

Original: Spanish  
 Translation: FTAA Secretariat

**FTAA - COMMITTEE OF GOVERNMENT REPRESENTATIVES ON THE PARTICIPATION  
 OF CIVIL SOCIETY**

**COVER SHEET**

Name (s)	Jorge Hernán Rubio Parada
Address	Vergara # 749, Dpto. 905, Santiago de Chile
Organization (s) (if applicable)	None
Country (ies) / Region (s)	Chile South America

Number of Pages	2	Language	Spanish
-----------------	---	----------	---------

ISSUES ADDRESSED (Check all that apply)

Agriculture	Subsidies, Antidumping and Countervailing Duties	
Competition Policy	Civil Society	
Dispute Settlement	Electronic Commerce	
Government Procurement	Smaller Economies	
Intellectual Property Rights	The FTAA Process	
Investment	Other:	
Market Access		
Services		

EXECUTIVE SUMMARY – 2 pages maximum – (see Open Invitation):

--

**MIGRATION TO THE BIG CITIES: THE IMPACT ON EMPLOYMENT AND QUALITY OF LIFE**

San Carlos is a town of 50,000 inhabitants, politically and administratively linked to the city of Concepción, located 375 kilometers south of Santiago, Chile. The land is agriculturally rich, producing sugar beet, rice, wheat, barley, corn, oats, and, to a lesser extent, other products such as kiwi and tobacco.

This small city has a labor force of more than 19,350, divided into three broad areas: trade, with 3,950 persons (20%); agriculture and livestock, with 12,850 (65.06%), and other activities, 2,950 persons (14.94%).

Frisac is an agricultural firm specializing in frozen goods, with a market including not only Chile, but a number of other South American countries, as well. It is located in San Carlos and is an important part of the local economy, employing some 900 persons (4.65% of the employed population), consisting of professionals, administrators, machine operators and seasonal workers. Indirectly, it creates employment for another 230 persons. If we consider that each worker's family is made up of 4 individuals, it can be seen that the total number of persons depending directly and indirectly on the enterprise is 1,130.

It goes without saying that the FTAA is important for large economies. But it is also undeniably important in its effect on some regional microeconomies. It is these small economies that, precisely because of their generally unstable characteristics, feel more strongly the impact caused by phenomena such as trade barriers imposed by countries, which lead to reduced production and, inevitably, a decrease in employment.

Given these conditions, heads of families face two courses: the first, a result of despair, leads to varied attempts to escape the reality of the inactivity that envelopes them. In the case of women, this forces the person to take sporadic and low-paid work (cleaning restrooms, washing clothes, etc.), or to emigrate to the big city –inevitably Santiago – in search of better job opportunities that will make it possible to meet the family's economic needs. Once in the city, generally staying with relatives, they constantly search for work, but the disadvantage of having a lower cultural level, combined with requirements such as recommendations and work experience, ultimately destroy individual spirit, bringing the person up against the realities of his or her present, past and future. This situation effectively and invariably worsens the quality of life of those living in the city, especially those living in mid-level and marginal sectors.

Carried over to the real world, the effect of major tariff barriers that exist between Chile and Brazil or other countries can be felt throughout the entire country, creating a crisis not only for those producing agricultural products – generally a businessman with other economic alternatives – but directly affecting the quality of life of hundreds of less fortunate people living in poor economic circumstances, who live far from where these sometimes unintelligible and cold economic and political decisions are made.

This issue is, I believe, one of great importance. Santiago has an annual influx of xxx persons as a result of this phenomenon, leading to increases in population and unemployment, with an indirect effect on crime – causing the city to expand, while lowering the quality of life of all its inhabitants.

The opposite scenario: with the elimination of tariff barriers, Frisac, with greater demand for agricultural products, would invest and produce more, increasing the demand for local labor and generating a small but sound local economy, along with improved quality of life.