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Foreign Policy

Challenges for a Globalized World



“This new era will require the comprehensive integration of our country in a world that is growing ever smaller and more interconnected. Our foreign policy and our defense policy must be oriented toward this goal. Chile has defined an approach toward integrating itself with the world. These two elements – our foreign and defense policies — are the essential tools for achieving this goal.”

**President Ricardo Lagos
May 21, 2000**

Chile maintains diplomatic relations with 171 countries around the world, with resident embassies in 65 nations and concurrent missions covering another 68.

Chile’s return to democracy in 1990 allowed it to rejoin the international community with honors. Now, the country is setting its sights on new objectives, which reflect its Latin American identity and its firm commitment to democracy and free trade.

Chile entered the twenty-first century on a strong footing, with a wide range of trade agreements, an emphasis on new technologies – and a willingness to look at today’s world with new eyes. The country’s reintegration into the international community is complete, and it is now turning its energies toward confronting the issues of globalization and the changing relationships among States.

These accomplishments have given a different focus to Chile’s foreign policy objectives. The country’s new priorities include creating the conditions for vigorous social and economic development within a stable and socially cohesive regional environment.

President Ricardo Lagos summarized the options his country has chosen: “We have pledged ourselves to the protection of peace, the strengthening of multilateralism and the rule of international law.” This stance has led to concrete actions, such as Chile’s vote in the United Nations Security Council against the intervention in Iraq last April, as well as the country’s rapid response to U.N. Secretary-General Kofi Annan’s request for peacekeeping assistance in Haiti, resulting in the dispatch of a Chilean military contingent.

The Latin American region continues to be the most important focus of the country’s foreign policy: “Chile hopes and desires that its neighbors will do well. When things go well for our neighbors, this is also good for Chile. When our neighbors have problems, Chile also has problems,” stated the President. The country’s leading objective in this context is to promote itself vigorously to the rest of the world as a bridge to and from Latin America, while maintaining the foundations established with the return to democracy in 1990.



María Soledad Alvear
Minister of Foreign Affairs

She holds a law degree from the University of Chile and a master's in Development Sciences from the Instituto Latinoamericano de Doctrina y Estudios Sociales, Ilades.

In 1990, President Patricio Aylwin named her as minister of the recently-created National Women's Service (Sernam), a post which she held until March 1994. From 1994 to 1999, she served as Minister of Justice of President Eduardo Frei. In that position, she promoted and implemented one of the country's most significant modernization efforts during the twentieth century: its reform of the administration of justice.

She was appointed as Minister of Foreign Affairs by President Ricardo Lagos in March 2000. During her time in office, Chile has signed an Association Agreement with the European Union and FTAs with the United States and South Korea.

Chileans in International Organizations

The Director-General of the International Labor Organization (ILO) is Chilean attorney Juan Somavía. He was unanimously reelected for the 2004-2009 period.

Attorney José Zalaquett is President of the Inter-American Commission on Human Rights.

Cecilia Medina serves as judge in the Inter-American Court of Human Rights.

Claudio Grossman is a member of the Committee Against Torture of the office of U.N. High Commissioner for Human Rights. And Roberto Garretón is the representative of Latin America and the Caribbean to the same organization.

Chilean senator Sergio Páez serves as president of the Inter-Parliamentary Union (IPU), which brings together legislators from 145 countries around the world. The first Latin American elected in 20 years, he will remain in this post until 2005.

The Chosen Path

Historically, the key principles of Chilean foreign policy have included adherence to international law, peaceful conflict resolution, respect for treaties and the self-determination of peoples. When the Concertación de Partidos por la Democracia first came to office in 1990, a further step was taken toward full adherence to the world human rights order, democratic values, social development, gender equality, respect for ethnic and cultural diversity, environmental protection, economic openness and scientific and technological progress.

Since then, the country has based its foreign policy on active and ongoing integration into the community of democratic nations, "open regionalism" and membership in the world's leading economic associations, in order to reinforce the opening of its economy.

The Chilean government has also pursued a social agenda in its interactions with international financial organizations and its dialogue with entities from various points on the political spectrum, such as the group of progressives leaders, which seeks a balance between economic growth based on free markets and the aspirations for social development held around the world.

After 14 years, not only is Chile politically integrated in the international community, but has achieved as well a high level of integration in the global economy. Its active membership in numerous international organizations; its several trade agreements with other Latin American countries; its Free Trade Agreements with Canada, Mexico, the United States, South Korea and EFTA; and its Association Agreement with the European Union open the door to markets totaling approximately 1.2 billion people and representing all together more than half of the world's GDP.

Taking Another Look

Chile is aware that the new phenomenon of economic, political, legal and cultural globalization calls for a new kind of integration. In his first official message to Chile's National Congress, on May 21, 2000, President Ricardo Lagos stated: "We want to feel that we have a front-row seat in this new world that is being born. This means taking on responsibilities in the construction of the world and regional order."

Although Chile is a small country – representing only 0.3% of the world's population – its daily life is closely tied to events elsewhere on the planet, since 65% of its GDP is dependent on world markets.

Thus, Chile's new foreign policy is aimed at reinforcing these areas and taking an active part in the construction of an international order based on the rule of law and shared principles, which also bridges the differences between countries arising from globalization. In this context, Chile places particular emphasis on treaties and the strengthening of international legal systems.

In a column entitled "*Bienes públicos y ciudadanía: ¿cómo dar el salto?*" (Public Goods and the Citizenry: How to Move Forward?), published in Spain's *El País* newspaper in September 2003, President Lagos stressed the need to establish new international rules and institutions to address the changes brought about by globalization, so that relationships among countries, economic entities and individuals can "share in the vitality of the future." He also called for the promotion of "what are called universal public goods, such as the environment, international law, human rights, the fight against world epidemics, cultural diversity, human knowledge and the use of common goods."

President Lagos also proposed a number of changes to current structures, aimed at three objectives: guaranteeing an adequate supply of global public goods; constructing a worldwide system based on human rights; and gradually overcoming the imbalances which have characterized international economic relations.

The 200 Miles

One of Chile's greatest contributions to the international community has been in the area of international maritime policy and the Law of the Sea. The "200-mile thesis," originally formulated in Chile in the Presidential Declaration of June 23, 1947, was later sanctioned by Colombia, Peru and Ecuador in the Santiago Declaration of 1952.

This "thesis" emphasizes each country's exclusive jurisdiction and sovereignty over "the sea along its coasts, and the seabed and subsoil under this sea," in order "to ensure the lawful conservation, development and exploitation of its wealth." It also recognizes "the right of innocent and inoffensive passage" through this zone for the vessels of all nations.

International Security

President Lagos has emphasized the important role played by multilateral institutions. Above all, "we believe the U.N.'s role to be essential" for ensuring world peace. The President has confirmed Chile's willingness, under U.N. leadership, to help "address some pending issues in the region and share our experiences with our Latin American brothers." In addition, the country has a great interest in increasing participation within the international community and renewing and strengthening the United Nations.

"Change is unavoidable during the creation of new national and global public policies, where human beings stand at the center of the system. If the global community fails to achieve social cohesion, it is sowing the pathway of the twenty-first century with explosive mines; no one knows when these might explode and what kind of chain reaction they might start with others. We must take another path, one where equity marks the way."

President Ricardo Lagos
El País

Chilean "blue helmets" have participated in six peacekeeping missions around the world, and Chile has promptly responded to the organization's requests: within 48 hours, it sent a contingent to Haiti to help control the situation arising after the overthrow of President Jean-Bertrand Aristide. And starting in December of this year, Chilean troops will be deployed in the peacekeeping operation in Bosnia-Herzegovina under the control of the European Union.

The Social Agenda and Sustainable Development

Additional high-priority topics for Chile in this new era are social development and equity among peoples. In keeping with this emphasis, the country has presented proposals in various world forums in areas such as health care, education, and non-discrimination against women, among others.

In an interview with the French newspaper *Le Figaro*, President Lagos emphasized the need to dedicate "a small part of the benefits of globalization to the developing countries," declaring that "in order to combat hunger, it is necessary to increase world agricultural production and resolve the problem of subsidies."

A demonstration of the importance placed by Chile's government on the social agenda can be seen in its role in convoking the U.N. World Summit for Social Development (Copenhagen, 1995), an initiative proposed by Juan Somavía, Chile's ambassador to the U.N. at that time.

More recently, the country is joining Brazil, France, Spain and the U.N. Secretary-General to promote the Action Against Hunger and Poverty, which will be presented to the United Nations General Assembly this September 20 in New York. "We are strongly committed to this initiative, which arose from Brazil and

Chile's 520 "blue helmets" and military observers are deployed in Haiti, Cyprus, Bosnia, India-Pakistan, the Middle East and Kosovo.

received President Lagos' immediate support. A technical group has been tasked with presenting a report, which will include concrete measures to obtain stable and ongoing financial contributions, making it possible to fulfill the Millennium Goals by 2015," stated Foreign Minister Soledad Alvear.



Presidents Ricardo Lagos, Jacques Chirac of France, and Lula da Silva of Brazil with U.N. Secretary-General Kofi Annan. Geneva, May 2004.

In addition, Chile is actively participating in multilateral environmental negotiations as well as the international forums working to define sustainable development policies for the planet. It signed the Kyoto Protocol in 2002 and is participating in the follow-up mechanisms for the World Summit on Sustainable Development.

On September 10, 2001, in the United Nations, Chile ratified the Ottawa Convention prohibiting the use, storage, production and transfer of anti-personnel mines. Its National De-Mining Council has been tasked with eliminating the approximately 500,000 anti-personnel mines existing in the country within ten years. More than 200,000 stored mines have already been destroyed, along with approximately 80,000 installed on the country's northern border. In August, a project was initiated to locate and destroy an additional 123,000 mines, scattered among 300 minefields in Chile's northern and southern zones.

Free Trade with Fair Rules

Chile's new orientation also encompasses trade liberalization, which it seeks to consolidate on a global scale. The Chilean government believes that a global network of multilateral accords that liberalize international trade and investment flows

FACTS

In May 2001, Chile, along with another 126 countries, signed the treaty prohibiting the use of Persistent Organic Pollutants (POPs).

Chile's Congress has ratified the Galapagos Accord, signed one year ago with Ecuador, Peru and Colombia, to protect ocean-dwelling species living beyond the 200 nautical-mile limit.

For the first time, and with 116 votes, Chile was elected a full member of UNESCO's World Heritage Committee for the 2004-2007 period.

In London, Chile was reelected as a council member of the U.N. International Maritime Organization (IMO) for the 2004-2005 period. The council protects maritime safety and preventing ship-related marine and coastal pollution.

and make them more transparent will help reduce the gap between the highly-industrialized economies and their less-developed counterparts. "Although the free market creates a wide range of opportunities, growth in itself alone does not solve the real problems of poverty," President Lagos has stated.

Thus, Chile actively participates in the trade negotiations conducted within the WTO and OECD, as well as those for the Free Trade Area of the Americas (FTAA) on the regional level: "What we Latin American nations want is trade, not aid – but we want trade with fair and equal rules for all."

The Regional Agenda

One of the key elements of Chilean foreign policy is its identification with the Latin American region. In spite of its great economic and social advances in recent years, Chile remains a country on the path to development, whose progress is tied to advances in its regional environment.

Thus, the country is undertaking a wide range of bilateral efforts with the countries of the region, in areas such as trade, physical and energy integration, border issues, social

Chile on the Security Council

Between 1990 and 2004, Chile was elected on two occasions to serve as a non-permanent member of the United Nations Security Council (1996-1997 and 2003-2004).

During its first term, the country worked with a group of African nations to advance the negotiation of Resolution 1072, aimed at promoting political dialogue in Burundi.

Upon the assumption of the country's second mandate, in January 2003, Foreign Minister Soledad Alvear asserted that Chile will play "a very active role" on the Council.

This has indeed been the case, during an especially intense period due to the war in Iraq and the political crisis in Haiti.

The military intervention by the United States in Iraq, which was not endorsed by the Security Council, posed a serious challenge for Chilean foreign policy. In spite of vigorous lobbying by the U.S., England and Spain, President Lagos decided to vote against the intervention, but not without first suggesting an alternative proposal, which was rejected by the United States.

During the months of debate, the international press noted the strong pressures involved: "These are stressful days for the leaders of Chile and Mexico," observed the *Los Angeles Times*, noting that they are caught between "the demands of the superpowers and the overwhelming anti-war sentiments of their populations." The *San Diego Union Tribune* summarized the situation as follows: Chile "is discovering that in addition to being prestigious for a small country, serving on the Security Council can be dangerous." In this case, "it could cost it the votes in (the U.S.) Congress" for approval of the FTA.



During January 2004, Chile served as President of the U.N. Security Council, represented by its ambassador, Heraldo Muñoz. In one of the sessions, Foreign Minister Soledad Alvear delivered a speech on "National Reconciliation in the Post-Conflict Phase: The Role of the United Nations."

Chile also served as a member of the Security Council in 1952-1953 and 1961-1962.

affairs and horizontal cooperation. Chile is a founding member of the Organization of American States (OAS), a participant in the Rio Group, an associate member of the expanded Mercosur group, and a member, together with Colombia, Ecuador and Peru, of the Permanent Commission for the South Pacific (CPPS), among other forums.

Chile's policy toward the region is also aimed at strengthening political concertation mechanisms. In February 2001, Chile took on the Pro Tempore Secretariat of the Rio Group, acting as host of the group's Fifteenth Presidential Summit. The meeting's agenda included topics such as the new economy and the digital divide; international financial structures and financing for development;

humanitarian intervention measures and the strengthening of the Group itself.

For Chile, the most important issues within Mercosur include macroeconomic coordination, anti-poverty efforts, defense policy, culture and education, among others. In "Mercosur: The Challenge of Credibility," President Lagos referred to the bloc's future and its importance for



Mercosur Summit, 2003

FACTS

Latin America represents nearly all of Chilean investment abroad.

The country's export products with higher added value are sold within the Latin American region.

Chile: "It is a great historical project which has entered a phase of strong accord. (...) What we must keep in mind is a political understanding in capital letters, working for an agenda that strengthens the common market in all of the areas in which we interact. Each country can place its own particular experience on the table."

Its relationships with the Central American region, the Caribbean and Mexico are another important element in Chile's aspiration to create an axis for the promotion of democratic governance and social cohesion in Latin America. Concrete reflections of this aim can be seen in the trade increases achieved through the signing of a FTA with five Central American countries: Costa Rica, Honduras, Nicaragua, El Salvador and Guatemala; the 1996 agreement to establish a permanent Joint Working Commission with the countries of the Caribbean Community (Caricom); and Chile's FTA with Mexico.



OAS Assembly, Santiago, June 2003

The Immediate Neighborhood

Chile places special importance on the energetic development of relations with its immediate neighbors: Argentina, Peru and Bolivia. Integration makes clear sense in the border zones, since the countries share a network of concrete interests in a wide range of areas.

With Argentina, efforts are being made to integrate Chile's regions and the trans-

Andean provinces through the development of bioceanic corridors and energy, highway and communications networks. In addition, the two governments are seeking to advance integration in areas such as education, the free movement of people and capital, environmental protection, mining projects, defense and security. In March 2003, Argentina's *La Nación* newspaper emphasized the benefits for that country of doing business with Chile: "the proximity, the language, and a stable economy."

The quality and intensity of this bilateral relationship is reflected in the meetings of the countries' Foreign Ministers and Heads of Government, which have laid the groundwork for decisive advances in the pursuit of an integrationist agenda. In his latest visit to Buenos Aires, on August 31, President Lagos emphasized "the good state of relations with Argentina" and the historical relationship of cooperation between the two countries, above all in moments of crisis. The main topics addressed included the progress in physical integration between the two nations.



Presidents Lagos and Kirchner at Argentina's Casa Rosada

Relations between Chile and Peru "are intense, wide-ranging and fruitful in all areas," and the occasional differences do not affect "the two countries' permanent interests," President Lagos declared in August. The two neighbors maintain fluid communication and dialogue, based on a proactive agenda which Chile has made efforts to maintain and enrich. This has been reflected in the bilateral agreements negotiated and/or signed between the countries – on customs cooperation, disaster relief and ties among social security

DID YOU KNOW?

- ★ Chile maintains 49 permanent and eight temporary border crossings with Argentina, which are equipped for the transit of persons and goods.
- ★ It has seven with Bolivia.
- ★ And two with Peru.



and youth institutions – as well as through reciprocal visits and delegations.

Examples of this include the meeting of the First Chile-Peru Mixed Commission on Technical Cooperation on August 9 in Lima, along with the Second Mixed Commission on Culture and Education, as well as the recent visit to Chile of General José Antonio Graham, Commander-in-Chief of the Peruvian Army. In addition, several initiatives are underway to bring the two countries closer in the sphere of national defense, including regularly-scheduled meetings, a project to standardize the measurement of military expenditures, and the demining of the northern zone.

With respect to Bolivia, a concrete agenda is in place, which Chile is making efforts to strengthen through various cooperative organizations. A Working Group is active in the area of the free movement of persons, meeting periodically to coordinate joint actions and overcome any difficulties which might arise in the fulfillment of the system agreed upon in 1904.

Infrastructural and transportation links have a positive impact on bilateral ties, as well as a direct effect on the populations of both countries. Especially noteworthy in this area are Chile's million-dollar investments in roadways linking it with Bolivia, in order to promote expeditious transit.

Chile also enjoys cultural, technical and touristic ties with Bolivia. Tourism is especially important, thanks to its impact on small and medium-sized businesses in both countries. In the area of border cooperation and integration, the countries have made steady progress in their aim of decreasing user delays through the use of joint services and the development of effective procedures.

Trade Relations

Trade agreements have been one of the main focal points of Chile's relationship with the world in recent years. The country's trade strategy, within a context of "open regionalism," encompasses three great instruments or complementary paths: unilateral opening; multilateral trade negotiations; and liberalization negotiated at the bilateral and regional levels.

Currently, in addition to Economic Complementation Accords with six Latin American countries, Chile enjoys Free Trade Agreements in full effect with Canada, Mexico, the European Union, the United States, Central America and South Korea. Its FTA with Europe's EFTA countries will soon enter into force as well.

In addition, Chile has signed Investment Protection and Promotion Agreements with 52 countries and double taxation agreements with 16, while many more are still in the negotiation phase.

Chile's emphasis on trade has earned it admiring commentary in the international press: "If the Chilean experience shows anything, it is that the opening of markets and trade are the most secure path toward regional stability and prosperity, a situation which benefits all parties," stated *The Chicago Tribune* in January 2003.

The wide-ranging treaty signed between Chile and the European Union in 2002 – whose economic provisions entered into force in February 2003 – is viewed as "a

Chilean Troops in Haiti

The dispatch in March of more than 300 Chilean soldiers to Haiti, in response to a request by the United Nations, is one of the best examples of Chile's concern for the Latin American region. Foreign Minister Soledad Alvear stated: "Since Chile has been a member of Haiti's group of friends for many years, and is one of the 17 countries with a diplomatic mission in that country, we feel the obligation and the duty to contribute to this process." During the first stage, the Chilean troops, along with their peers from the United States, France and Canada, were active in the areas of transportation, sanitation, military policing, communications, engineering and support for civil authorities.

On June 1, the Chilean forces officially became part of the United Nations Stabilization Mission in Haiti (Minustah), together with Brazilian and Argentine troops, under the command of General Heleno Pereira of Brazil.

The Chilean battalion was transferred to its assignment zone in Cap-Haitien, Haiti's second-largest city, where it established its general quarters. The troops were visited there by President Lagos, who made a special trip to demonstrate Chile's commitment to the mission: "We are struggling against time to ensure that hope triumphs over despair. This is perhaps the most fundamental task. There is a profound opportunity here, and what is important is the way we achieve it," he told the soldiers.

On August 16, Chilean ambassador Juan Gabriel Valdés became the head of the United Nations mission, with the goal of stabilizing and reconstructing the island nation. His mandate may be extended for another three years.



President Lagos with Haitian Prime Minister Gérard Latourte, in Port-au-Prince.



More than 12 tons of medical supplies were delivered by the Chilean Army battalion on assignment in Haiti as part of the U.N. peacekeeping force. The medicines were collected through a humanitarian campaign conducted by public and private institutions.



Juan Gabriel Valdés

When he was chosen by Kofi Annan to be the U.N. official's special representative in Haiti, Juan Gabriel Valdés was serving as Chile's ambassador to Argentina. From 2000 to 2003, he was Chile's Permanent Representative to the United Nations, and between 1990 and 1994 its ambassador to Spain. In 1999, he served as Foreign Minister, and from 1996 to 1999, he was the Foreign Ministry's Vice Minister for International Economic Affairs. In 1996, he headed the negotiations leading to the Free Trade Agreement between Chile and Canada.

For the Chilean government, the relationship between Latin America and the European Union holds special importance in areas such as disarmament policies; the fight against terrorism; United Nations peacekeeping operations; international trade liberalization and trade goals; support for the International Criminal Court; the protection of human rights and democracy; the struggle against racism, xenophobia and other forms of discrimination; environmental protection; the fight against drug trafficking and organized crime; and scientific and technological development.

great leap forward in relations with the European Union.” The accord’s breadth extends to the political and cooperation arenas, making it “a model for those which the EU would like to sign with others,” as noted by Chris Patten, EU Commissioner for External Relations. The agreement is “the European Union’s most ambitious and extensive accord,” according to former Danish Foreign Minister Per Stig Moeller.



President Lagos and then-Prime Minister of Spain, José María Aznar, sign the Association Agreement between Chile and the European Union.

Another great success for Chile’s trade policy was achieved in June 2003, with the signing of its FTA with the United States. Negotiations had begun in 1994, when then-President George Bush invited Chile to join NAFTA. Within the first six months of the agreement’s entry into force in January 2004, bilateral trade had already increased by 18.7%.

The North American periodical *Business Week* qualified the agreement

as “an important step forward for U.S. policy in Latin America,” emphasizing its significance for the region: “It could pave the way toward a hemispheric treaty much greater than NAFTA.” And for Chile, according to *El Nuevo Herald*, “the pact gives its products and services access to a much larger market, which will result in an increase of at least 1% in its GDP.”



Foreign Minister Soledad Alvear and U.S. Trade Representative Robert Zoellick sign the FTA between Chile and the United States. Miami, June 2003


“One of the things that has worked well is the Free Trade Agreement with Chile, and we talked about that today. It turns out, Chilean exports to the United States are up, but United States exports to Chile are up, as well. And that’s a positive development. It’s good for the people of Chile and it’s good for the people of the United States. And our relations are strong and they’re important relations.”

President George W. Bush
Washington, July 19, 2004



Presidents Lagos and Bush at the White House

Did You Know?

- ★ Chilean Carlos Dávila served as Secretary-General of the Organization of American States (OAS) from 1954 to 1955. In 1940, as Chilean representative to the Inter-American Financial and Economic Advisory Committee, he launched the “Dávila Plan,” which was to be the basis for the creation of the Inter-American Development Commission. He died in office in 1955.
- 
- Carlos Dávila
- ★ Attorney, legislator and government minister José Maza Fernández was President of the Tenth United Nations General Assembly in 1955. In 1956, Rudecindo Ortega Masson served as President of the First and Second Emergency Special Sessions of the General Assembly, which focused on the Middle East and Hungary.
 - ★ Gabriel Valdés Subercaseaux held the position of U.N. Undersecretary General from 1971 to 1981. He was in charge of the United Nations Development Programme (UNDP).
 - ★ Attorney Hernán Santa Cruz was Chile’s first ambassador to the U.N. (1952-1953). He presided over the Economic and Social Council and helped draft the Universal Declaration of Human Rights.

FACTS

In May 2001, Chile was reelected to represent Latin America on the U.N. Human Rights commission for a period of three years. The country has been a member of the Commission during four previous terms. For this nomination, Chile enjoyed the support of the Latin American and Caribbean Group Nations.

Chile has been a member of the U.N. Economic and Social Council on eight occasions since 1946, including the current the 2002-2004 term.

Chile and the Asia Pacific Region

Among Chile's foreign policy objectives and priorities is that of linking the country with other regions around the world. A very important one of these is the Asia Pacific region, and this relationship has been particularly cultivated in the area of trade.

Chile is a member of three of the basin's associations: the Pacific Basin Economic Council (PBEC), since 1989; the Pacific Economic Cooperation Conference (PECC), since 1991; and the Asia-Pacific Economic Cooperation (APEC) forum, starting in 1994. Chile has focused the main trade objectives of its foreign policy on APEC, since this forum is the world's leading trade integration initiative, representing a market of more than 2.5 billion people, a GDP of 19 trillion dollars and 47% of world trade.

This membership has also brought commitments, however, and one of the country's most important challenges has been its attempt to fulfill the "Bogor Goals." These objectives represent a commitment by the forum's members to establish free and open trade and investment systems, by 2010 for developed countries and by 2020 for developing economies. Chile has set itself the objective of completing this task by 2010. In the most recent joint review of Chile's foreign trade policy carried out by the APEC economies, it was noted that Chile "is not only following clear trade and investment policies, but also public policies which will enable it to fulfill the Bogor Goals."

"The ongoing strengthening of friendship and cooperation between China and Chile not only serves the fundamental interests of the people of both countries, but it also helps promote peace, stability and the development of the Asia-Pacific region and the entire world."

Hu Jintao, President of China

Chile and the Bogor Goals

The year 2010 should see the free exchange of goods, services and investments among Australia, Canada, Japan, New Zealand and the United States, along with Singapore, Hong Kong and Taipei China.

According to Sangkyom Kim, director of Korea's National Center for APEC Studies, who served as an independent consultant in the organization's most recent study, Chile's most important advances have included unilateral tariff reductions, the elimination of non-tariff barriers, the simplification of customs procedures and progress in the mobility of persons.

At the same time, he noted that Chile must increase its efforts in the areas of competitiveness policies, intellectual property rights and the international coordination of standards.

In November, Chile will serve as host of the APEC Leaders' Summit, for which preparatory sectorial meetings have been held in the country during the entire year. The massive scope of this event has made it the greatest multilateral management challenge Chile has ever confronted in this sphere, as well as the largest political-diplomatic event it has taken on within the international community.

Chile's relationship with the Asia Pacific region has advanced even further than this. In February 2004, it signed an FTA with South Korea – the first between a Latin American nation and an Asian country – which will enter into force on April 1. Negotiations are currently in progress with New Zealand and Singapore. In addition, China, India and Japan have expressed interest in undertaking trade negotiations with Chile. ♦



Ricardo Lagos Weber,
Chile's Senior Official for APEC.



Second APEC Senior Officials Meeting
(SOM). Santiago, June 2004.



Minister Soledad Alvear participates at Meeting
of APEC Trade Representatives.
Pucón, June 2004.



Meeting of APEC Ministers of Mining.
Antofagasta, June 2004.



Meeting of APEC Finance Ministers.
Santiago, September 2004.

International Recognition

In January of this year, speaking to Chile's National Congress, King Juan Carlos of Spain expressed his appreciation for the country's "profound passion for democracy" as well as "the support provided to Spain in the fight against terrorism." He also assured that for his country, "it is satisfying to see that Chile enjoys solid prestige and plays an increasingly active role, which has been possible thanks to its long democratic tradition and the vitality of its economy."



"We would like to inform President Lagos that our government agrees with the objectives and proposals which Chile's foreign policy have been addressing with admirable perspicacity. One of these challenges is strengthening the relationships among the Latin American nations. Our unity is the source of our strength, as well as our ability to exercise a positive influence on the international level in support of peace and the kind of development which favors the integral advancement of human beings in their economic as well as in their spiritual lives."

**Oscar Berger, President of Guatemala.
May 2004**

"(I appreciate) the important role which Chile is playing at the U.N." (With this visit) "I can send the message that there are countries where things are going well, where there are lessons from which all of us can learn."

**Kofi Annan, United Nations Secretary-General.
November 2003**



"We want to strengthen Chile's integration with Mercosur even further. Chile has an important role to play in our vision of an integrated South America."

**Luiz Inácio Lula da Silva, President of Brazil.
August 2003**

"I commend the government of Chile for its leadership in promoting the virtuous circle of good governance, the rule of law, democratic values and sustained economic development."

**Colin Powell, U.S. Secretary of State.
June 2003**



"We are pleased by Chile's increased prestige and influence in international affairs, and we hope to steadily increase our cooperation in international politics."

**Vladimir Putin, President of Russian Federation.
October 2002**

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