

# DESTINATION AND STRATEGY OF BRAZILIAN MULTINATIONALS

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## **Abstract**

The recent wave of internationalization among Brazilian companies differs from past experiences, in terms of volume, reach and quality. Unlike what is suggested by recurrent explanations about the gradual expansion of multinationals from emerging countries, the first steps of Brazilian multinationals were not entirely directed towards South America, in a search for regional dominance. In amount of investment and number of subsidiaries there are signs they prefer activities in advanced markets – mainly Europe and North America – where they compete on an equal footing with major conglomerates and can have access to cutting-edge technology. Some Brazilian companies have previous internationalization experience, and a significant portion had been prepared and initiated outward growth in the 1990s, after the economy opened up. However, the boom of internationalization that began in 2004 took place in such unusual conditions as to deserve highlight and special analysis. This article discusses the recent expansion of Brazilian multinationals pointing out: (i) that the companies have as a strategic goal the more advanced economies; (ii) how the transformation of the Brazilian productive structure led to the emergence of a group of companies seeking internationalization as a competitive strategy; (iii) the new Brazilian state activism, especially in financing and the implementation of industrial policies which support the creation of large national groups with a presence in the globalized market.

**Keywords:** Internationalization, innovation, Brazilian multinationals, developing countries multinationals, emerging markets, industrial policy.

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