

EXECUTIVE SUMMARY

The export structure of Chile for the period 1810 – 1970 was highly concentrated on natural resources. If we ask economists trained in classical economics about the reasons of that, their answer will be straightforward: it was due to the comparative advantage theory. Despite comparative advantage theory that provided important clues for the understanding of the country's export structure, there were other factors, embedded in the socio-politic-economic arrangement of internal forces, which played a complementary role in shaping Chile's exports.

We analyzed both historically and descriptively the socio-politic-economic evolution of Chile. The analysis covered the period, since the foundation of the country in 1810 and ends up in 1970. The power relationships among interest groups and government have been thoroughly discussed based on the international and the national perspectives. Its aim is to trace back the role played by structurally power interest groups in shaping the export structure of the country. A fundamental recognition of this paper is the systemic nature of societies, by which all different human activities influence each other. Therefore, the export structure of Chile is beyond the sole influence of the theory of comparative advantage.

The historical analysis shows the existence of a tight coalition of interest groups. These groups were powerful enough to influence the economic orientation of Chile and they embodied political and economic power as well. Moreover, they exerted pressures on shaping policies and regulations mainly related to trade policy and taxation system of the country. Accordingly, trade policy and taxation system were the two most important issues that have linked interest groups.

Key words: Interest groups, structural power, export structure, dynamic comparative advantage, path dependence.