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President Michelle Bachelet met with Thailand's Deputy Prime Minister and Minister of Commerce, Mingkwan Sangsuwan.

"We can go further"

President Bachelet's third annual Message to the Nation, on May 21, provided an opportunity to reemphasize her administration's focus on social protection. In so doing, she also described the kind of country Chile will be upon reaching the bicentennial of its independence in 2010: a nation with enhanced public freedoms and workers' rights, a vigorous nation which has achieved a higher level of development and where growth translates into increased well-being for all.

The President also stressed that agreements across political currents must help drive future progress: "If our agreements have built Chile, then Chile must continue building agreements." Because of this, and because "we are all responsible for ensuring that liberty and law, development and equity become an increasingly tangible reality for all Chilean men and women," the President insisted that "we can go further."



Concretely, she announced a special one-time payment for retirees; the creation of the Bicentennial Fund, providing scholarships for 30,000 students to pursue professional studies abroad in the coming decade; substantial investments in health care and public works infrastructure; and the elimination of import duties on machinery and equipment.

The announced measures reflect an investment of over 220 million dollars

Two years and two months into her administration, progress has been made on more than half of her original commitments, the President emphasized, calling for the vigorous pursuit of the country's development agenda. "A central achievement of these two years has been establishing the social protection system as a true national objective. Our aim has been to lay the foundation for a social and democratic state under the rule of law, leaving behind assistentialist social policies and moving toward a focus on individual rights," stated the President.

Significant help for 1,500,000 retirees will come in the form of a special payment of 42 dollars, while a proposed bill to assist small and medium-sized businesses will eliminate tariffs on imported machinery and equipment. Both measures have already been submitted to Congress.

There is also good news for education. The university entrance examination (Prueba de Selección Universitaria, PSU) will be administered without cost to students at public schools and subsidized private schools, and in 2009, 30,000 computers will be awarded to the most outstanding seventh-grade students

DID YOU KNOW?

- ★ Chile is the only Latin American country to offer classes in Mandarin Chinese in municipal schools, a pilot project which started three years ago. The first "Chinese-speaking generation" will graduate this year, with the top three students receiving one-year scholarships to Beijing's Language and Culture University.
- ★ It is now clear: the first known human settlement in the Americas was established in Monteverde – in Chile's Los Lagos Region – over 14,000 years ago. According to the periodical *Science*, U.S. scientists reached this conclusion after diverse analyses at the site, including a study of marine algae, which were used for food and medicine in the settlement.
- ★ The Chilean national polo team emerged victorious after defeating Brazil in the 8th World Polo Championship, held in Mexico City in May. Matías Vial, number 4, was honored as the tournament's most outstanding player.

QUOTES FROM PRESIDENT BACHELET

"Today, Chile's Carabineros are the expression of the rule of law. They are the expression of the defense of the law. They are the expression of the values which give meaning to our democratic form of government. And if all of our people have shared the institution's pain, it is because they see the Carabineros as an institution that effectively defends peace, liberty and law, which are the foundations of our social fabric."

At the funeral of the General Director of the Carabineros, José Alejandro Bernales. Santiago, June 1, 2008.

"I have not tired of repeating it: we grow in order to include, and include in order to grow (...). We are not forced to choose between growth and equity, because both of these things are ethically indispensable (...). State action is absolutely necessary for the elimination of poverty and inequality."

In her Message to Congress. Valparaíso, May 21, 2008.

"This Summit offers a propitious occasion to take a leap forward in our relationship, so that Latin America and the Caribbean can fulfill the Millennium Objectives, reduce hunger and poverty, enhance social cohesion, consolidate democracy and advance toward more sustainable development, which will also help effectively confront climate change and our current challenges in the area of energy."

In her address to the Fifth Summit of EU and Latin American and Caribbean Heads of State and Government. Lima, May 16, 2008.

"It is a great pleasure to welcome you to our country. From now on, it will also be your country. We hope that you will find a home in this land, a place where your children can grow, develop and be educated, while enjoying security and guaranteed rights. We hope that you will feel part of this society and contribute to building it – but also that you will be able to follow your own dreams and pursue your own projects."

In welcoming 117 Palestinian refugees to Chile. La Moneda Palace. Santiago, May 15, 2008.

from the most vulnerable 40% of the population. In the area of health, an additional 600 million dollars will be invested, and in support of labor, a National Union Institute will be created. The President also insisted that she will not cease her efforts to win voting rights for Chileans living abroad, while announcing that the Foreign Ministry will be modernized to "more effectively confront the challenges posed by the international environment."

Environmental policies were not neglected: on June 5, a bill was submitted to Congress to create a Ministry of the Environment and an Environmental Superintendency; the government will also submit an initiative proclaiming Chile's waters a "free zone" where whaling is prohibited. The same measure also enshrines Chile's whales as a natural monument.

A "general of the people"

From May 30 to June 1, thousands of people came out into the streets to bid farewell to the General Director of the Carabineros, José Alejandro Bernales, who died in a helicopter accident, together with his wife and four other members of his delegation, during an official visit to Panama.



Heedless of the hour and the cold weather, the mourners formed long lines to pay homage to a man defined above all as "very Chilean, frank and honest," who guided others with a firm hand, but was not ashamed of shedding tears when "one of my Carabineros" was killed.

The Carabineros are Chile's police force, and in a recent poll, 57% of Chileans stated that they consider the Carabineros the country's most trustworthy institution.

On the path to greater equity

It was nine months of hard work, with countless meetings and discussions that sometimes became heated. Finally, the Presidential Advisory Council on Work and Social Equity – convened by President Michelle Bachelet in August 2007 – delivered its 16-point report with recommendations for social policies to benefit the most vulnerable segments of society.

The document focuses on four target groups: low-income families; working men and women; young people and students; and small businesses. Its proposals include increasing the flexibility of parental leave; subsidizing women's salaries; offering a 30% subsidy to individuals earning less than 320 dollars a month; providing a 20-dollar payment to the poorest families for each living child; and supporting top public school students with an average of 857 dollars, along with subsidies to help finance their higher education.



Thanking the Council for their proposals, President Bachelet assigned a committee of ministers to analyze them further. She noted that some of the suggestions may be written into law, while others can be implemented through specific programs. The first measures are hoped to be approved before the end of the year.

The Council was created to help modernize the labor market by proposing measures to improve labor relations and salaries; increase productivity and competitiveness; enhance worker training; and in general, combat inequities faced by Chilean workers.

FACTS

In a public survey in Spain, President Michelle Bachelet received the most favorable evaluation among Latin American leaders, with a score of 4.93. The study was part of the 2007 Latinobarómetro, undertaken in Madrid by the Center for Sociological Research. President Bachelet was followed by Lula da Silva with 4.61; Álvaro Uribe with 4.40 and former Argentine President Néstor Kirchner with 4.22. Hugo Chávez received the lowest evaluation: 1.27. Fidel Castro obtained 1.89 points, and George Bush, 1.99.

Chile and Australia have successfully concluded negotiations for a Free Trade Agreement, which will include the exchange of goods, services, investments, public purchases and intellectual property, as well as a chapter on cooperation. The agreement will give Chile preferential access to a country with a per-capita income of 37,000 dollars, as well as a vast territory and a wealth of natural resources.

The United Nations General Assembly has selected Chile as a new member of the Human Rights Council for a three-year term. The country obtained the top majority in Latin America, with 176 votes, and the 5th on the world level. The other representatives from the region are Brazil and Argentina.

A study by the Economist Intelligence Unit (EIU) named Chile as the safest country in the region and 19th in the world for the most secure living conditions.

Chile stands 8th for its transparency and good practices in a ranking of 34 Sovereign Wealth Funds prepared by the Institute for International Economics in Washington DC.

Chile obtained second place, after France, with 10 Great Gold Medals at the Concours Mondial de Bruxelles, held in Bordeaux, one of the world's most prestigious wine competitions. Out of 6,189 samples, only 58 wines achieved this maximum recognition.

Santiago's Sculpture Park has been internationally recognized as an open-air museum by the International Council of Museums. Inaugurated in 1986, it includes the work of 28 artists.

Summit in Lima

A very important event for President Michelle Bachelet in May was the Fifth Summit of the European Union and Latin America and the Caribbean, held in Lima on the 15th and 16th. The Summit brought together Heads of State and Government from both regions as well as representatives of 40 countries and diverse organizations. The issues addressed included poverty, inequality and inclusion, sustainable development, the environment, energy and climate change.

In her address at the Summit, the President pointed to the need for concrete measures to combat poverty and exclusion, using effective tools to take charge of this challenge for the region's peoples. Toward this aim, she called for the forging of a stronger bi-regional political alliance.

Within the framework of the Summit, she also held a series of bilateral meetings, conferring with the so-called EU "troika" as well as German Chancellor Angela Merkel, among others.



Taking advantage of her stay in Lima, President Bachelet also visited the O'Higgins House Museum, which is currently under renovation. Bernardo O'Higgins, the founding father of Chilean independence, lived there during his exile in Peru. As well as allowing the public to visit the room where he died, the renovated museum will also include an exhibit highlighting the milestones of O'Higgins' life.

The South American Union

With the signing of the Constitutive Treaty of the Union of South American Nations, the historic Summit held in Brasilia on May 23 – at which 12 South American presidents created Unasur, "South America's first great forum" – came to a close.

Approved unanimously, the pact sets forth fundamental principles for maintaining territorial peace, stressing unrestricted respect for the sovereignty, integrity and inviolability of each member State. Aimed at strengthening political dialogue, it will provide opportunities for joint action in the region and help construct a common identity. With this step, the "continental society" has acquired official status under international law, paving the way for its emergence as a global participant, with a voice and a vote in the world.

President Michelle Bachelet was elected as Unasur's first president pro tempore. In her address, she stressed the need to promote physical integration within the region, calling it "an extremely powerful tool for development" which will lower the costs of trade among countries on the continent and with other parts of the world. The President also thanked the assembled Heads of State for their support: "It honors me and the people I represent, but above all, it fills us with satisfaction because it provides the opportunity for all of us to work together on the new tasks of integrating the South American nations."



Support for new energy sources

Chile's diverse geography and the abundance of sunny days in many of its regions offer ideal conditions for the use of alternative energy. In response to the need for supply security, economic efficiency, environmental sustainability and diversification of the energy mix, the government has enacted a law to promote the use of non-conventional and renewable energy sources, such as wind, solar, geothermal, biomass and wave power.

OVERHEARD

"Being a member of this body (the UN Human Rights Council) is not easy; exercising vigilance in promoting fundamental rights is not a simple task, it often entails costs and difficulties. The distinction represented by the fact that Chile has been elected as a member of this Council is a recognition of the confidence placed in Chile in this area."

José Miguel Vivanco, executive director of Human Rights Watch. Washington, May 21, 2008.

"During these two years, we have built up great confidence between our nations, not only between our peoples but also our business communities and our armed forces. I salute the Armed Forces of Chile, who paid homage to Eduardo Abaroa, something that had never been done before."

Evo Morales, President of Bolivia. Lima, May 15, 2008.

The law includes measures to attract increased investment, eliminating barriers to entry for diverse energy suppliers and ensuring compatibility with the country's existing electricity markets. One of them is that energy companies must derive at least 10% of the electricity they provide to the national grid each year from renewable sources.



Several renewable energy initiatives are already underway in Chile, contributing some 267 megawatts – a figure which is expected to triple over the coming decade. One example is the Canela Wind Park, in the Coquimbo Region, inaugurated by President Bachelet in December 2007. It includes eleven wind turbines, each 80 meters in height.

In the same region, the Talinay Wind Park will be constructed between 2009 and 2012, becoming Chile's largest with 173 wind power generators. In the area of geothermal energy, the Chillán Thermal Springs Project in the Biobío Region is especially noteworthy, while the Biomass Cogeneration Plant in Horcones uses waste products from the cellulose industry to produce fuel and generate electricity.

Ancestral homes

Very soon, across the landscapes of the Araucanía Region new constructions will appear whose design resembles traditional Mapuche dwellings, or *rucas*.

The initiative arose from a new Ministry of Housing project which provides housing subsidies to a group of *machis*, or traditional healers, from this ethnic group. The idea is to support them in continuing their work and maintaining their traditions.



The *rucas* – traditionally made of adobe, with poles of coligüe wood and a thatched roof – are now constructed from solid materials. Within their 49 square meters, they contain at least two bedrooms, along with a kitchen, dining room, fireplace, bathroom and consulting room. Their locations are carefully chosen, in sites where – according to the healers – "the convergence of forces favor the restoration of balance in people who are ill." The dwellings are also oriented toward the rising sun, which is directly related to the powers of healing, according to Mapuche culture.



"Austria and Chile are democratic nations; they are States which respect human rights and are conscious of their responsibilities in the world."

Alfred Gusenbauer, Chancellor of Austria. Valparaíso, May 14, 2008.

"There are countries which are better prepared than others to resist a global slowdown, and Chile always serves as a good example."

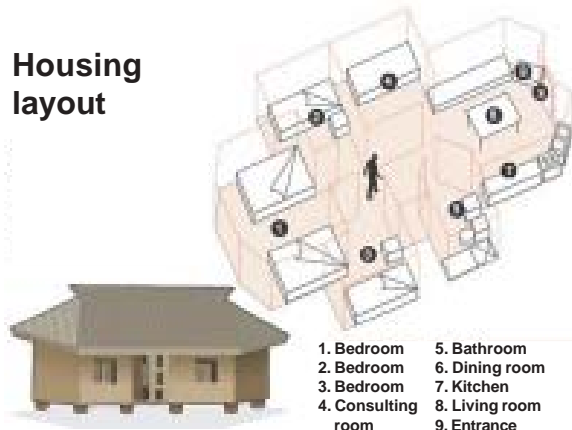
Dominique Strauss-Kahn, Managing Director of the IMF. Washington, May 10, 2008.



Another initiative which has been implemented with excellent results is the Mapuche health service within the Nueva Imperial Hospital, where traditional and modern medicine are combined. The 14 *machis* working there visually examine patients' urine samples and prepare herbal infusions to create the appropriate *lawen* or remedy. The healers serve

monthly more than 60 patients, or *kutranches*. Their activities are overseen by the Health and Indigenous Peoples Unit, created by the Ministry of Health in 2002, which has promoted a series of projects of this type.

Housing layout



1. Bedroom
2. Bedroom
3. Bedroom
4. Consulting room
5. Bathroom
6. Dining room
7. Kitchen
8. Living room
9. Entrance

CHILEANS AROUND THE WORLD

Adolfo Hurtado, enologist and general manager of the Cono Sur winery, was named 2007 Winemaker of the Year by the Danish periodical *Vinbladet*, for his “ecological approach to making great wines.” The first Latin American to receive the distinction, he was also honored in January at the 5th annual Wines of Chile Awards as “Chilean Personality of the Year.”

Chile’s permanent representative to the United Nations Office in Geneva, Ambassador Carlos Portales, has taken on the presidency and annual coordination of the Latin American and Caribbean Group (GRULAC), a UN subsidiary.

Attorney Claudio Grossman was unanimously chosen as President of the Committee against Torture for a two-year term. The committee is part of the Office of the High Commissioner for Human Rights.

Jorge Allende, vice chancellor for research at the University of Chile, has been honored with the international “Prix Purkwa” for his efforts to increase science literacy among young people around the world. Presented by France’s Academy of Sciences, the award is aimed at advancing science teaching, research and public interest in this area.

AGENDA

- ★ **June 9-11:** Official Visit of President Bachelet to Canada. Ottawa, Quebec and Montreal.
- ★ **June 11:** Participation of President Bachelet in the 14th International Economic Forum of the Americas / Montreal Conference. Montreal, Canada.
- ★ **June 12-13:** Work Visit of President Bachelet to California and Nevada, including a meeting with Governor Arnold Schwarzenegger. Sacramento, San Francisco and Las Vegas, United States.
- ★ **June 23-27:** 60th annual meeting of the International Whaling Commission. Santiago.
- ★ **June 30 – July 1:** President Bachelet attends the 35th Mercosur Summit. Tucumán, Argentina.

A paradise in Tierra del Fuego

“Karukinka” (“our land”) is the name used by the Ona or Selk’nam people for the territory they inhabit in Tierra del Fuego, in the Magallanes Region. Now, one of the planet’s largest ecological reserves will bear the same name: Karukinka Park.

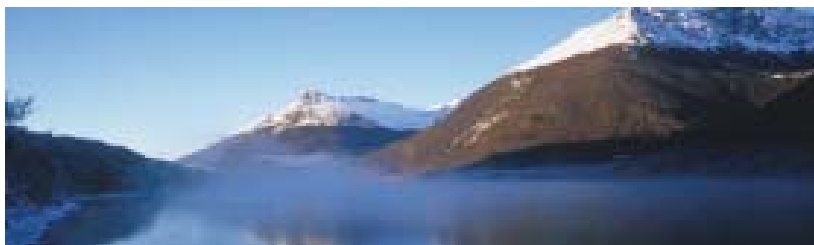
Visiting its diverse ecosystems is a revelation. One of the world’s largest reserves of temperate forest, the park also contains peat bogs – important for the regulation of water cycles and the capture of CO₂ – as well as steppes, heath, and an Andean zone, which offers the area’s greatest diversity of plants and endemic species.



The variety of flora and fauna is no less impressive. The reserve contains 416 vascular plant species and six types of trees, including canelo, ñirre, Magallanes coigüe and lenga. There are also 17 mammal species, such as the guanaco, tuco-tuco and culpeo fox; 77 birds, from the Rufous-collared Sparrow to thrushes and woodpeckers; and five types of fish, including the puyú and trout.

The natural richness of this zone, highlighted in March in a National Geographic documentary entitled “Eden at the End of the World,” also distinguishes it as one of the planet’s most important environmental treasures.

Since 2004, the Wildlife Conservation Society (WCS) of the United States has assumed the management of Karukinka with an ambitious plan: making it a new global model for biodiversity conservation. Focusing on the effective protection and maintenance of high-priority sites, WCS works with the private sector to develop mechanisms for economic sustainability. The group also carries out scientific research and public education in the area of conservation.



WOMEN OF CHILE

Persistent progress

Zoila Bustamante fishes for a living – and last November, her colleagues throughout Chile elected her president of the country’s National Artisanal Fishing Confederation. Verónica Villarroel, a lyric soprano, is a distinguished figure on the world’s leading stages. Physician Marcela Contreras was awarded the title of “Dame Commander” by Queen Elizabeth II in recognition of her work as director of the United Kingdom’s National Blood Service.

All three are Chilean women, and they all share a quality that typifies the women of this country. Here it is called *ñeque* that is, the strength, energy and persistence to get ahead, to continue striving for their work and their families.

With this force and determination, Chilean women have been making progress toward achieving a more equal place in society, with new rights and programs that have improved their situation and their quality of life, especially during the past decade. Since 2006, in fact, the country has been led by its first woman President.

“In Chile, every woman’s right to life and safety must be respected,” stressed President Michelle Bachelet in her Message to



the Nation on May 21. Women are not an isolated “sector” within public policy; instead, their perspective is represented across all fields of government action, such as health, social security, entrepreneurship, education and training.

Inclusion and balance

The struggle of Chilean women to exercise their political rights achieved its first great triumph in 1935, when they were able to vote in the municipal elections held that year. Recognition of their right to universal suffrage came in 1949, under President Gabriel González Videla.

From then on, the State exhibited increased concern for

women’s political and social rights, through various government offices.

Finally, in 1991 – just a year after the country’s return to democracy – the National Service for Women (Sernam) was created, with its director holding ministerial rank. Its mission is to “design, propose and coordinate policies, plans, measures and legal reforms to produce equality of rights and opportunities among men and women; and to reduce discriminatory practices in the country’s political, social, economic and cultural development process.”

Sernam focuses on eradicating domestic violence, supporting programs for female small business owners and microentrepreneurs, creating and maintaining Women’s Centers, and achieving progress on gender issues. It also maintains the Equality Program (*Programa Igualdad*), aimed at promoting equitable employment practices, as well as improving women’s participation and status in public and private enterprises, where salary differences of 30% to 50% are observed to women’s disadvantage. In April of this year, the Chamber of Deputies approved a bill protecting the right to equal pay.

Since President Bachelet took office, one of her concerns has been balancing political participation between men and women. She has submitted a bill to Congress requiring political parties to present slates that include at least 30% female candidates. Currently, Chile’s Congress has only two female Senators out of a total of 38, and 18 female Deputies out of 120.





Across the country, Chile's 345 mayors include only 42 women. Within the four administrations of the Concertación coalition, the number of female government ministers has been steadily rising, with one in the first, three in the second, and five in the third. President Bachelet's first Cabinet had gender parity, with 10 female ministers.

In the most recent celebration of International Women's Day, on March 8, the President pointed to her administration's diverse initiatives to improve the situation of women within a more inclusive and integrated society. For example, the pension system reform includes a subsidy to low-income women for each living child, starting in July 2009. Another measure is the basic "solidarity" pension, aimed at the neediest 60% of citizens who have been unable to accumulate sufficient funds for retirement. Of these, more than half are women. This means that in the future, Chile will have "women with fewer fears, but also greater dignity," asserted the President.

The changes

According to the most recent national census, held in 2002, women outnumber men in Chile, comprising

50.73% of the population, with an average life expectancy of 78 years. Although their labor market participation remains relatively low, it has significantly increased during the past ten years. Of the total female population of working age – 15 and older – 36% are effectively employed, a figure which has increased by 7.5% since 1992.

Yet this is not the only change experienced by Chilean women in recent decades. Their average number of children – which stood at around five during the 1960s – decreased to 2.3 according to the 2002 census. The 2006 Socioeconomic Characterization Survey (CASEN) found that eight out of ten families with a single head of household are led by women. Added to this is the rising participation of Chilean women in fields previously dominated by men, including science, technology, research and sports. Work life has become a priority for Chilean women, and they are starting families at a later age.

Like Zoila, Verónica and Marcela, many other Chilean women stand out for their achievements. Astronomer María Teresa Ruiz discovered a supernova in the act of exploding, two planetary



The controversy over women's suffrage in Chile goes back to the 19th century. In 1884, a bold group of women in San Felipe attempted to assert their right to vote. Minister Ignacio Zenteno – to whom an appeal was made in the Chamber of Deputies – replied that women could indeed vote, since the Law of Elections had not explicitly denied them that right. However, 65 more years would have to pass until President Gabriel González Videla signed the law granting women full voting rights, in 1949.



nebulae in the galaxy halo, and a "brown dwarf" in the neighborhood of our solar system. Golfer Nicole Perrot is the only Chilean to have joined the sport's global elite in the LPGA (Ladies' Professional Golf Association).

All of this, with plenty of ñeque



In 1887, Eloísa Díaz became the first woman to receive a medical degree in Chile. She entered the University of Chile in 1880, thanks to a decree issued in February 1877 by the Minister of Public Instruction, Miguel Luis Amunátegui. The ruling officially allowed women to take examinations at the University of Chile and earn professional degrees, as long as they were subject to the same conditions as the male students.



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