, 47 cities in South America, 27 cities in Asia and 2 US states.
Grupo Salinas	Grupo Salinas is a group of fast-growing companies and cutting edge technology, with focus on value creation. It consists of: Azteca, Azteca America, Grupo Elektra, Advance America, Banco Azteca, Seguros Azteca, Afore Azteca, Italika, Punto Casa de Bolsa, Azteca Internet, Totalplay and Link.	Its annual income is 7 MMD and MDD than 1,300 EBITDA	Grupo Salinas operates in the United States, Brazil, Colombia, El Salvador, Guatemala, Honduras, Peru and Panama.

Source: Prepared by the corporate information (2015)

When analyzing an international Mexican company, and its decision-making process in the internationalization of companies, it is intended to see whether the trade agreements signed by Mexico have an impact or influence the decision of the host country of internationalization.

In the following table, a comparison of the top 12 global multinational and Mexican companies in the main countries that have a presence, whether production centers, representative offices, or with outlets is made. It notes that, for comparison, not the countries to which they export their products or companies dedicated exclusively for export was taken into account.

Table 13. Comparison of Country Presence by Mexican Multinational Companies

Companies	Mexichem	Cemex	Bimbo	America	ALFA	GRUMA	Softtek	FEMSA	Vitro	Metalsa	Cinepolis	Grupo	TOTAL
Countrys				Movil								Salinas	
NAFTA													
United States	1	1	1	1	1	1	1		1	1	1	1	11
Canada			1		1		1		1				4
North Triangle													
El Salvador	1	1	1	1	1	1			1			1	8
Guatemala	1		1	1		1		1	1			1	7
Honduras	1		1	1					1			1	5
EFTA													
Switzerland	1	1							1				3
Norway	1	1											2
FTAEUM 27													
Spain		1	1		1	1		1	1				6
Germany	1	1			1				1	1			5
United Kingdom	1	1	1					1	1				5
France	1	1			1				1				4
Italy	1				1	1			1				4
Netherlands	1				1	1		1					4
Poland	1	1			1				1				4
Austria		1		1	1								3
Hungary		1			1					1			3
Portugal			1		1					1			3
Czech Rep.	1	1			1								3
Belgium	1				1								2
Finland	1	1											2
Ireland	1	1											2
Latvia	1	1											2
Sweden	1	1											2
Pacific Alliance													
Colombia	1	1	1	1			1	1	1		1	1	9
Peru	1	1	1	1	1		1		1		1	1	9
Chile			1	1	1		1		1				5
FTA													
Costa Rica	1	1	1	1	1	1	1	1	1		1		10
Nicaragua	1	1	1	1		1		1	1				7
Panama	1		1	1				1	1		1	1	7
Uruguay			1	1			1		1				4
Japan	1								1	1			3
Israel		1											1
Without FTA													
Brazil	1		1	1	1		1	1	1	1	1		9
Argentina	1	1	1	1	1		1	1	1	1			9
China	1	1	1		1	1	1			1			7
Ecuador	1		1	1	1	1			1				6
India	1				1		1			1	1		5
Venezuela	1		1				1	1	1				5
Russia	1					1			1				3
Turkey	1					1				1			3
Tailand		1								1			2
Cuba			1						1				2
Australia						1				1			2

Source: Prepared by the corporate information (2015)

* Not omits that were removed from the list those countries where no presence had none of the 12 listed companies, likewise, those companies that have presence in one country, were eliminated from the table above for the purpose of synthesize information.

As shown in the comparative table above, 11 of the 12 companies analyzed have a presence in the NAFTA region, specifically in the United States, it was mainly due to the geographical proximity, coupled with that is the main trading partner of Mexico not only in the statistics of foreign trade, but also as the main source of foreign direct investment as well as being the region with the largest number of maquiladora companies established in the country, so it is understandable that it is the main destination internationalization of Mexican companies.

Costa Rica has the second largest destination country in the internationalization of Mexican multinational companies, with 10 companies with a presence in that country. In third place is the Pacific Alliance with 9 companies in Colombia and Peru and 5 in Chile, third place is tied with Argentina and Brazil, with nine companies operating in those countries; it is worth noting that the latter two countries, we have no trade agreement and the Economic Complementation Agreements that Mexico had with them, were removed and left without effects.

Nine of the analyzed companies have presence in the regional bloc of European Union, mainly in the countries of Spain - 6 companies-, Germany and United Kingdom with 5 companies in each country, France, Italy, the Netherlands and Poland with 4 companies each.

Even though most companies have internationalized trading blocs NAFTA Alliance Pacific, Central Block Costa Rica, North Triangle, Nicaragua and Panama and the European Union, they have also been made to countries which do not have commercial agreements, whether free trade or economic complementation agreements. The main countries that have internationalized are Brazil, Argentina, China, Ecuador, India, Venezuela, Russia and Turkey.

The partners of Mexico: Uruguay, Japan and Israel, are not an attractive market for the companies analyzed, since only three companies in Japan and one in Israel are installed in those countries. The same goes for Thailand, Cuba and Australia, with which we do not have trade agreements do not appear to be attractive for the internationalization of Mexican companies countries since only two companies are installed in those countries.

6. Multilateralism vs Regionalism

Answering the following research question: What is the degree of increase in the internationalization of Mexican companies, since the adoption of trade policy openness of the country, because of multilateralism or regionalism?, the following entries are made:

If Mexico's trade policies are analyzed for their presidential terms, there is a variation on the same, at first trade policy based on multilateralism as the presidential presidential terms of Carlos Salinas de Gortari (88-94) and Ernesto Zedillo Ponce de Leon (94-00), their trade policies were based on the signing of free trade agreements with different countries: Costa Rica (1995), Bolivia (1995), Nicaragua (1998), Chile (1999) and Israel (2000), however, it was also decided to adopt the policy of regionalism, adapting to changes in the economy and global geopolitics, signing agreements with the Group of Three (1995) and the European Union (1997), and their participation The Forum of Asia-Pacific Economic Cooperation (APEC) in 1993, the Organization for Economic Cooperation and Development (OECD) in 1994 and the World Trade Organization (WTO) in 1995.

Later in the presidency of Vicente Fox Quezada (00-06), Mexico's foreign policy remained regionalism, trade agreements with mixed success trading blocs Northern Triangle (2001), the European Free Trade Association (2001) and the Southern Common Market (2002 and 2003), without neglecting to multilateralism, signing trade agreements with Uruguay (2004) and Japan (2005) and partial scope agreements and Economic Complementation Agreement with Paraguay (2000) Argentina (2001), Cuba (2001) and Brazil (2002).

During the presidency of Felipe Calderon Hinojosa (06-12), a small setback was taken into the commercial policy of Mexico, only mixed success three Economic Complementation Agreement with Ecuador (2007), Hungary (2009) and Bolivia (2010) and as two regional agreements with ALADI (2012) and the integration of the Latin American Pacific Rim (2007) and the Project Mesoamerica Integration and Development (2008). Returning to the conclusion of treaties in the current presidential term of Enrique Peña Nieto (12-18), with the signing of the FTA with Colombia (2011), Central America (2012), Peru (2015) and Panama (Pending entry into force) and the integration of the Pacific Alliance (2012) and the Trans Pacific Strategic Economic Partnership (2012).

In light of the foregoing, it is seen that in all trade policies analyzed, Mexico chose to follow both trends, multilateralism and regionalism, adapting to economic and geopolitical conditions that happened.

Now, in terms of foreign trade of Mexico, as discussed in the previous section, to make a comparison of the statistical data produced by the Ministry of Economy (2015), we see that regionalism is one that has had an impact far higher in foreign trade as the sum total exports in 2014 of regional blocs with which we have trade agreements

-North, North Triangle, EFTA, European Union and the Pacific-Alliance is a total of 324.347 million of dollars, accounting for 98.04% of total exports in 2014. Mexico fails to mention, that remains to add to the total result of exports to countries with trade blocs, the recent trade agreement with Central America.

This result, compared to the sum of exports from countries with which it has a trade agreement that does not belong to a trade bloc -Venezuela*, Costa Rica, Bolivia*, Nicaragua, Israel, Uruguay and Japan is a total of 6376.8 million, that is, only 1.96% of the total exported by the country in 2014, was aimed at trade agreement countries not belonging to a trade bloc.

However, the impact of globalization on the internationalization of companies can be seen inflows of foreign direct investment into the country. According to the Ministry of Economy (2015), in the last fourteen years (2000-2014), the flows of foreign direct investment to the country, have been received first by the NAFTA trade bloc with a cumulative total of 194.324 million dollars , followed by the EU with a total of 123.205 million dollars, mainly from countries such as the Netherlands, Spain, Belgium and the UK and thirdly, the rest of the world with a cumulative total of 58.172 million dollars, note that the FDI comes mainly from countries with which Mexico has a trade agreement in force.

Part of the FDI flows have been directed to the maquiladora industry in Mexico, specifically sub-sectors of metalworking industries, machinery and equipment and automotive sectors, which have shown an exponential growth and increasing market demand external. In 1994, before the entry into force of the first commercial treaty between Mexico, the number of maquiladoras in the country was 2,085 establishments with occupancy of 583.044 employees; 20 years later, in August 2013, the number of maquiladoras grew to 5,049 companies and 2,095,799 employees in the manufacturing sector in the country. That is, in Mexico the number of maquiladoras and employment multiplied by factors of 2.5 and 3.6 respectively (INEGI, 2015).

7. Final Thoughts

Even though trade policies adopted by the country for the past 27 years have adapted to the global economic and geopolitical conditions, opting to follow both trends, multilateralism and regionalism, Mexico, has managed to take advantage of trade policy of regionalism, having commercial agreements with regional blocs, offers advantages such as the approval of tariffs and foreign trade procedures, larger and more attractive markets, standardization of sanitary and phytosanitary regulations, among others.

You can see the impact it has had regionalism in both, foreign direct investment and the implementation of the maquiladoras in the country since the signing of the first trade agreement in Mexico. It notes that the country has received FDI flows primarily of trade blocs in North America and the European Union; they are its main trading partners.

It is imperative for Mexico continue to use these trading blocs, leading exports and the presence of their multinationals, blocks other than the US, just as it is necessary to create trade agreements with Asia, especially with the NICs or with the ASEAN members, rather than to increase exports, the signing of trade agreements with Asia, Mexico would allow, regulate imports, create commitments and regulate dumping duties, among other protective mechanisms has with these Asian countries.

Every day, Mexican companies decide to venture into foreign markets, the above analysis state the importance of the regionalism, ie regional blocs, as the prime destination for Mexicans multinationals companies when they decide to internationalize, mainly to NAFTA bloc, the Pacific Alliance, Central American bloc and the European Union. However, there are attractive markets for Mexicans multinationals, like Argentina and Brazil as well as China, Ecuador and India.

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