

Trade Opportunities

An Interview with
Paulina Nazal Aranda, Vice Minister of Trade, Chile

EDITORS' NOTE Paulina Nazal is an economist from the University of Chile and holds a Masters in Applied Economics from New York University. She has taught economics at the Universidad Diego Portales and at the Institute for International Studies of the University of Chile. She joined the General Directorate of International Economic Affairs (DIRECON) in 1994, serving as Economic Adviser in the Services and Investment Department and the WTO Department, after which she moved to the United States to continue her postgraduate studies in her specialty. She worked in New York as an economic and financial analyst at banking institutions, and from 2001 to 2004 she served as an economic consultant for Central America at the Inter-American Development Bank (IDB) in Washington, D.C. and is co-author of the book titled Determinants of Growth in Central America. She rejoined DIRECON in 2006 and for two years she was head of the North America Department of the Directorate of Bilateral Economic Affairs. In 2009 she became head of the Market Access Department.



Paulina Nazal Aranda

more than 60 countries around the world that cover more than 90 percent of our exports. With this network of agreements, we have the opportunity to reach more than 60 percent of the world population and 80 percent of international trade.

When it comes to increasing trade, are you looking to new markets?

We are looking at two things: on one side, to increase participation of exports in the GDP; and, on the other side, new markets for our trade operators.

Currently Chile's exports reach more than 200 markets and our challenge is to find new destinations, but in turn, strengthen ties with

stability, clear rules and standards, and non-discriminatory measures. We have an open economy, so it's very competitive.

This is our country's image and we preserve it and promote it.

As the first female Vice Minister, how special is this role for you?

It's a double responsibility because, being the first, people always ask what my distinguishing feature is going to be after I conclude this period.

A good trait for Chile is that all the trade policy has been consistent through every single government, whether they are politically on the right, the left, or in the center. I would like to keep on that track, but my primary target will be focusing on the new issues that are now in the international trade scenario.

The main characteristics that our economy features are stability, clear rules and standards, and non-discriminatory measures. We have an open economy, so it's very competitive.

Will you talk about the state of the Chilean economy today?

As a small economy, global prices have a major impact on us. Our growth rate at around 2 percent per year is quite good in the global context. It might be seen as a bit low based on the Latin American numbers, but it is stable and it is based on sound rules, standards, and transparency processes, which are evaluated by investors.

How important is political stability in regard to that growth?

It's really important. This stability is an asset of our Chilean economy, and we promote our stability. This is one of the factors that differentiates us from other Latin American economies. Even if we change government, most of our public policies have a long-term view and this keeps foreign partners interested in investing in our country.

What is Chile's position on trade agreements?

For the past 30 years, FTAs have been a critical pillar of our economic development and growth. We have 26 free-trade agreements with

those economies with which we already have agreements to see how we might improve the access of our products and services in those markets. Today, for example, we are working with the countries of the Pacific Alliance to increase the intraregional trade and jointly reach markets in the Asia-Pacific region.

How significant of an investment has been made in telling the story of the strengths Chile has in this area?

We have a couple of characteristics that place us as the best Latin American country in this regard. This is consistent with the most recognized rankings around the world. The main characteristics that our economy features are

In that respect, there are many different areas to address today when negotiating a free-trade agreement, like environmental, labor, and gender issues, particularly promoting the participation of women in the economy. These issues are relevant not only in Chile, but around the world. Many organizations are working to try to place women in a business environment.

Is it hard sometimes to look ahead when you're dealing with daily issues?

It's hard but this is why I'm here – I want to, at least, define the path for the foreseeable future. My expectation is that whatever we decide in the time I remain in this position can be continued by the next administration. ●