Markets' Globalization and Emerging Economies
The MINTs Economic Growth: Developments and Prospects

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Abstract

In a few years' time, the acronym BRICS has become a real point of reference for all experts and for everyone who is interested in those subjects which are linked to the new emerging economies and to the world competitive dynamics. Even other acronyms and abbreviations coined by different institutional investors, merchant banks and economists were successful. In fact, such terms as "Next Eleven", "EAGLEs", "CARBS", "MIKT" e "E-7" are just some of the most known in the rich dedicated literature. Recently, emerging Countries have suffered a dramatic cut in their investments involving the main industrial sectors and many analysts questioned the firmness of their economic systems over the long period. Though interest and enthusiasm raised by emerging Countries have gradually faded in the mind of investors and multinationals, some of them are still drawing the attention, as it is the case of those Countries known as MINT (Mexico, Indonesia, Nigeria, Turkey), that are showing interesting economic growth rates. These areas share a number of factors that are particularly attractive to the main international investors and are likely to offer, in the next future, plenty of opportunities for development that are presently difficult to be quantified. The above mentioned factors can be detailed as follows: a young population (even quite large), a strategic geographical position, as well as (with the partial exception of Turkey) the presence of plentiful supplies of raw materials. The data issued by the World Bank at the beginning of February 2015 support the expectations raised by these new actors on the world economic scene for some years. In fact, the data show the remarkable growth expected for the MINTs over the next 3 years with Nigeria and Indonesia in the lead, considering that the two countries are supposed to record real GDP growth rates ranging from 5.5 to

6 percent by 2017. Turkey and Mexico, though recording lower numbers (between 3.3% and 4% over the next three years), show rates that are definitely higher than the average reported by the other Countries covering the same area (Indonesia alone does not follow this trend because its continental area is characterised by highly emerging and competitive contexts); Mexico is highly representative as it is supposed to grow by 1 to 1.5 percent more compared to the rest of Latin America and the Caribbean area that are considered as reference areas.

Key words: MINT, BRICS, globalization, strategies, PMI

1. INTRODUCTION

Peculiarities Distinguishing the Mint Countries

The MINTs are being kept under special observation due to the forecast made by some private institutions. In fact, in 2012, Ernst & Young placed the MINTs among the countries showing the highest growth chances in the short term. According to the English audit firm, Indonesia, Mexico, Nigeria and Turkey are expected to record a higher growth rate (as far as their annual GDP growth rate is concerned) then European and Western countries: Indonesia and Nigeria are expected to grow, on average, by 6% per year, while Mexico and Turkey are going to increase their annual GDP by about 5.1%. According to Goldman Sachs, the MINTs are likely to record a positive growth trend until 2020: the USA investment bank expects an annual growth higher than 5% per year in the four countries. This will allow the MINTs to individually yield from about 1 to 2% of the world GDP over the next two decades. This record is confirmed by the growth trend shown by The Next Eleven group, in which the MINTs are listed: the N-11 economies are expected to annually grow by 5.3% until 2020 and they are going to play a leading role on the global economic scene.

First of all, the MINTs can profit from a strategic position: Mexico, Indonesia, Nigeria and Turkey are regional leaders and are bounded by developed economies and powerful countries that already play a role on the international scene. These two factors are essential when observing the local commercial organisations of which the four countries are part. International trade represents an essential source of development for the four countries analyzed: moreover, this shows the importance of openness to foreign trade in the emerging countries' development process (just notice, as an example, trade between Turkey and Italy).

The second distinguishing feature of the MINTs is the demographic factor. Mexico has, in fact, a population of 120 million inhabitants, Indonesia 247 million, Nigeria 167 million and Turkish population reaches about 74 million people (Lo Giudice, 2014).

Numerically speaking, the MINTs cannot be compared to the huge population of the BRICS (Brazil with 199 million people, Russia 144 million, India 1.236 billion, China 1.350 billion inhabitants) but the MINTs demographic context shows an important trend to be analysed. With regard to this, the MINTs have an extremely young population and population projections are likely to be positive for over twenty years: this would imply a remarkable increase in their work-force in the medium term, thus a crucial element in terms of FDI, as well as of employment creation in the MINTs.

The third factor to be mentioned as to the four countries is the presence of natural resources: natural gas and oil are peculiar to the MINTs. In particular, gas has a strategic importance for Indonesia development, while oil is Nigerian precious and strategic resource. In Mexico, huge quantities of silver are extracted, together with plenty of natural gas and oil. Besides, Mexico is a member of the club of countries equipped with nuclear power plants for energy production. Nigeria undoubtedly represents the diamond point in this regard: oil and gas account for about one quarter of Nigerian GDP, as well as 90% of exports, thus leading to a governmental system based on resources together with the presence of multinationals coming from every corner of the earth.

1.1 Research Methods

The process of internationalization has become a necessary step for companies that aim at realizing significant competitive advantages, because of the national market operating costs that, especially in Italy, have now become unsustainable.

However, when entrepreneurs search for new markets to operate in, they often do it through a reactive approach and little rational short-term evaluation processes leading to adopting a wrong strategy for the company development.

This results in a rise in real costs (such as those ensuing from the fruitless attempts to penetrate markets with low development potential which determine high reorganization costs) as well as in opportunity-costs (see the lack of interest by the entrepreneur in investing in the most receptive markets due to previous commitments in countries that are not able to ensure the economic development of the company).

Thus, the need to carefully assess the degree of attractiveness of a country to determine, within a range of possibilities, which are the high priority penetration markets, those which are considered as strategic as well as marginal ones, cannot be separated from the analysis of physical-geographical, demographic, economic, technological, socio-cultural variables, and of other variables such as the priority given to the sector and investment plans related to infrastructure, as well as the political risk of the host country.

In particular, as already mentioned in the introduction to the present work, the methodology used secondary sources that were appropriately revised (data from the World Economic Forum, The Heritage Foundation, Economist Intelligence Unit, Embassy of Italy, Institute for the promotion of foreign trade, International Monetary Fund, World Bank) and primary sources by means of questionnaires submitted to international contractors operating in the MINT countries to evaluate the issues to be addressed to successfully operate in these economies.

In the light of what has been pointed out, the MINTs undoubtedly represent an economic context to be thoroughly observed and understood. The deep transformations affecting the economies of the four countries make the analysis of their development extremely interesting. This is the reason why the present work is meant to first assess the real solidity of these economies, starting from the analysis of macroeconomic data. Secondly, it is going to focus on their attractiveness for international investors through the analysis of the economic policies implemented by local Governments. Finally, the paper is going to carry out a SWOT analysis as a final result of the research conducted, in order to assess whether these markets can really represent a valuable alternative to the BRICS.

The last part of the work analyzed the results of the survey addressed to various entrepreneurs in the areas mentioned above, which was aimed at identifying the main issues that they must overcome in order to start up their business. In particular, from a list of 12 issues that are considered to be a possible obstacle to the business start-up in the above-mentioned countries, the business executives interviewed were asked to indicate the four major issues (on a progressive scale from 1 to 4). The data collected were then reported in the corresponding summary table and the answers obtained were considered according to their position in the global rankings.

Finally, all the data collected made it possible, to develop a roundup SWOT analysis that highlighted the main specificities characterizing the competitive scenario of the MINTs thus allowing some considerations about what might be the evolution of both the above countries in the international competitive scene and of the entrepreneurs operating in these economies.

2. LITERATURE REVIEW

The ongoing financial crisis of the world's major economies, including the Italian one, has led many entrepreneurs to take the path of internationalization, which is felt, at the time, as the only alternative solution to the failure of indigenous businesses.

The reduction in the cost of labor, energy, raw material supplies, as well as the cost of money are just some of the reasons leading, for example, Italian companies like Diadora, Fiat, Benetton, Ferrero, etc., to partially outsource their manufacturing process abroad or to settle on the spot (Dematté and Perretti, 2003; Mutinelli and Mariotti, 2003; Valdani and Bertoli, 2006).

This need is increasingly pushing both the business world and the academic one to explore new competitive markets in which to relocate the production process or to establish a branch of one’s own business.

In particular, over the last decade, despite the stagnation of the major Western economies, the emerging economies, notably the BRICS countries’, have recorded significant growth in terms of GDP, and have allowed entrepreneurs, particularly those who first believed in the economic development of these countries, to achieve significant competitive advantages (Porter, 1993).

However, the slowing down of the above economies in the last period, together with the number of international competitors that have somewhat glutted these markets with the supply of products, have shifted the interest of operators to new emerging economies, namely the MINT countries’ (Mexico, Indonesia, Nigeria, Turkey) (Bottelli, 2014; Modenini, 2014; Segre, 2014; Taino, 2014).

Thus, in a highly globalized world, the companies’ decision-making in the current international context shows, more than in the past, characteristics of complexity, conciseness and probability (Miolo Vitali, 1993), which are needed to enable them to create value for the customer.

Therefore, the analysis of the degree of attractiveness of the above-mentioned countries, considering such variables as physical-geographic, demographic, economic, technological, socio-cultural ones, etc. (Douglas, Craig and Keegan, 1982; Invernizzi, 2004), becomes crucial for the businesses to establish, first of all, the right approach to be developed, (naïf, pragmatic or strategic), (Root, 1994), to identify the most appropriate entry strategies (Flanking attack, Leapfrog strategy, Frontal attack, Encirclement, Guerrilla), (Kotler, Fahey and Jatusripitak, 1985), as well as the entry mode (direct and indirect export, international partnership, foreign direct investment), related to the degree of risk that the entrepreneur intends to run in the competitive environment in which it must operate (Vacca 1989; Cuomo, 1995; Nanut, 1995; Fiocca and Vicari, 1997; Marcati, De Luca and Galli, 1998; Ferrucci, 2000; Wolf and Pett, 2000; Albaum, Strandskov, Duerr et al., 2005).

In conclusion, in the light of the competitive scenario described above, it is evident, therefore, that the analysis of the business climate of these economies can, on the one hand, paradoxically implement within the economic policies of the countries under recession those positive elements arising from the government actions put in place by these emerging countries and, on the other one, facilitate the investment strategies of international competitors (World Bank, 2015).

In fact, for the latter, in order to set consistent and effective competitive strategies, it becomes essential to understand whether, facilities are granted in the process of start-up company, as well as which is the movement of labor and capital from one sector to another that, particularly in times of financial crisis, tends to increase significantly due both to the simplification of the formal procedures and to the reduction in costs associated with business creation (Ciccone and Papaioannu, 2007); to verify the existence of a Public Credit Registry, enabling the transition countries' companies to have access twice as faster as larger firms (Brown and Zender, 2007; Brown, Jappelli, and Pagano, 2008); to check the existence of a state guarantee that protects the investors' property (Doidge, Karolyi and Stulz, 2007) or, finally, to inquire about the opportunity of profiting from a lower internal revenue than in Italy for example, together with simplified procedures for tax payment (Diankov, Ganser, McLiesh, Ramalho and Shleifer, 2008).

3. THE MACROECONOMIC CONTEXT AND THE INDEXES OF ATTRACTIVENESS IN THE MINT COUNTRIES

The analysis of the macroeconomic indicators of the Mexican economy, shows a clear slowdown in GDP growth that dropped from 5.3% in 2010 to 1% in 2013 (Table 1). The causes are referable to specific factors related to the economic situation such as: the slowdown in the U.S. economy, accompanied by a decrease in the growth rate of Mexican exports; the different projects of public spending (infrastructure, public finance, etc.) which have not been made operational by the Government yet; the slowdown in the building market, due to the revision of public funding to be allocated to building projects; the timing of implementation of the National Infrastructure Plan.

An unemployment rate of 4% in 2013, a public debt of 38.1% and an inflation rate down to 3.5% show that the country is becoming a leader driving the economy of the Central and South American area, questioning the leadership of Brazil in the whole area of reference.

As to foreign direct investments they recovered in 2013 (38 billion USD) after 2012 contraction that had seen, in part because of electoral uncertainties, an inflow of only 13 billion USD (compared to 21 billion in 2011). These prospects would be supported by the forthcoming investments by important international partners such as General Motors, Lego and Mondelez International.

As for the Indonesian economy, macroeconomic data confirm the excellent performance and the strength of the country's economy, with a GDP growth of 5.6% in 2013.

It can be seen that due to the size of the Indonesian archipelago, thanks to internal private consumption (which accounts for 54.6 % of GDP) and to investments (which account for 34.9% of GDP), its economy depends to a lesser extent on international economic trends, compared to other countries in the area.

The Nigerian economy is considered to be the second largest economy in sub-Saharan Africa after South Africa, its GDP was about 6.7% in 2013, with a public debt of around 20%, almost half of the

40% threshold indicated by the IMF, an inflation rate down to 9% and a high unemployment rate especially in the north of the country that fell by about 6 percentage points over the period considered, below the threshold of 30% (29.3% in the whole national territory).

It is, however, a strong informal economy, with jobs that are not evident in the data but which, however, allow, especially young people, to achieve modest gains. However, if it is true that the nominal income per capita was 1,500 USD in 2011 (International Monetary Fund), 2,000 USD (UNDP data) if calculated on the basis of purchasing power parity, it can be observed that there is a strong inequality, in the country.

It can be said that the economy depends on the oil sector which represents 95% of export earnings, 80% of the budget and on average 40% of the GDP, placing the country as the undisputed leader in the African continent and ranking it 10th in the world for production of crude oil.

However, a stable exchange rate, an inflation rate under control between 9% and 12%, careful control of the circulating money supply through encouraging electronic commerce and credit card/debit card (cashless economy), as well as a debt/GDP ratio to 20.77% (about half of that suggested by the IMF) in 2013 are certainly factors that affect the credibility of the country at the international level.

The Turkish economic context, on the contrary, despite being characterized by a strong dynamism, suffered the effects of a negative international economic situation of the European Union, as well as the implication resulting from the Arab Spring in the economic-commercial sector.

Thus, the slowdown in GDP growth that fell from 8.5% in 2011 (among the highest rates in the world) to 3.9% in 2013 (though recovering compared to 2.2% in 2012) has been somewhat thwarted by the Government that has implemented a “soft landing” in the economy to reduce the current account deficit (that reached the unbearable threshold of 10% of GDP in 2011), as well as a dangerously high rate of inflation reaching 10.45% in 2011, that partially recovered in 2013 reaching 7.4%.

The reasons related to the Turkish economy’s growth are linked to the structural reforms introduced in line with the EU accession process and the soundness of the banking system, marked by strict rules of discipline after the crisis of 2001-2002.

At the same time, as to foreign trade, a growing concern is represented by the imbalance in the external accounts, essentially due to a trade deficit characterized by a structural imbalance (energy dependence on imports and production) and that unfortunately tends to be financed by short-term capital inflows from abroad and not by productive investments.

As a consequence, the Government need to introduce a huge package of investment incentives to support: research and development, simplification of procedures for incentives access and facilities for the production of renewable energy, which would seem to give positive results.

In addition to the macroeconomic data already highlighted, the present work aimed at analyzing the values of other indices that can provide useful guidance to those entrepreneurs wishing to evaluate the possibility of starting their productive activity in the countries mentioned above.

In particular, with reference to the Global Competitiveness Index, for the sake of brevity, only the position of the four countries under study has been reported (in the table 2) with reference to the last three-year period; it shows a substantial stability of the four countries with the most significant increase obtained by Indonesia and the excellent position of Mexico and Turkey in the rankings, while Nigeria is the economy with the most of problems.

To go deeper into the analysis, it is possible to disaggregate this result in three groups of factors weighing differently: the basic requirements (Institutions, Infrastructures, Macroeconomic Environment, Health and Education), weighing for 60% of the total, the factors stimulating efficiency (High Education and Vocational training, goods and labour market Efficiency, Development of the potential market, Spreading of technology and market Size) weighing for 35% and the innovation and sophistication factors (Development of the production context and Innovation) whose weight is marginal since it only reaches 5%.

Another index of great importance that affects the strategic choices made by international investors is surely that of economic freedom including the following indicators: Business Freedom, Trade Freedom, Government Size, Monetary Freedom/Spending, Fiscal Freedom, Property Rights, Investment Freedom, Financial Freedom, Freedom from Corruption, and which shows clearly the undisputed leadership of Mexico among the four countries analyzed, and that ranks 55th among 186 economies in the rankings, followed by Turkey, while both Indonesia and Nigeria place themselves at a distance (Table 3).

Assessing the degree of openness to international trade of a country is another important aspect that an entrepreneur should consider in order to understand whether the policies adopted will be able to attract FDI (Foreign Direct Investment).

It is clear that protectionist measures (such as the adoption of tariffs and non-tariff barriers) adopted by Governments to support the production of local businesses in crisis in particular product sectors, or, instead, openness to privatization of sectors that the Government considered as strategic in the past, tax abatement on profits over a certain period of time, as well as a unsecured grants provided by the State to guide the settlement of foreign enterprises in particular depressed areas of the country, in order to rebalance its internal development, represent some key factors that can influence the choice of the country to invest in.

Thus, the analysis of the Openness to International Trade Indices shows their substantial stabilization in 2010-2012 three-year period for all the four economies considered, among which Indonesia, Turkey and Mexico substantially ranked the same, in any case within the first half of the 132 economies considered in the rankings, while Nigeria still shows for the moment little openness if it is true that the country is among the last 10 economies (Table 4).

As already pointed out the process of choosing the country in which to carry out its business activities must also take into account its level of bureaucratization which, depending on the case, can either simplify or make it almost impossible the business start- up.

Specifically, from the analysis of the index related to this issue it can be shown that Mexico offers the greater facilities for the initial start-up in terms of bureaucracy and business start-up costs, placing the country 48th out of the 189 economies examined (Table 5) and ranking it 1st among the four economies under study for three of the four indices analyzed, namely: like Mexico for what concerns the number of procedures to start a business equal to 6 and the number of days required to complete the bureaucratic process which is also equal to 6, as well as with regard to the minimum capital to be paid to apply for registration of an asset with a value equal to 0, like Nigeria; the country ranks 2nd behind Turkey that with a value of 16.4% appears to be the country with the lowest per capita income cost.

Again, it is to be noted that Mexico, compared to the other three countries, shows for all the 4 indicators considered, values well below the average resulting in the countries of Latin America &

Caribbean area, (equal to 8.3 procedures, 30.1 days, 31.1% of cost of income per capita and 3.2 as the minimum capital to be paid to apply for registration of an asset).

4. THE MINTS ECONOMIC POLICY AND GROWTH ESTIMATES IN THE SHORT AND MEDIUM TERM

Mexican economy continues to grow, albeit not at the same pace as the previous years. In the last three months of 2014, just the boom recorded in the manufacturing and building sectors (+2.6%) allowed the country to close the year with a 2.1% increase. A record that is very far from reaching the 5.1% GDP increase scored in 2010 (Lumeno De Lucia, 2015). Concerning 2015, the Mexican central Bank has reduced the growth potential between 2.5 and 3.5% (and between 2.9 and 3.9% concerning 2016). As a matter of fact, in January, 91.5 billion pesos deficit was recorded, that is to say 6.1 billion dollars, definitely worse than January 2014. In spite of a rise in the revenue during the first month of the year, total revenues decreased by 3.4%, due to the slump in oil price and the following drop in Mexican production (-6.5% compared to January 2014). Crude oil proceeds have almost been halved (-43.5%), falling from 91.80 dollars per barrel at the beginning of last year to 52.40 in 2015, when the budget was calculated considering 79 dollars per barrel. For this reason, the Mexican Ministry of Finance has reduced the infrastructure expenditure planning for 2015 and the following years, by an amount corresponding to 0.7% of GDP.

Mexico is suffering a drop in home demand, as well as a 13% weakening of its local currency, the peso, that is not able to support exports and makes imports more expensive. Such an economic conjuncture is the result of oil price slump, whose profits correspond to 32% of the federal budget. Even the liberalization plan may have its effects in a too distant future compared to the real needs of the Country.

Starting from the end of February, the liberalization process has continued its course, launched through the second stage of the so-called Round One, that is auctioning nine low depth off-shore oil fields, leading to stocks estimated at 671 million of equivalent oil barrels, an additional output of 124 thousand barrels per day and a potential investment of 4.5 billion dollars over the next five years. In December 2014, the first Round One stage auctioned 14 low depth exploration blocks: of 46 companies that showed their interest in the initiative, 26 payed to have access to the data room and16 had access to the process of pre-qualification.

Just a few months ago, the first private energy group, Petrobal, was created, working on research, as well as on the extraction of oil and gas. This shows that if Mexico, the second economy of Latin America, is eager to foster its economic development, it has to follow the way of its energy resources.

The development of the Country’s electricity infrastructure, the expansion of the port and road network, a remarkable improvement in education are just some of the reforms and goals implemented by Indonesia, that, in the current year, has been recording a higher commercial surplus than expected in January, while in the rest of the world oil global prices are sinking.

Markets, in fact, have welcomed the decision of introducing energy subsidies reforms but the final implementation of other structural reforms will take a long time and their impact on economic growth will not be immediate. The largest southeastern Asia economy has seen its exports grow by 8% and per year and its imports fall by 15.59%.

"The drop is due to oil global price slump, so that Indonesian economy that recorded 5.0% growth last year, has strongly slackened its growth rates recorded in 2013".

Indonesia is reorganizing its energy production by mainly targeting export markets in order to satisfy the growing domestic consumption. In recent years, Indonesian energy industry has faced up to the challenge linked to regulations' uncertainty, as well as to inadequate investments.

On the other hand, according to the International Monetary Fund, in 2011 investments in infrastructures corresponded to 3% of the Country's GDP, far below the countries nearby.

Yet, Indonesian commercial flows showed high growth rates both in 2010 and in the first six months of 2011, with flows' variations in dollars reaching 36% for exports and 32% for imports. The Country shows, therefore, a global credit balance compared to the rest of the world. The high integration level is also evident by observing the main commercial partners of Indonesia among which, considering the first ten export markets, seven Asian countries together with Australia stand out.

Anyway, despite these efforts, a lot of projects are late and deep uncertainties limit foreign investors' interest.

Nigeria is presently characterized by a potentially favorable economic context, thanks to the essential structural reforms implemented by the new Government, being its economy strongly dependent on the Country's mineral resources (besides oil, coal and tin) and, particularly, on the oil sector.

In fact, the Country is the main African oil producer, besides keeping the largest gas stocks in the continent, as well as ranking among the first 5 LNG's (Liquefied Natural Gas) world exporters. In this sector, it can rely on important strategic partners: Europe is the main Nigerian crude oil exporter; in fact, in 2014, it imported from the above country a little more than 900 thousand crude oil barrels and condensed oil products per day, corresponding to 45% of exports.

As far as the United States are concerned, they annually imported between 9% and 11% of Nigerian oil. Nevertheless, due to the "shale revolution" that led to both an exponential growth of non-conventional hydrocarbon products coming from various deposits and to the present slump in oil prices, this percentage has remarkably decreased, so that, in 2014, United States Nigerian crude oil imports represented less than 1% of the United States overall crude oil imports.

In recent years, Nigeria has become the largest African economy, surpassing by far South Africa in GDP (510 billion dollars against 352) thanks to a process of economic expansion (according to the Economic Outlook published by the African Development Bank in collaboration with OECD and UNDP, Nigeria grew by 89% from 1990 to 2010). Moreover, while in the past, its economy was mainly centered on oil production and export, at present the Country is going to be led by other sectors such as agriculture, ICT, commerce and services. The process is, of course, gradual and somehow difficult, even in terms of its impact on the short and medium-term development, but it will lead the Country not to rely just on one single resource, allowing a more balanced and sustainable growth, that is not necessarily less rapid.

`Turkey, geographically located as a bridge between the East and the West, grew by 9.5% and 8.8% (more than China), in 2010 and 2011 respectively. In the past, its success and development were mainly centered on the agricultural sector that employs almost a third of the overall work force, as well as on industry. Turkey is, in fact, the home of two brands like Beko and Vestel, among the biggest electronic equipment manufacturers (mainly televisions) on a continental scale and it represents a powerful force in such industrial sectors as iron and steel production, motor vehicles manufacturing, as well as transport supply.

Even on the energy side, the Country has seen a particularly remarkable increase in the demand and the use of energy, the highest among OECD members in the last three years. The demand is expected to continue growing remarkably, reaching an average rate higher than 5% in the next 10 years (International Energy Agency estimations). In addition, the Government is planning investments in oil and natural gas extraction, as well as in infrastructures that will allow the Turkish people not to be dependent on imports (oil and gas imports: 93% and 98% respectively), on which the vast majority of national energy requirements are based.

Turkey has, in fact, great ambitions for the future, aiming at becoming one of the world top ten economies by 2023, fully exploiting its potential as a hub of global energy. In order to achieve this goal, the Country will first have to concentrate on the economic exploitation of the national energy resources: wind and geothermal power in the Aegean region, photovoltaic's in the Mediterranean region and in central Anatolia, hydroelectric power in the Black Sea.

This is the only way to be followed in order to implement all the necessary requirements to become a real energy pole going beyond the development of the oil pipelines that are currently crossing or are going to cross the Country (Southern Gas Corridor, Blue Stream, Iran-Turkey pipeline, East Med gas pipeline). This ambition will have to be supported through funding and proper structures, juridical schemes and favorable institutions, as well as a "soft power" approach concerning foreign policy and security. In fact, in a world that is more and more globalised and less and less geolocalised, energy is not local but global and it is absolutely necessary to follow and comply, as far as possible, with the world energy dynamics.

5. COMPANIES A ENTERING THE MINTS MARKET. PROBLEMS TO BE TACKLED

At this point, having made it clear that within the competitive landscape of the MINT countries, the Italian presence is of significant importance, the research made the point on the major obstacles to be overcome by international competitors to set up a business in these countries.

To achieve this goal, a questionnaire was worked out with 12 possible issues that constitute an obstacle not only for the business start-up, but also for the subsequent development of the company; the questionnaire was submitted to a sample of 20 international companies of different size (large firms and SMEs) operating in different sectors (energy, tourism, transportation, clothing, food, industrial, communications, building, etc.).

The work of collecting and processing information was hard because of the difficulty in creating a feed-back with the executives of companies scattered in geographically heterogeneous areas but it made it possible to assess, without pretending to be exhaustive and apart from official data, which was the actual reality with which entrepreneurs had to be confronted every day, in such areas to carry out their business project.

In detail, the managers contacted were asked to indicate in the list provided, the 4 issues that, according to them, represented a real obstacle to the development of their business in these countries (giving a score from 1, the most important, to 4) and whose results are reported below (Table 6).

6. CONCLUSIONS AND IMPLICATIONS

Thus, the results of the analysis carried out made it possible to highlight some final remarks on the development of the MINT countries and the opportunity for international competitors (Italian companies in the lead) to settle in these areas to achieve significant competitive advantages, thus providing some answers to the assumption stated in the introduction. First of all, a certain convergence was identified with regard to some aspects of the policies implemented by governments such as: the stabilization of macroeconomic indicators, increased employment, improved business climate in the countries (streamlining of bureaucracy, tax relief for foreign production settlement and simplified credit access, better protection of investors, a clear tax and commercial law).The adoption of some of these policies that are already in progress has given excellent results, since the macroeconomic and Global Competitiveness indicators as well as those concerning openness to international trade turned out to be satisfactory in most cases, allowing a particularly high market development rate with high-growth sectors (mainly telecommunications, building, energy and infrastructure).

However, it seems too early to speak about a unique model of development of the MINT countries and it is still too early to say whether they will be able, in the near future, to retrace the glorious path of the BRICS countries, in spite of the ambitious long-term goals that the Governments of the countries under study have set themselves.

The remarks that have just been reported, are also the result of the analysis of findings arising not only from secondary sources of the 4 countries concerned, but also from the questionnaire submitted to business executives with reference to the major problems encountered in the development of their business in these countries.

This allowed the development and drafting of the SWOT Analysis, which highlighted the main factors of attractiveness of these economies and the elements that political reforms should improve, as well as the opportunities that entrepreneurs should seize to develop their business and the possible threats that may jeopardize the penetration of businesses in these markets (Table 7).In the light of this analysis, based on the degree of attractiveness of the four economies mentioned, a priority list could be drawn up based on the markets in which to invest that would place Mexico at the top, followed by Turkey, Indonesia, and finally, by Nigeria.

This remark is also supported by the fact that in Mexico, more than in other countries, it is possible to settle production, by adopting strategies of resource seeking (because of the low cost of raw materials and labor), of market seeking (given its already mentioned enviable geographical position considered as strategic between North American and South American continents) and of knowledge seeking (thanks to the presence in the country of various industrial and technological parks that allow increased know-how).

But what strategies should entrepreneurs adopt in these countries?

It is to be emphasized, that the deep linguistic, religious and social differences between the four areas and the country threat, mainly due to the political instability in some areas, suggest, especially for multinational companies wishing to operate simultaneously in these markets to follow a polycentric approach, decentralizing in these countries the primary activities of the value chain, and centralizing, instead, in the country of origin, the management of financial and human resources, research and development.

It is evident that such an approach requires the adoption of a strategy aiming at providing a variety of products that are able to meet the diverse needs of customers in the areas mentioned above.

Looking ahead, can we say that the MINTs will be able to grow, to develop and to impose themselves or will they rather miss this challenge? In the year 2014 the MINTs fully disclosed their strengths to the business community, as well as to foreign investors. It was definitely the year when the four countries analyzed committed themselves completely to grow and impose themselves as an important presence within the vast galaxy of the emerging markets.

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Indicator	Mexico 2011-2013	Indonesia 2011-2013	Nigeria 2011-2013	Turkey 2011-2013
Real GDP Variation (%)	3.9 – 1	6.2 – 5.6	7.5 – 6.7	8.5 – 3.9
Unemployment	5.2 – 4	6.6 – 5.7	30 – N/A	9.8 – 9.6
Public Debt (GDP %)	35.3 – 38.1	24.1 – 26.9	17.8 – 20	39.4 – 36.1
Inflation	3.5 – 3.5	3.8 – 8.38	10.9 – 9	10.45 – 7.4

Table 1. – Macroeconomic indicators

Source: Elaboration of EIU (Economic Intelligent Unit) and IMF (International Monetary Found) data

Index	2012 Val. 0-7	2012 Pos. on 142 countries	2013 Val. 0-7	2013 Pos. on 144 countries	2014 Val. 0-7	2014 Pos. on 144 countries
GCI Mexico	4.4	53	4.3	55	4.3	61
GCI Indonesia	4.4	50	4.5	38	4.6	34
GCI Nigeria	3.7	115	3.6	120	nd	nd
GCI Turkey	4.5	43	4.5	44	4.5	45

Table 2. - Global Competitiveness Index

Source: Elaboration of the World Economic Forum data

Index	**2012 Value (From 0 to 100)**	**2012 Position on 184 countries**	**2013Value (From 0 to 100)**	**2013 Position on 184 countries**	**2014 Value (From 0 to 100)**	**2014 Position on 186 countries**
Index of Economic Freedom Mexico	67	50	67	50	66.8	55
Index of Economic Freedom Indonesia	56.9	108	56.9	108	58.5	100
Index of Economic Freedom Nigeria	56.3	116	55.1	120	Nd	nd
Index of Economic Freedom Turkey	62.5	73	62.9	69	64.9	64

Table 3. - Index of Economic Freedom

Source: Elaboration of the Heritage Foundation data

Index	**2010 Value from (0 to 7)**	**2010 Pos. on 132 countries**	**2012 Value from (0 to 7)**	**2012 Pos. on 132 countries**
ETI Mexico	4	64	4.1	65
ETI Indonesia	4	68	4.2	58
ETI Nigeria	3.1	120	3.1	123
ETI Turkey	4.1	62	4.1	62

Table 4. - Global Enabling Trade Index

Source: Elaboration of the World Economic Forum data

	Mexico		Indonesia		Nigeria		Turkey	
Index – Year 2015	**Position**	**Value**	**Position**	**Value**	**Position**	**Value**	**Position**	**Value**
Position in the global ranking	39		114		170		55	
Starting a Business (Position in the rankings)	67		155		129		79	
Procedures - (number)		6		10		8		7
Time (days)		6		52.5		28		6.5
Cost (% of income per capita)		20		20.1		31.1		16.4
Paid in Min. Capital (% of income per capita)		0		35.5		0		12.1

Table 5. - Doing Business Index – Starting a Business 2015

Source: Elaborations of the World Bank data

Countries	**Mexico**	**Indonesia**	**Nigeria**	**Turkey**
Factors	**2014-2015 (%)**	**2014-2015 (%)**	**2014-2015 (%)**	**2014-2015 (%)**
Tax regulations	10.5	4.3	1.8	9.1
Political instability	2.1	7.2	7.7	3.2
Unskilled labor	4.7	5.8	5.6	11.5
Corruption	19.1	21.2	21.4	3.6
Insufficient talent for innovation	4.3	3.4	1.9	4.8
Regulations on foreign currency	1.1	2.9	1.8	5.8
Inefficient state bureaucracy	13.2	19.6	16.3	14.1
Access to funding	10.9	8.4	16.8	13.2
Crimes and Theft	15.3	5.8	5.2	3.5
Tax rates	5.3	6.8	1.5	13.3
Poor ethical sensitivity by the local labor	3.1	6.7	3.8	5.3
Access to funding	10.4	7.9	16.2	12.6

Table 6. - Factors hindering the business in the MINT countries

Source: Personal elaboration

STRENGTHS	WEAKNESSES
- Favorable climate for investments - Customs union with the European Union - Demographic dividend - Stability of the political, financial and economic system - Number of industrial parks and technological centers - North American Management - Domestic market importance - Strategic geographical position - Agriculture and agro-industry budget - Opportunities for infrastructure and electrical energy requirements - Successful economies - Intense demographic trend - Young and qualified population - Low-cost labor	- Inadequate infrastructure supply - Crimes and thefts - Unskilled labor - Corruption - Inefficient state bureaucracy - Access to funding
OPPORTUNITIES	**THREATS**
- Where to invest Transports and storage; Water supply, sewerage systems; Agricultural products, fishery, forestry; Building; Electric energy, gas, steam, air conditioning; Tourist flows, Motor-vehicles - What to sell Furniture, food products; Machinery and appliances; Building; Motor-vehicles, trailers, semitrailers; Clothing and textile products; Information and communication services	- Tariffs and non-tariff barriers - Exchange rate - Resort to protectionist measures in case of international crisis - Corruption - Infrastructure shortage - Excessive dependence on the oil sector - Gun-fight - Credit access - Market access - Government/Parliament disagreement on policies and reforms adoption

Table 7. – MINTs aggregate SWOT Analysis

Source: Personal elaboration