

Chile President: U.S. 'printing money' will not solve economic problems -

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Editor's note: Watch Quest Means Business on CNN International, 0600pm GMT. Quest Means Business is presented by CNN's foremost international business correspondent Richard Quest. Follow him on Twitter. Watch more from Chilean President Sebastian Pinera on CNN's Business Traveller.

(CNN) -- The Federal Reserve "printing money" will never solve the economic problems in the U.S., Chilean President Sebastian Pinera has told CNN.

Pinera's comments follow the Fed's September announcement it will launch its third round of quantitative easing to combat the country's stagnating economic growth and unemployment rate of 8.1%.

Pinera said the U.S. policy of monetary stimulus is a "concern" for Chile and other countries in South America such as Brazil. He added: "You need to take account of the fiscal deficit... People want miracles. But in economics, you don't have miracles. You just have good policy and hard work."

Pinera also warned Europe "to make up their minds" on the debt crisis. Countries in the 17-nation currency bloc are grappling with soaring budget deficits and high government borrowing costs.

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He said: "Countries like Spain, Italy and Greece, they will have to tighten their belts. But other countries like Germany will have to help them in that process. And that is not happening yet."

Chile is considered one of the most stable and secure countries in South America, according to reports by the Organization of Economic Cooperation and Development and the World Bank.

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The country -- a long strip that spans the western coast of South America -- is rich in mineral resources, particularly copper. In addition to low fiscal debt and political stability, the country's exports grew 17% in 2011 compared with a year earlier.

Pinera attributes Chile's integration into global markets to free-trade agreements with China, the U.S. and Europe and the government's mission to transform the country into a developed nation before 2020.

He said: "Here in Chile you have got a very pro-business environment." The country, he added, "is growing at more than 6% a year. That is creating jobs like never before, and at the same time reducing poverty and inequality."

Despite a dip in approval ratings, Pinera is positive on the future and says that now the Chileans are beginning to see the benefits of their labors.

"I think that the best is yet to come. We have invested so much that I hope that the next two years will be a time for harvest... And I hope that people are realizing that a country like Chile is able to achieve goals that

were perceived as impossible only a few years ago."

CNN's Oliver Joy contributed to this report

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