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Chile in numbers

- Surface territorial area: 756,950 km² (2)
  - position 37 in the world

- Population: 17.4 million (2012 estimate) (2)
  - position 60 in the world

- GDP 2013: US$ 277,196 million (1)
  - position 37 in the world

- GDP PPP: US$ 386,071 million (3)
  - position 41 in the world

- GDP per capita: US$ 15,732 (3)
  - position 44 in the world

- GDP per capita PPP: US$ 21,911 (3)
  - position 51 in the world

- Mining GDP: 11.1%
Geological potential

Source: USGS Mineral Commodity Summaries (2014)
World copper mining participation

kt Cu

- World total
- Chile

1950: Chile 14%

2014: Chile 31%

Source: COCHILCO, WBMS and Wood Mackenzie
Criticizing society

Environmental awareness
Motivation
Concentration in the world
Reason:

The capital profits grow faster than labor salaries.
Labour pains
Pago al Trabajo en el Ingreso Nacional
Sufrimiento Laboral

All around the world, labour is losing out to capital
Alrededor del mundo, los trabajadores pierden respecto del capital

bijn of the Federal Reserve Bank of San Francisco and Aysegul Sahin of the Federal Reserve Bank of New York. They calculated how much different industries in America are exposed to competition from imports, and compared the results with the decline in the labour share in each industry. A greater reliance on imports, they found, is associated with a bigger decline in labour’s take. Of the 3.9 percentage-
Costo Laboral como % del PGB

Labour costs as % of nominal GDP

- South Korea
- Germany
- Japan
- Britain
- United States
- Mexico

1970 75 80 85 90 95 2000 05 12

Source: OECD
Proporción del Valor Agregado del Capital y el Trabajo: Economía Chilena

Remuneraciones / Valor Agregado
Exc de Explotación / Valor Agregado

Capital Share
Labor Share

Basado en las cifras oficiales del Banco Central - MIPs
Functional Distribution of the Added Value in the Chilean Mining Sector

Source: Chilean Central Bank, Input-Output Tables
Copper Price
Council of Large Mining Firm

- The impact of the mining come from linkages, especially throught the outsourcing.

- Therefore the aims of this papers is to test that statement.
Data

• Input-Output Tables for the Chilean Economy
Direct Effects: A Copper Economy - Capital Share and Labor Share
Direct Effects: A Copper Sector

![Graph showing labor and capital share in the copper sector](image)
Indirect Effects (L-A-I)      Copper Sector

Capital Share

Labor Share
Induced Effects: $(\hat{L} - L)$  Copper Sector
Total Effects: \( \hat{L} \) Copper Sector

Capital Share

Labor Share
Conclusions and Challenges

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