



GOBIERNO DE CHILE

CHILE

SECRETARÍA DE COMUNICACIONES

NEWS

International Analysis and Press Department • Communications Secretariat • La Moneda Palace

June 20, 2007 • No.85



May 21 message: millions in social investment

Education was the key word in President Michelle Bachelet's second Message to the Nation, delivered before the National Congress on May 21. This was the case not only because of the announcement that an additional 650 million dollars will be invested, but because education lies at the heart of the initiative that the President intends to make the hallmark of her administration: social protection from infancy to old age.

Accordingly, the general education subsidy will be increased by 15%, with the preferential subsidy for the most vulnerable children rising by a similar amount, and the support provided to 4,500 rural schools throughout the country. In addition, 100 million dollars will be dedicated to improving the management of municipal education. "For the first time in our history, the total funding for the educational system will exceed five billion dollars."

A key announcement was also made in support of the implementation of these measures: the country's budget surplus target will be reduced from 1% to 0.5%. The President explained: "We will reach the point that is advisable and no more. I would like everyone listening to understand very clearly: I will persevere in the careful management of public funds."

There was also good news for other sectors. As part of "the largest social program in the country's history," President Bachelet stated that she will proceed with the far-reaching reform to the pension system, which has already been submitted to the legislature. Among other changes, it establishes a basic "solidarity" pension of about 150 dollars per month for both men and women, whether or not they have contributed to the system. In the area of health care, she reported that four new hospitals had opened in 2006, to be followed by eight more during 2007, and that by 2010, the number of medical conditions covered at no cost, or at minimal charge, by the public system will increase to 80 (see page 4).

The President also announced the implementation of a new housing plan which will provide support to over 100,000 households this year, as well as a series of measures that will benefit 92,000 mortgage holders.

The President called for the "establishment of a social and democratic state for the 21st century, under the rule of law, sustained by a modern,

DID YOU KNOW?

- ★ Chilean earthworms are coveted in New Zealand for their ability to decontaminate wastewater, using a new technology called a biofilter. In large boxes filled with sawdust, the worms act as "sieves" to remove impurities. After passing through this process, the contaminated water emerges crystal-clear.
- ★ Objects, books and manuscripts left in the United States by Chilean Nobel Prize winner Gabriela Mistral have now been donated to Chile's Directorate of Libraries, Archives and Museums, in fulfillment of the last will and testament of Doris Dana, the poet's friend and executrix.
- ★ The Mapuche chicken, part of the country's native heritage in the Araucanian region, has the unusual characteristic of laying blue eggs. With thicker shells than those of brown or white eggs, the blue eggs can remain fresh for a longer period.

QUOTES FROM PRESIDENT BACHELET

“The fight against racism, intolerance and all forms of discrimination is also a priority for my administration. We are all Chile, as I have said on more than one occasion. For this reason, in addition to the struggle to guarantee civil and political rights and liberties, in my view it is another great task in the area of human rights to combat everything related to discrimination; divisiveness; social, economic or cultural inequalities; or inequalities among ethnic groups that may persist in our country.”

At the plenary session of the UN Human Rights Council. Geneva, June 4, 2007.

“Our response to the challenge of offering decent work, in an increasingly uncertain world, is to construct a social protection system. As I have said, this will be the hallmark of my administration. It will be the characteristic for which we are noted in the history books. There it will describe how my administration, starting from the accomplishments of our democratic predecessors, was able to take a qualitative leap in the area of social rights and lay the foundations for a comprehensive social protection system.”

At the plenary session of the International Labor Organization (ILO). Geneva, June 4, 2007.

“We are tenacious, I am tenacious, and we will continue to struggle, throughout my entire term, so that some day – and I hope as soon as possible – Chileans living abroad will be able to vote, because I believe they have the right to do so, as much as their compatriots living within the country.”

On the right to vote for Chileans living abroad. Official visit to Norway. Oslo, May 30, 2007.

“Everything we do in government has a clear purpose: placing service to the people at the center. The emphasis on education benefits our children and youth, but if one views it from the perspective of the economy, it is also a factor in competitiveness and productivity. Protecting the elderly and creating new child care centers benefits every family member, and providing new and increased opportunities benefits entrepreneurs.”

First International Seminar “Toward an agenda of responsibility for the small and mid-sized businesses of the Americas.” Faculty of Business and Economics, University of Chile. May 25, 2007.

solid and healthy economy, which provides the resources to expand liberties and opportunities, as well as fundamentally guaranteeing the rights of all Chilean men and women.”

For the full text, see: http://www.gobiernodechile.cl/21mayo2007/indice_discursos.asp

Presidential tour of Europe

From May 28 to June 5, President Bachelet carried out fruitful visits to Finland, Norway and Switzerland. During her travels strengthened ties with these nations, which share numerous geographical and economic characteristics with Chile.

In Finland, she met with President Tarja Halonen, with whom she discussed the Finnish educational system – that nation’s central pillar for development and adaptation to the productive system. The two countries also signed a Memorandum of Understanding aimed at increasing cooperation between Chile’s National Science and Technology Council (CONICYT) and Finland’s Academy of Sciences.



In Norway, President Bachelet and Prime Minister Jens Stoltenberg agreed to broaden their countries’ commercial relations and increase cooperation between their respective Highway Administrations, including the provision of Norwegian technical assistance to support Chile’s Ruta Austral (Southern Highway) project. The President also formalized her membership in a group of world leaders working to promote maternal and infant health, sponsored by the World Health Organization (WHO). Stoltenberg observed that Bachelet’s background as a pediatrician will make her indispensable to the organization.



The President’s longest stay was in Switzerland, where her tour proceeded in two stages: a State visit to the Swiss Confederation – the only one conceded to a Head of State for the year – and a visit to the international organizations in Geneva. In Bern, together with President Micheline Calmy-Rey, she signed commitments to increase cooperation in several areas of science and technology, including biotechnology, agriculture, environmental protection and the development of renewable energy sources. An internship agreement

FACTS

Chile is Latin America's most peaceful country and the 16th on the world level, according to the Global Peace Index created by Australian philanthropist Steve Killelea and prepared by the Intelligence Unit of *The Economist*. The study assesses the level of internal and external peace in 121 countries, taking 24 factors into account. Chile earned an excellent score for its political stability, its low levels of organized conflict and its respect for human rights.

Chilean fruit is now being exported under the Disney brand, in an effort to fight high levels of obesity in the United States by promoting a healthy diet and increased fruit consumption. The company saw the opportunity to associate itself with the outstanding international image enjoyed by Chile's fruit, with its reputation for reliable quality.



Postage stamps and envelopes with images of Antarctic ice, the Atacama desert, and the forests and volcanoes of southern Chile are now traversing the globe, in an initiative undertaken by the Chilean post office,

Correos de Chile, in conjunction with ProChile. The project is aimed at highlighting the country's beauty on a worldwide basis.

Chile and the United States strengthened their ties in the area of scientific research and cooperation at the second meeting of the mixed commission in this area. Topics addressed at the meeting included climate change, Earth sciences and energy, along with a further 14 issues. An association agreement was also signed between the national parks of Torres del Paine (Chile) and Yosemite (U.S.).

During the first four months of the year, exports of Chilean olive oil reached 128 tons, representing an increase of 75% compared to the previous year, according to a report from the Office of Agricultural Policies and Research (ODEPA).



was also signed, which will facilitate placements in professional internships for young people from both countries.

In Geneva, the President was invited to speak to the General Assembly of the International Labor Organization (ILO), where she stressed the concept of “decent work” and pointed to her administration’s focus on social protection. She was the first Head of State to deliver an address before the UN Human Rights Council. Also met with FIFA president Joseph Blatter, with whom she discussed Chile’s challenges in hosting the U-20 Women’s World Cup and the country’s interest in organizing the Copa America 2011.

“To prevent atrocities”

President Bachelet delivered a moving address to the Human Rights Council, in which she recalled her experiences in a DINA detention center under the military regime, which today has been transformed into a “Park of Peace”: “When I arrived at Villa Grimaldi for the first time, I was blindfolded, but when I visited the Park of Peace, I arrived with my head held high. What a caprice of history – and what a lesson it teaches us: those who intended to destroy us were unable to do so.” She also praised the work of the Council’s investigators and rapporteurs, urging them to preserve their independence, since in her view they are “vital for preventing systematic atrocities.”

The President also learned during her visit that Chile will be the new site of the Regional Office of the High Commissioner for Human Rights for Latin America and the Caribbean. The President’s personal history and Chile’s peaceful transition to democracy were important factors in the country’s selection.



Chile in the OECD

In recognition of its prudent economic and political policies, Chile has been invited to join the Organization for Economic Cooperation and Development (OECD) as a full member. The invitation, shared with Russia, Israel, Slovenia and Estonia, was the first to a South American country.

According to the OECD, Chile was selected thanks to its political and economic stability and its signing of numerous free trade agreements. According to President Bachelet, “this is very good news, which places us in a position of honor, because it recognizes our country’s seriousness and responsibility as well as our fiscal policies.”

OVERHEARD

"Today, Switzerland can count on Chile's support when it mobilizes in favor of human rights and humanitarian principles around the world. In this context, your personal commitment, Madam President, is exemplary. I especially admire that you have dedicated yourself – in spite of the painful trials that you have endured – to reconciling Chilean society with its past. Your struggle, and your courage, inspire in us the most profound respect."

Micheline Calmy-Rey, President of the Swiss Confederation. Bern, June 1, 2007.

"Chile occupies a special place in many Norwegian hearts, including my own. In fact, one of my first political activities was participating in the Norwegian group 'Action for Chile,' during the dictatorship. We collected money for the underground opposition and 'adopted' political prisoners."

Jens Stoltenberg, Prime Minister of Norway. Oslo, May 31, 2007.

"For all countries, and especially for the smaller ones, it is very important for their economies to be successful in a globalized world, but it is equally important, at the same time, to reaffirm democracy and social justice."

Tarja Halonen, President of Finland. Helsinki, May 30, 2007.



The OCDE, also called the "club of the developed nations," accounts for 75% of global GDP. Since its founding with 20 members in 1960, it has expanded to a total of 30 countries. In 1994, Mexico became the first Latin American nation to join the organization. Now, Chile must engage in a negotiation process to finalize its entry during the next 12 to 18 months.

Expanded health coverage

Starting on July 1, in support of one of the administration's key priorities, 16 new medical conditions will be treated without cost by the public health care system. With these additions, the AUGE program, the pillar of Chile's health care reform, will provide guaranteed care, cost-free, or at a minimal charge, for 56 disorders. More than 3,200,000 patients have already benefited from the program.

Among the 16 new conditions are serious burns, multiple traumas, cystic fibrosis, adult leukemia, tumors of the central nervous system, pain treatment during childbirth and acute outpatient dental treatment. Treatments for alcohol and drug addiction in individuals under 20 years of age will also be added. In announcing the expansion, President Bachelet emphasized her commitment to making Chile a healthier and better-protected country.

Two new regions

From now on, the administrative regions into which Chile is divided will no longer be designated by number. With the addition of the Arica-Parinacota Region, in the extreme north, and the Los Ríos Region, in the south, the system in place since 1974 has been adjusted to fit the country's new social, economic and political circumstances.

In Arica, capital of the Arica-Parinacota Region, the new territorial organization was greeted joyfully among the area's inhabitants, including thousands of indigenous Aymara people. Living in the region for many centuries, the Aymara have imprinted these lands with their unique culture and identity. Considered Chile's northern gateway, the province enjoys a mild climate with an average temperature of 20° C. Mining is the leading economic activity, followed by tourism and fishing. The area is characterized by its cultural diversity and historical richness, exemplified by the Chinchorro mummies, the world's oldest.

In southern Chile, in the Región de Los Ríos (Region of the Rivers), residents celebrated in the streets after the announcement of the designation they had sought for more than 30 years. Valdivia, the capital, is surrounded by powerful rivers: the Calle-Calle, Cau-Cau, Valdivia and the Cruces. The region has a rainy, temperate climate, with annual precipitation levels of 1,871 mm. Thanks to its abundant

CHILEANS AROUND THE WORLD

The United Nations has named former President Ricardo Lagos, together with two other prominent international figures, as a Special Envoy for climate change of UN Secretary General Ban Ki Moon.



Heraldo Muñoz, Chile's ambassador to the UN, was designated by General Assembly president Haya Rashed Al Califa as one of the high officials in charge of consultations for the process of reforming the Security Council.

Juan Carlos Castilla, a marine biologist and ecologist from Chile's Catholic University and creator of the Las Cruces Coastal Marine Research Station, has been honored with the BBVA Foundation Award in Spain for the conservation of biodiversity.

Journalist Andrea Elliot Romero won the prestigious Pulitzer Prize for a series of reports in *The New York Times* reports on the community of Muslims in the United States and their struggle to preserve their faith. It is the first time that this honor has been awarded to a journalist of Chilean origin.

AGENDA

- ★ **June 14:** President Bachelet attends the Summit of the Andean Community of Nations. Tarija, Bolivia.
- ★ **June 29:** The President participates in the Summit of Mercosur Heads of State. Paraguay.
- ★ **July 4:** The President participates in the Summit of Caricom Presidents. Barbados.
- ★ **July 5-6:** State Visit of the President of El Salvador, Elías Saca González. Santiago.

forests, its economy is dominated by the forestry sector, with its tree nurseries, sawmills and cellulose plants. German colonists arriving in 1850 left a strong cultural and commercial legacy in the province.

Paleontological park

The enormous fossils of creatures inhabiting the seas up to about 16 million years ago can be found in northern Chile. Teeth from sharks ranging up to two meters in length, the 4-meter skull of South America's largest fossil whale, and the remains of another 75 marine species will now be on display in Chile's first paleontological park.



The tooth of a megalodon (giant shark).



The fossil deposit at Bahía Inglesa – a beach resort 880 kilometers north of Santiago – includes the country's largest primitive fauna. It will now form part of the new park, covering an area of more than 360 hectares. The project's origins trace back to 1999, when the first efforts were made to preserve this

stretch of coastline. In 2002, the area was closed to mining operations.

The initiative will also grant access to tourists, who will be guided along a thematic trail by knowledgeable local people. Interested visitors will also be able to participate in paleontological digs. These activities will help fulfill one of the project's objectives: bringing paleontology closer to the people.

The park will join the many valuable examples of Chile's cultural heritage administered by the Ministry of National Assets, including military forts, railway stations, saltpeter mining towns, archeological sites, and buildings of special historical or architectural significance.



ROUTES OF CHILE

The weaving route

Striking colors and beautiful designs characterize one of Chile's most typical products: woven textiles. On massive wooden looms, wool from the camelids of the Andean *altiplano* or the sheep of southern Chile is woven into fabric using the same methods employed by indigenous people for centuries.



Over time, the art of weaving – generally practiced by women – has been influenced by the styles of individual artisans; new designs have been added to the traditional patterns, and some mechanization techniques have been incorporated. In villages throughout Chile, clusters of small weaving businesses have sprung up, attracting thousands of tourists each year, especially to shows at which artisans display their creations.

The art of weaving is practiced throughout the country. In the north, the textile arts of the

Aymara people, practiced in small inland villages near Arica and Antofagasta, are especially notable. In the Valparaíso region, in central Chile, La Ligua is the best-known and most characteristic weaving center. Multitudes of small textile businesses line its streets, and huge weavings adorn the interior of its homes. In 1994, the town inaugurated an annual Textile Fair, displaying the season's new designs each summer and serving as a showcase for the rest of the world. In 1996, La Ligua achieved its own Guinness world record with the creation of the world's largest sweater, which measured 7 by 12 meters and was proudly exhibited in front of the town hall.



Continuing toward the south of the country, many localities of the O'Higgins region, including Las Cabras, Pumanque, Lolol, Santa Cruz, Chépica and the especially popular Doñihue, are home to dozens of active textile artists. Doñihue is famous for its *chamantos* – traditional garments worn by Chilean horsemen or *huasos* – which take approximately six months to create. *Chamantos* from Doñihue were Chile's gift to the leaders

participating in the APEC Summit hosted by Chile in 2004.



Woven textiles can also be found in the southern Chile. The Araucanian loom or *huitral* takes a characteristic form: four lengths of wood arranged in a rectangle and crossed at the corners. This region's designs for *chamantos* and rugs are particularly famous.

On the island of Chiloé, fabrics are woven from sheep's wool on a horizontal loom attached to the floor, to create blankets, bedspreads and shawls. The best-known artisanal centers in this zone are Dalcahue, Quinchao, Chaigüe and Llingua.



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