

4<sup>TH</sup> EDITION

THE BOARD  
DIRECTORS'  
**SUMMIT**  
CHILE



# Chile: Emergencia Económica y Productividad

Sebastián Edwards  
University of California, Los Angeles  
Noviembre, 2025

# Mirada

**Global Economics  
Paper No: 99**

[Large black redacted area]

---

### Dreaming With BRICs: The Path to 2050

---

- Over the next 50 years, Brazil, Russia, India and China—the BRICs economies—could become a much larger force in the world economy. We map out GDP growth, income per capita and currency movements in the BRICs economies until 2050.
- The results are startling. If things go right, in less than 40 years, the BRICs economies together could be larger than the G6 in US dollar terms. By 2025 they could account for over half the size of the G6. Of the current G6, only the US and Japan may be among the six largest economies in US dollar terms in 2050.
- The list of the world's ten largest economies may look quite different in 2050. The largest economies in the world (by GDP) may no longer be the richest (by income per capita), making strategic choices for firms more complex.

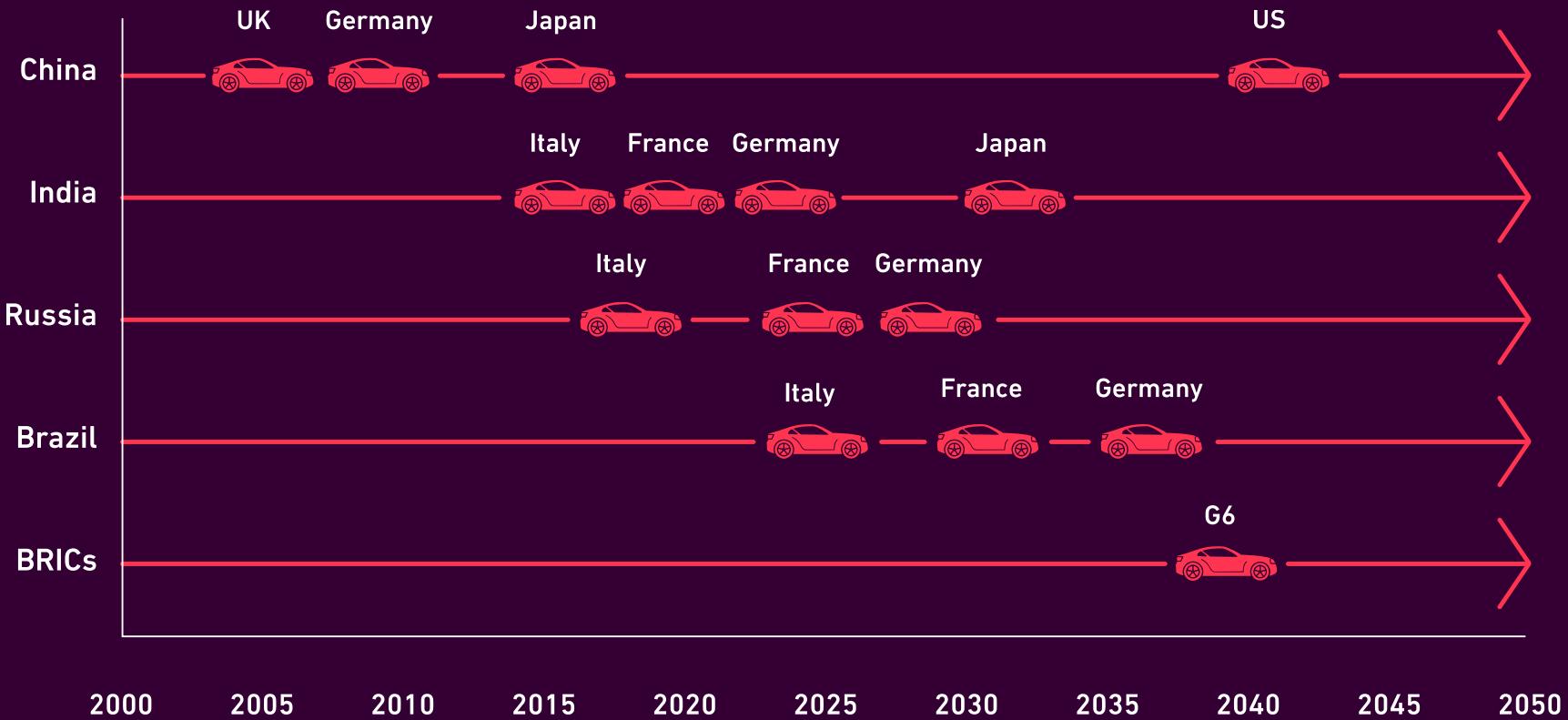
Many thanks to Jim O'Neill, Paulo Leme, Sandra Lawson, Warren Pearson and our regional economists for their contributions to this paper.

**Dominic Wilson  
Roopa Purushothaman  
1st October 2003**

Important disclosures appear at the end of this document.

a vuelo  
de pájaro

Chile:  
Emergencia  
Económica y  
Productividad



**Overtaking the G6:**  
When BRICs' US\$GDP Would Exceed G6

\* Cars indicate when BRICs US\$GDP exceeds US\$GDP in the G6

# *Appendix I: A Long-Term Model of Growth and Exchange Rates*

---



## **Growth Model**

---

We provide detail on the underlying assumptions of our models. The model relies on a simple formulation of the overall level of GDP ( $Y$ ) in terms of a) labour ( $L$ ) b) the capital stock ( $K$ ) and c) the level of “technical progress” ( $A$ ) or Total Factor Productivity (TFP).

We assume that GDP is a simple (Cobb-Douglas) function of these three ingredients:

$$Y = AK^\alpha L^{1-\alpha}$$

where  $\alpha$  is the share of income that accrues to capital.

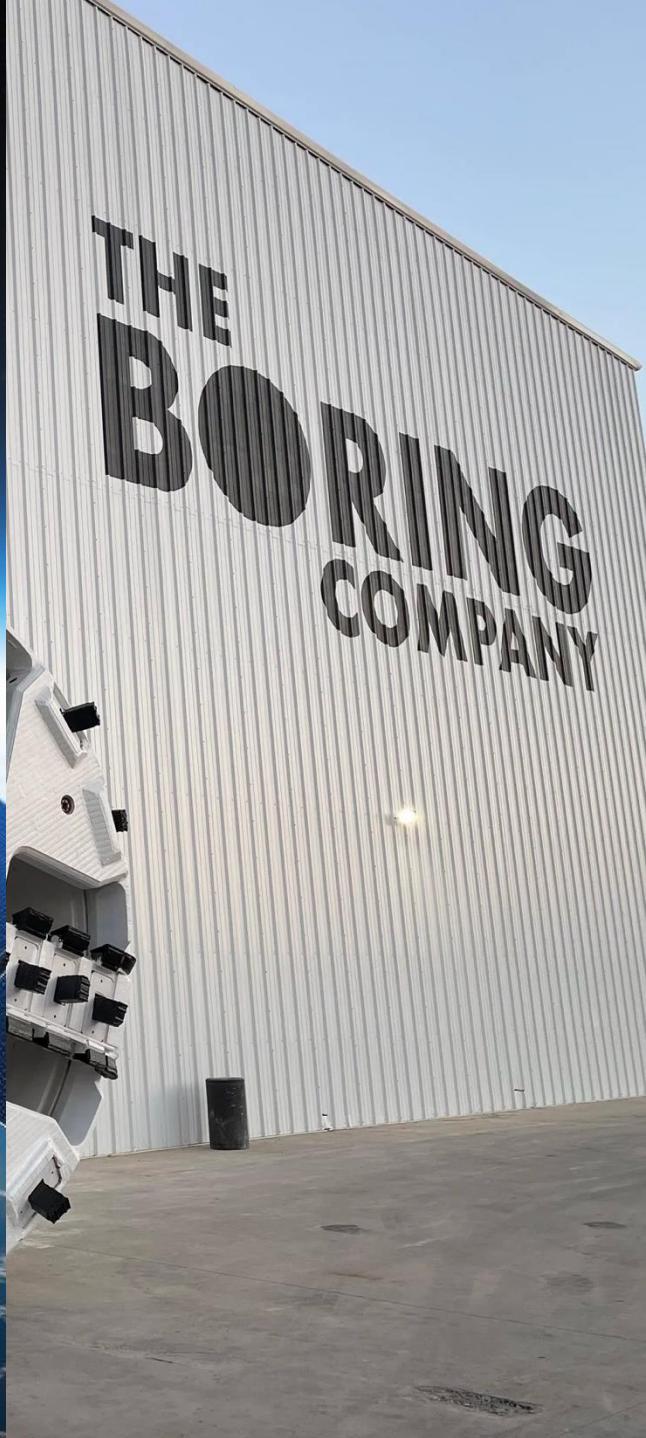
We then need to describe the process by which each of the different components (labour, the capital stock and TFP) change over time.

rate for the US.

The assumptions needed to generate the forecasts are summarised below:

- Labour force and population, from the US Census Bureau projections
- Depreciation rate ( $\delta$ ) assumed to be 4% as in the World Bank capital stock estimates
- Investment rate assumptions based on recent history, for Brazil (19%), for India (22%) for Russia (25%) for China (36% until 2010, declining to 30% thereafter).
- Income share of capital assumed to be 1/3, a standard assumption ( $\alpha$ ) from historical evidence

Bajarlo al nivel de la empresa...  
Pensemos en algunas de las compañías más  
innovativas del mundo...  
**y qué podemos aprender de ellas...**



Qué tienen en común estas compañías,  
además de su devoción por la eficiencia?

A portrait photograph of Elon Musk, a man with short brown hair and blue eyes, wearing a dark turtleneck and a dark blazer. He is looking directly at the camera with a neutral expression. The background is a solid, muted blue.

# Elon Musk

# Los 5 principios de Elon Musk que debiéramos adaptar para adoptar al nivel nacional

1

Question every requirement.

2

Delete any part or process you can.

3

Simplify and optimize.

4

Accelerate cycle time.

5

Automate.

En Chile hay que  
agregar a lo menos  
dos elementos:



cultura

4<sup>TH</sup> EDITION  
THE BOARD  
DIRECTORS'  
**SUMMIT**  
CHILE



Sebastián Edwards  
University of California, Los Angeles  
Noviembre, 2025