

U.S. Engagement in Chile: Supporting Entrepreneurship as a Tool for Empowering Women

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During the Women's Ministerial Forum, the Academy for Entrepreneurs (AWE) of the Coquimbo Region held its graduation ceremony, 2019/ U.S. Embassy Santiago, Chile/ <u>Flickr/ Creative Commons License</u>

Gender inequality is a recent theme of cooperation between Chile and the United States.¹ In attempts to reduce economic disparities between men and women, American actors in the public and private sector have opted to promote projects with incentives for female entrepreneurship and leadership, focusing on forging pathways towards economic autonomy for women.² In this sector the actions of the United States Embassy in Chile and the corporation Mujeres del Pacífico stand out, as well as the Chilean North American Chamber of Commerce (AmCham Chile).

Between the member countries of the Alianza del Pacífico (Pacific Alliance),³ Chile represents the second highest rate of entrepreneurship among adult women (19.6 percent), trailing only Peru (22.9 percent). ⁴ However, among Chilean entrepreneurs, only 57.2 percent of women claim to view entrepreneurship as a positive opportunity, compared to 75 percent of all entrepreneurs. 34 percent of all women in Chile claim to have started a business out of necessity, the highest rate among the four alliance countries. This percentage is 18.8 percent for men.⁵

In Chile the majority of single parent and lower income households are led by women. At the same time, the level of workforce participation is 51.8 percent for women and 74 percent for men.⁶ In contrast, Chilean women dedicate on average 5.3 hours per day to unpaid work in the home whereas men spend 2.4 hours on these activities.⁷ This disparity decreases female access to the job market and education,⁸ and decreases their capacity to generate a satisfactory return on



investment as entrepreneurs. Women also tend to choose small businesses with lower risk that require less time commitment than men.⁹

Academy for Entrepreneurs (AWE) and public-private cooperation

The Academy for Entrepreneurs (AWE) is a program run in Chile by the U.S. Embassy together with Mujeres del Pacífico, a B-Corporation created in 2013. This corporation's main objective is to provide information, generate networks, and train women entrepreneurs in Latin America, with special attention to Chile, Colombia, Mexico and Peru.¹⁰ Since 2015, Mujeres del Pacífico has been part of the B-Lab classification as "Best for the World."¹¹

The Academy for Entrepreneurs in Chile originated in 2018 through a U.S. governmental program¹² looking for organizations with the capacity to execute a training project for women entrepreneurs in Chile using the *Dream Builder* digital platform.¹³ Mujeres del Pacífico was chosen, and since then has worked together with the U.S. Embassy in Chile using entrepreneurship as a tool to achieve female financial growth.¹⁴ The AWE pilot in Chile was executed in 2019 in Coquimbo with 25 beneficiaries.¹⁵ According to Fernanda Vicente, president and founder of Mujeres del Pacífico, the end of the first edition of the program coincided with the event, *La Serena Roadmap for Women and Inclusive Growth* (APEC 2019). This was an important moment for U.S. authorities in Chile to be able to observe the results of the *Academy for Women Entrepreneurs - Chile*. Because of the positive outcome, AWE Chile supported this same initiative in Peru.¹⁶

The second edition of the AWE in Chile, launched in 2020, was carried out through a proposal made by the U.S. Embassy in Chile to the Department of State to expand the project in Chile. Since then, in addition to the U.S. Embassy in Chile and Mujeres del Pacífico, the Chilean government has also collaborated through the Technical Cooperation Service (Sercotec) based in the Ministry of the Economy.¹⁷ The second edition of the AWE expanded both the number of regions and women participating (120 in total), extending to Antofagasta, Rapa Nui, Temuco, and Santiago.¹⁸ AWE in Santiago also collaborated with Amazon Web Services.¹⁹

The U.S. Embassy in Chile has demonstrated commitment to gender equality in Chile through the training of women in leadership, innovation, and technology. In addition to the AWE, the embassy held seminars such as "Mujeres que emprenden, sociedades que florecen" (Women who Work, Societies that Flourish), and "Mujeres en el campo de la ciencia y políticas públicas" (Women in the Fields of Science and Public Policy).²⁰ The Embassy also executed programs such as *Pink Balls for Girls en Chile: Nivelando la Cancha*, focusing on girls between ages eight to 18. Furthermore, the Embassy has regularly produced podcasts from 2015 to the present, which discuss inequality and gender identity, entrepreneurship, and female leadership, among other topics.

AmCham Chile and the role of companies in female entrepreneurship

Another relevant actor in promoting female entrepreneurship programs and financial autonomy for Chilean women is the Chilean North American Chamber of Commerce (AmCham Chile). Founded in the city of Valparaíso in 1918, AmCham Chile is one of the oldest chambers of



commerce in the country.²¹ It was a major collaborator in the signing of the Free Trade Agreement between both nations, and is associated with the U.S. Chamber of Commerce and the American Association of Chambers of Commerce in Latin America (AACCLA).²²

AmCham has supported private companies for both training and the dissemination of programs to promote female entrepreneurship. These initiatives range from talks, workshops, circulation of awards and scholarships, and the organization of events and fairs. Some examples include the Santander Banefe National Award for Women Micro Entrepreneurs,²³ created in 2001 by Santander Banefe, and the *Silicon Valley Impact 2014*,²⁴ an initiative focused on female thought leaders, entrepreneurs, and decision makers. This program was organized and executed through AmCham's collaboration with the Chile California Council as well as with *BeSTinnovation*, and *Springboard Enterprises*. In 2015, AmCham Chile held the first Female Innovators Fair "Hecho en Valparaíso" (Made in Valparaíso).²⁵

The Chilean North American Chamber of Commerce also promoted Chile's public bank BancoEstado's CreceMujer Program,²⁶ which focuses on providing both financial and non-financial services to women.²⁷ This year, BancoEstado's president, Ricardo de Tezanos Pinto, and the minister of Women and Gender Equality, Mónica Zalaquett, launched the "Sello CreceMujer" (Female Growth Stamp).²⁸ In 2020, Oracle, a partner of AmCham Chile, inaugurated the women entrepreneur's version of the Sales Academy Program,²⁹ whose main objective is to offer advice and support women creating startups.

AmCham Chile has also held seminars and workshops that seek to prevent gender disparity in business. In 2012, they organized a workshop at the W hotel in Santiago with Mariela Dabbah, Founder and CEO of the Red Shoe Movement,³⁰ where 150 female entrepreneurs and executives participated. In 2021, the Chamber of Commerce invested in creating Webinars such as "Iniciativa de Paridad de Género: Conociendo el programa y las experiencias de las empresas adheridas" (Gender Parity Initiative: Understanding the Program and the Experiences of Member Companies), ¿Cómo afectó la pandemia al desafío de la equidad de género? Diagnóstico y propuestas" (How did the pandemic effect the challenge of gender equality? Analysis and Proposals), La mujer en la profesión legal: Experiencia y buenas prácticas" (Women in the Legal Profession: Experience and Best Practices) executed together with Microsoft, and "Inclusión laboral y equidad de género ¿Cómo potenciar el rol de la mujer en el mundo laboral?" (Workforce Inclusion and Gender Equity: how can we enhance the role of women in the workforce?).

In summary, the U.S. public and private sector has regularly promoted female entrepreneurship and the training of businesswomen as a means of reducing economic gender inequality in Chile. Cooperation in this area is recent and programs such as the AWE have just been launched. Although there are no clear metrics on the impact of the U.S. programs in Chile relating to gender. The perception is one of growth in the U.S. commitment to this issue.³¹



Endnotes

¹ In the framework of tripartite relations that include El Salvador, Chile and the U.S. have worked together since 2012 collaborating on annual training courses to assist judges in the fight against sexual and gender-based violence. Over time, the U.S. Embassy in Chile has promoted a series of initiatives focused on the empowerment and training of women leaders. However, Chile and the U.S. do not maintain any Framework Cooperation Agreements focused specifically on women. Ministerio de la Mujer y la Equidad de Género de Chile. "Acuerdos Marco de Cooperación con Mecanismos de la Mujer de otros países." Accessed on September 17, 2021. https://minmujeryeg.gob.cl/?page_id=3741.

² Fernanda Vicente, president and founder of Mujeres del Pacífico, affirms that cooperation on gender and entrepreneurship issues between the U.S. and Chile has grown and, according to her, "when there are changes in administration, both at the government level and that of international organizations, it is very rare that leadership tends to reevaluate issues, shifting priorities. Meanwhile, in Chile there has been a continuous desire for this cooperation to grow." Interview with Fernanda Vicente, president and founder of Mujeres del Pacífico, for the project "Assessing the Cumulative Effects of U.S. Engagement in Uruguay and Chile." July 21, 2021. ³ Chile, Colombia, Mexico and Peru.

⁴ Mujeres del Pacífico (2017). "Programas de Apoyo al Emprendimiento Femenino en la Alianza del Pacífico." Accessed on September 18, 2021. <u>https://home.mujeresdelpacifico.org/uploads/library/5b96f4d0a1270_1er-Informe-MdP-ASELA-OAP.pdf.</u>

⁵ Ibid.

⁶ United Nations (2019). "Gender Inequality Index (GII)." Accessed on September 20, 2021. http://hdr.undp.org/en/content/gender-inequality-index-

gii?utm_source=EN&utm_medium=GSR&utm_content=US_UNDP_PaidSearch_Brand_English&utm_campaign= CENTRAL&c_src=CENTRAL&c_src2=GSR&gclid=CjwKCAjw7rWKBhAtEiwAJ3CWLCrzIFjBIgMpCiIAQsUL 8 ko_f526MUa_u7g7r80cniohdLAB6rwTRoC4s4QAvD_BwE.

⁷ El Mercurio (2019). Trabajo no remunerado del hogar: La economía invisible. Accessed on September 20, 2021. https://digital.elmercurio.com/2019/11/26/RVYA/JF3J3OFC#zoom=page-width.

⁸ Alonso et al. (2019). <u>https://www.imf.org/en/Publications/WP/Issues/2019/10/15/Reducing-and-Redistributing-Unpaid-Work-Stronger-Policies-to-Support-Gender-Equality-48688.</u>

⁹ Mujeres del Pacífico (2017). "Programas de Apoyo al Emprendimiento Femenino en la Alianza del Pacífico." Accessed on September 18, 2021. <u>https://home.mujeresdelpacifico.org/uploads/library/5b96f4d0a1270_ler-Informe-MdP-ASELA-OAP.pdf.</u>

¹⁰ Mujeres del Pacífico (2017). "¿Qué es Mujeres del Pacífico." Accessed on September 18, 2021. https://home.mujeresdelpacifico.org/nosotras.

¹¹ BLab. "B Impact Report: Mujeres del Pacífico." Accessed on September 18, 2021.

https://bcorporation.net/directory/mujeres-del-pac%C3%ADfico.

¹² The Academy for Entrepreneurs (AWE) is part of the Women's Global Development and Prosperity Fund, led by the U.S. government.

¹³ DreamBuilder is an online platform that teaches women business fundamentals. Freeport-McMoRan partnered with the Thunderbird School of Global Management to create the curriculum.

¹⁴ "[The U.S. Embassy team] has traveled to the closing and opening sessions [of AWE]; they have provided us with feedback intended to help move the project forward. They are very enthusiastic about the personal stories women share. So, I can affirm that regarding entrepreneurship there is a commitment." Interview with Fernanda Vicente for the project "Assessing the Cumulative Effects of US Engagement in Uruguay and Chile." July 21, 2021.

¹⁵ U.S. Embassy in Chile (2019). "Con el apoyo de la Embajada de los EE.UU. en Chile: 25 nuevas empresarias para Coquimbo." Accessed on September 18, 2021. <u>https://cl.usembassy.gov/es/con-el-apoyo-de-la-embajada-de-los-ee-uu-en-chile-25-nuevas-empresarias-para-coquimbo/.</u>

¹⁶ Fernanda Vicente, president and founder of Mujeres del Pacífico, interview for the project "Assessing the Cumulative Effects of US Engagement in Uruguay and Chile." July 21, 2021.

¹⁷ "It made sense for them to work with Sercotec, since they had a similar model to that of the U.S. Additionally, Sercotec wasn't working on any gender related issues (...) so it was beneficial for both parties." Interview with Fernanda Vicente for the project "Assessing the Cumulative Effects of U.S. Engagement in Uruguay and Chile". July 21, 2021.



¹⁸ U.S. Embassy in Chile (2020). "Academia para Mujeres Emprendedoras capacitará a mujeres de Antofagasta, Rapa Nui, Santiago y Temuco." Accessed on September 18, 2021. <u>https://cl.usembassy.gov/es/academia-para-mujeres-emprendedoras-capacitara-a-mujeres-de-antofagasta-rapa-nui-santiago-y-temuco/.</u>

¹⁹ Mujeres del Pacífico "Academia para Emprendedoras (AWE): Alianza Embajada EE. UU- AMAZON-SERCOTEC". Accessed on September 17, 2021. <u>https://home.mujeresdelpacifico.org/academia-para-</u> emprendedoras-awe.

²⁰ With support from the la Universidad de Talca and American Academy of Science and Technology.
 ²¹ AmCham Chile. "Nuestra Historia". Accessed on September 20, 2021.

https://www.amchamchile.cl/nuestra-historia/.

²² Ibid (2020). "Con paridad de género y una participación histórica, socios de AmCham eligieron a nuevos directores." Acceso en 20 de septiembre de 2021. <u>https://www.amchamchile.cl/2020/11/con-paridad-de-genero-y-una-participacion-historica-socios-de-amcham-eligieron-a-nuevos-directores/.</u> Currently, the AmCham Chile Board of Directors has an equal quorum of six male directors and six female directors, all of whom serve until 2023.
²³ Ibid (2008). "Premio nacional Santander Banefe a la mujer microempresaria." Accessed on September 20, 2021.

https://www.amchamchile.cl/2008/05/premio-nacional-santander-banefe-a-la-mujer-microempresaria/. ²⁴ Ibid (2014). "Programa para mujeres Silicon Valley Impact 2014." Accessed on September 20, 2021.

https://www.amchamchile.cl/2014/04/programa-para-mujeres-silicon-valley-impact-2014/.

²⁵ Ibid (2015). "1^a Feria de Mujeres Innovadoras "Hecho en Valparaíso."" Accessed on September 20, 2021. https://www.amchamchile.cl/2015/10/1a-feria-de-mujeres-innovadoras-hecho-en-valparaiso/.

²⁶ AmCham Chile (2017). "Ministerio de la Mujer y BancoEstado impulsan empoderamiento económico de la mujer." Accessed on September 20, 2021. <u>https://www.amchamchile.cl/2017/03/ministerio-de-la-mujer-y-bancoestado-se-unen-para-impulsar-empoderamiento-economico-de-la-mujer/</u>

²⁷ Currently, BancoEstado finances 88, 941 micro and 5,426 small female businesses-owners in Chile. (AmCham Chile 2017).

²⁸ Ministerio de la Mujer y la Equidad de Género de Chile (2021). Accessed on September 12, 2021. <u>https://minmujeryeg.gob.cl/?p=44252.</u>

²⁹ AmCham Chile (2020). "Oracle lanza Academia de Ventas para Mujeres Emprendedoras." Accessed on September 20, 2021. <u>https://www.amchamchile.cl/2020/10/oracle-lanza-academia-de-ventas-para-mujeres-emprendedoras/</u>.

³⁰ AmCham Chile (2012). "Taller de AmCham para Mujeres." Accessed on September 20, 2021. https://www.amchamchile.cl/2012/09/taller-de-amcham-para-mujeres/.

³¹ Fernanda Vicente described the U.S. Embassy's commitment to the AWE project in Chile as "complete" and "rare" [in the positive sense], since they have typically worked with companies and other organizations who have been less involved. This opinion was also shared by Paula Wikle, Cultural Attaché of the U.S. Embassy in Chile. Interview with Fernanda Vicente for the project "Assessing the Cumulative Effects of U.S. Engagement in Uruguay and Chile." July 21, 2021.



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