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Santiago, Chile



DOWNTOWN
SANTIAGO CHILE

MENSAJE EN OFICINA DE RECEPCION

MESSAGE AT THE RECEPTION DESK

Al Sr. CAROLINE CAWLEY
To Mr. _____
Fecha 10-20-90 Hora 12:30 Habit. 707
Date _____ Time _____ Room _____

From Mr. GUSTAVO DELGADO
Del Sr. _____
Dirección EMBASSY USA
Address _____

Estuve personalmente
I came personally

Deseo tener una entrevista
Would like to see you

Por favor llámeme
Please call me back

Volveré a verlo
I will call on you again

Es importante
Important matter

Es urgente
It is urgent

Mensaje I TRIED TO GET SOME BACKGROUND
Message INFO ON TITE MONEA BUT I
STRUCK OUT. NEVERTHELESS, I CAN GET
TITE INFORMATION DURING TITE WEEK
AND SEND IT UP TO YOU.

REGARDS

Firmado
Signed

THE WHITE HOUSE
WASHINGTON

OCTOBER 27, 1990

MEMORANDUM

TO: DAVID DEMAREST
CHRISS WINSTON

MARK LANGE
ED MCNALLY
DAN MCGROARTY
CURT SMITH
MARY KATE GRANT
MARK DAVIS
BETH HINCHLIFFE

PEGGY DOOLEY
BOB SIMON
CAROL BLYMIRE
TED GARMEY
JENNIFER GROSSMAN

FROM: CAROLYN CAWLEY *cc*

SUBJECT: PRE-ADVANCE TO SOUTH AMERICA AND MEXICO

ATTACHED:

- o Summary of speeches for the trip
- o Proposed itinerary
- o Preadvance notes

NOTE: Mrs. Bush will accompany POTUS on the trip. She will have her own activities, but she is expected to attend all the speeches to Congress and the State Dinners.

Secretary and Mrs. Baker will also travel with POTUS.

I. SUMMARY OF SPEECHES FOR THE PRESIDENT'S TRIP TO SOUTH AMERICA

Brasilia, Brazil

- Address joint session of Congress;
- American Embassy community Greeting;
- Remarks at luncheon for Brazilian business community hosted by POTUS;
- State Dinner toast.

Montevideo, Uruguay

- Address joint session of Congress;
- American Embassy community Greeting.

Buenos Aires, Argentina

- Address joint session of Congress;
- State Dinner - brief remarks;
- American Embassy community Greeting.

Santiago, Chile

- Address joint session of Congress;
- State Dinner toast;
- Remarks at breakfast hosted by the Chilean/American Chamber of Commerce;
- American Embassy community Greeting.

Caracas, Venezuela

- State Dinner toast;
- Remarks at luncheon hosted by the Venezuelan/American Chamber of Commerce;
- American Embassy community greeting.

NOTE:

Arrival and departure statements are TBD. If statements are required, they will probably be in Brasilia (first stop) and Caracas (last stop).

PROPOSED ITINERARY FOR THE TRIP OF THE PRESIDENT
TO SOUTH AMERICA

DECEMBER 2 - 8, 1990

Sunday, December 2

9:00 p.m. Depart Andrews AFB en route Brasilia, Brazil

Monday, December 3

8:15 a.m. Arrive Brasilia Int'l Airport

8:40 a.m. Arrive Planalto Palace

-- Arrival Ceremony
21-gun salute
Anthems
Review of troops

-- One on One meeting with President Collor

-- Expanded Bilateral Meeting

-- Joint Press Availability

11:15 a.m. Arrive Brazilian Congress Building

-- Address joint session of Brazilian Congress
TelePrompted
Simultaneous interpretation

12:35 p.m. Arrive U.S. Embassy

-- American Embassy community Greeting

1:25 p.m. Arrive Ambassador's Residence

-- Luncheon for Brazilian business community
hosted by POTUS. Brief remarks.

8:30 p.m. Arrive Foreign Ministry

-- State Dinner. Toast.

RON Brasilia

Tuesday, December 4

8:30 a.m. Arrive Brasilia Int'l Airport
-- Departure Ceremony

12:30 p.m. Arrive Carrasco Airport, Montevideo, Uruguay
-- Arrival Ceremony
21-gun salute
Anthems
Review of troops

1:20 p.m. Arrive Edificio Libertad
(President's office building)
-- One on One meeting with President Lacalle
-- Expanded Bilateral Meeting
-- Joint Press Availability

3:30 p.m. Arrive Legislative Palace
-- Address joint session of Uruguayan Congress
TelePrompted
Simultaneous translation

4:40 p.m. Arrive U.S. Embassy
-- American Embassy community Greeting

6:15 p.m. Arrive Punta del Este
-- Private Dinner hosted by President and
Mrs. Lacalle

RON Punta del Este

Wednesday, December 5

8:15 a.m. Private Breakfast with President and
Mrs. Lacalle

10:00 a.m. Arrive Carrasco Int'l Airport, Montevideo
--Departure Ceremony

11:35 a.m. Arrive Ezeiza Int'l Airport
Buenos Aires, Argentina

12:00 p.m. Arrive Aeroparque ((chopper over))
-- Arrival Ceremony
21-gun salute
Anthems
Review of troops
Presentation of Key to City

12:35 p.m. Arrive Plaza de San Martin
-- Wreathlaying Ceremony

12:50 p.m. Arrive Casa de Gobierno (House of Government)
-- One on One meeting with President Menem
-- Greeting of Diplomatic Corps
-- Working luncheon with President Menem
-- Joint press availability

3:30 p.m. Depart for Palacio de Congreso
(Palace of Congress)

POTUS' limo will be escorted by Grenadiers
(Argentine mounted soldiers) at a parade pace.

3:50 p.m. Arrive Palacio de Congreso
-- Address joint session of Argentine Congress

** TelePrompted ** ((John Keller told me that
there may some difficulty in TelePrompter
space. The only place for it is a small
recessed area in front of and below the
podium -- but this where they want to put
the press travel pool. Apparently this
decision will be left to Demarest and
Fitzwater.))

Simultaneous interpretation

7:55 Arrive Sociedad Rural

- Rodeo and cultural demonstration
- Informal greeting of Supreme Court justices
- State Dinner
Brief remarks

RON Buenos Aires

Thursday, December 6, 1990

8:50 a.m. Ambassador's Residence

- American Embassy Community greeting

9:25 a.m. Arrive Aeroparque

- Departure Ceremony

11:30 a.m. Arrive Arturo Merino Benitez Airport
Santiago, Chile

- Arrival Ceremony
Full Honors

12:15 p.m. Arrive President Aylwin's private residence

- Working luncheon with President Aylwin
- Joint press availability

3:25 p.m. Arrive Chilean Congress Building
Valparaiso, Chile

- Arrival Ceremony
Honor Guard (from the Naval Academy; will line
the street outside the building)
Anthems
Review of troops
- Address to joint session of Chilean Congress
TelePrompted
Simultaneous interpretation

8:40 p.m. Arrive La Moneda Palace
Santiago, Chile

- Ceremonious Arrival
Honor Guard
Review of troops
Fanfare
- Private meeting with President Aylwin
- State Dinner. Toast.

RON Santiago, Chile

Friday, December 7

7:55 a.m. Arrive Holiday Inn Crowne Plaza Hotel

- Breakfast hosted by the Chilean/American Chamber of Commerce

Brief remarks (@ 8:10 a.m.)
TelePrompted

9:25 a.m. Arrive Ambassador's Residence

- American Embassy community Greeting

10:30 a.m. Arrive Airport

- Departure Ceremony

4:10 p.m. Arrive Simon Bolivar Int'l Airport
Caracas, Venezuela

- Arrival Ceremony
21-gun salute
Anthems

7:40 p.m. Arrive La Casona

- Private meeting with President Perez
- State Dinner. Toast.

RON Caracas, Venezuela

Saturday, December 8

9:15 a.m. Arrive Pantheon
(Tomb of Bolivar and other national heroes)

-- Wreathlaying Ceremony

9:55 a.m. Arrive Miraflores Palaces

-- One on One meeting with President Perez
-- Expanded Bilateral Meeting
-- Joint press availability

12:30 p.m. Arrive Hilton Hotel

-- Luncheon hosted by the Venezuelan/
American Chamber of Commerce (VENAMCHAM)

Remarks
TelePrompted

2:20 p.m. Arrive Ambassador's Residence

-- American Embassy community Greeting

3:35 p.m. Arrive Simon Bolivar Int'l Airport

-- Departure Ceremony

4:00 p.m. Depart en route Andrews

7:05 p.m. Arrive Andrews AFB

PREADVANCE NOTES -- BRAZIL

Address Joint Session of Congress

- Monday, December 3 @ 11:35 a.m.
- TelePrompted
- Simultaneous Interpretation
- 1200 attendees: Senators, Deputies, Cabinet ministers, Supreme Court justices, Governors of the Districts, military commanders, members of the diplomatic corps, religious leaders, university presidents, etc.
- The session will open while POTUS is in the holding room (National anthem of Brazil, 1 speech by a Senator, 1 speech by a Deputy). POTUS will enter and there will be 6 minutes of hymns followed by three speeches:
 - Senator -- 15 minutes
 - Deputy -- 15 minutes
 - POTUS -- 15 - 18 minutes allottedSession will close by the President of the Congress.
- See photos of the building exterior the domes are very symbolic. The inverted dome atop the Deputies Chamber means that everything starts in the House and the cup is open to the ideas of the people. Laws begin there. The dome atop the Senators Chambers means that the Senate is the final cap, laws become final -- the "lid".
- Check Kubiscek quote chiseled in marble at entrance. (in Portuguese)
- The bicameral National Congress consists of 78 Senators (three for each state and the Federal District) elected to 8 year terms. 495 Deputies elected at large in each state to 4 year terms. The elections are based on proportional representation weighted to favor less populous states. The next elections are scheduled for November, however the newly elected members will not take their seats until January, after POTUS' visit. Suffrage is compulsory for ages 18 - 70.

State Dinner -- Toast

- Monday, December 3 @ 8:30 p.m.
- The Foreign Ministry Building, Brasilia Room. See photos.
- 260 guests
- The Brazilian Chief of Protocol asked that we keep the President's remarks under 8 minutes. (I told him not to worry!)
- The main entrance to the building will be flanked with honor guards. Then POTUS will ascend the "floating staircase" (see photos) and be ceremoniously greeted by the President and Mrs. Collor. Cocktails in the anteroom (see photos)-- the "Dortinari Room" (named for a famous modern artist. State dinner in the Brasilia Room; one wall is covered with a mammoth textile/macrame piece of art. The artist, Roberto Burle (BOOR lay) Marx, is well known for his designs, particularly in gardening and landscapes. He did the gardens at the Palace and at the US Embassy. -- I'll try to find out more about him.

Embassy Greetings

- Monday, December at 12:35 p.m.
- US Embassy - Brasilia, small auditorium
- 450 attendees: embassy personnel, Brazilian staffers, families, Americans from the area
- Brasilia is really an artificial capital, carved out of the land 30 years ago when the government decided the nation's capital should be centrally located. (It had been on the southeastern coast, in Rio.) The city has quite an "outpost" feel about it, and I'm told this is a pervasive feeling, especially for the embassy people. Brasilia is far from everything and to "go anywhere, you have to go through Rio"! There could be a joke there, like the infamous Atlanta anecdote: You have to go through Hartsfield (Atlanta's big airport) to get to heaven!
- The US as first country to establish an Embassy in Brasilia. The site, donated by the government of Brazil was officially selected by Secretary of State John Foster Dulles when he visited in 1958 with President Kubiscek. The site was first occupied in 1960 by a portable house trailer. President Eisenhower laid the symbolic cornerstone of the Chancery during his visit.

The inside patio was designed by the famous Brazilian landscape artist Roberto Burle Marx -- also the artist of the hanging textile work at the State Dinner site.

Luncheon for Brazilian Business Community Hosted by POTUS:

- Monday, December 3 @ 1:25 p.m.
- Ambassador Melton's residence -- back patio by pool or the indoor dining room
- Brief remarks
- Approximately 100 attendees

- I have copies of 3 proposed guest lists, TBD by the Embassy. They are pretty much the same. Guests will include various Ministers of the Brazilian government -- Infrastructure, Economy, Foreign Affairs, Justice, Environment; some Congressional leadership; and leaders in the business community such as the US-Brazil Business Council, Citibank, General Motors, American Express, McDonalds, Union Carbide. Also well as representatives from such international organizations as the World Bank and the InterAmerican Development Bank.

- Contact: Kevin Brennan
Embassy Commercial Counselor

Planalto Palace -- Arrival Ceremony, Meetings -- No Remarks

-- Candangos is the nickname of the hardy pioneers who built the city; sort of like our Pilgrims. In front of Planalto Palace (site of arrival, one on one meeting and bilaterals; located on 3 Powers Plaza along with the Congress building) is a "Candangos" statue. The statue of two figures is officially called "the Two Warriors" but is more commonly referred to by the nickname. It's the work of famed sculptor Bruno Giorgi.

-- Across the street from the Palace is the "Pantheon of the Fatherland" also known as the Pantheon to Liberty and Democracy, with an eternal flame. See photos. of inverted triangles.

Tancredo Neves was elected in 1985 but died before taking office and the Pantheon was erected in his honor. His entire life embodied the struggle for democracy. Neves is a hero figure today, known as the man who restored democracy in Brazil after twenty years of military rule.

- The area is known as "3 Powers Square"... Planalto Palace, the Supreme Court, the Congress Building plus the Pantheon.

Other Notes on Brazil:

-- Brazil gave birth to the Lambada, the forbidden dance.

-- Stay away from calling Collor "Indiana Jones". POTUS already called him this once -- it was cute for awhile, but it's a sensitive subject now. President Collor has eased back on his weekend daredevil, in large part because his mother launched a national campaign to get him to stop. The weekend that we were there however, he drove Ferrari at 140 mph down the highway. In sum, Collor still does all the stuff but in low profile. It's OK to jest him about it, but don't refer to him as Indiana Jones.

--HISTORY:

Brazil has been independent since September 7, 1822. It is a Federative Republic with broad powers granted to the federal government. Collor is the first popularly elected President in almost 30 years. (coincidentally, Brasilia is about 30 years old as well.) Collor succeeded Jose Sarney, the first civilian President after 21 years of military rule.

--Brasilia:

Situated roughly in the center of Brazil, high on the inland plateau termed the "planalto", Brasilia was officially inaugurated on April 21, 1960. However as an idea it dates back three centuries to the dreams of the new world empire by the Italian monk, Dom Bosco (after whom many places in Brasilia are named).

Brasilia is also the product of the early Portuguese settlers for a safe inland capital away from the poor climate and military invasions so prevalent on the coast. The Portuguese Court in Lisbon ordered that studies be conducted concerning the capital location, but nothing was done until 1955. Former President Juscelino Kubiscek promised in a now famous campaign speech that, if elected, he would build the new capital within his 5 year term.

He was elected and kept his promise. Actual construction was begun in 1957 around the clock and the city was completed in 1960.

The men responsible for the rising of Brasilia are the architect Oscar Niemeyer and engineer Lucio Costa. Niemeyer designed all of the principal buildings and still holds veto power over new construction. Costa planned the layout of the city itself, the "Plano Piloto", choosing to make it look from the air like an airplane, a symbol of progress. The city is laid out like a plane, with a main body, wings, etc.

At the intersection of the main axes is the bus station, called the "rodoviaria", truly the center of the city in its early years, as workers and their families arrived from all parts of Brazil seeking opportunity in the fledgling capital.

In the cockpit of the plane is the Praca dos Tres Poderes (3 powers plaza).

--Sights

- o President Medici Sports Center A sports stadium which holds 42,000 spectators, plus a gym for 25,000. Maybe there's a joke in here.
- o Rogério Pithon Farias Park Reputed to be the largest city park of any capital in Latin America. Covers 4 million meters square.
- o The Cathedral The shape of the Cathedral represents Christ's crown of thorns. The pillars symbolize the states of Brazil supporting the crown, which is set into the ceiling disk. The main entrance leads under ground through a shadowy tunnel, meant to prepare churchgoers by meditation and self-examination for emergence into the sunny circular church.

-- The Brazilian flag has the words "Ordem y Progreso" on it -- "order and progress" in accordance with the positivist philosophy of its fathers.

-- Brazil got a new constitution in 1988.

-- On the economy and other issues:

- o Avoid comparisons between Brazil and Mexico.
- o The US hopes for Brazil and Argentina to become signatories of the Treaty of Tlatelolco, a nuclear limitation agreement. POTUS has telephoned Collor several times on this issue.
See Collor's recent UN speech.
- o Debt: A few weeks ago, Brazil had a major proposal to restructure their debt payments. In overview, they'll issue 3 kinds of bonds in exchange for their debt commitment. They'll sell these back to the governments and banks they owe at various auctions. They'll be paying the principal ahead of the interest.

CONTACTS:

- John Keane, Political Counselor (**)
- Cultural Section: Luzia and Marcillo
- Gordon Jones, Economic Counselor
- Bob Jordan, PAO

PREADVANCE NOTES -- URUGUAY

Contacts:

Kate Jarvis -- Embassy Information Officer
John Jurecky -- Charge d'Affaires; Control Officer
for Joint Session event

Notes of interest:

- Eisenhower visited Uruguay on his big South America trip.
- Johnson also visited in 1967.
- On the outskirts of Punta del Este is a large park popular for camping named "FDR Park".
- The Foreign Service Institute in Rosslyn has a good library where you can find books on Uruguayan history and culture in English.
- Uruguay is known for her friendly people and the pervasive air of tranquility.
- The Uruguay Round of GATT began here in 1987 at Punta del Este. The current GATT round will be underway beginning December 3 in Geneva.
- JOSE ARTIGAS
National hero of Uruguay -- their George Washington.

His statues are located all over the city of Montevideo; the main one is his tomb at Independence Plaza downtown. His statue also stands outside the Edificio Libertad, the site of meetings and bilats on this trip. See photos of both.
- The Pope visited Uruguay in 1987 or 1988. A giant crucifix was erected in his honor and he held a Mass for thousands there. I was told that Uruguay is a Catholic country in name only.
- Uruguayans are big fans of basketball and soccer (futebol). They have fielded many World Cup players and have several citizens playing in the professional European leagues.
- Jose Rodo was a major literary figure. The park near the Embassy bears his name. Most of the streets in Montevideo are named for famous figures in their history. George Washington an important figure -- and his statue stands near the Embassy on a main thoroughfare.

Embassy Greetings

- o Tuesday, December 4 @ 4:40 p.m.
- o The main entrance hall of the Embassy
- o Approximately 300 attendees -- Embassy personnel, Uruguayan staff, families, possibly Americans from the area.

- o They have been waiting for several months for their Ambassador-designate to be confirmed (since April?). It's hoped that he'll be on post by the time of POTUS' visit. If he's not, this has definite joke potential. If he is, you could still use it.

- o The Embassy was designed by I.M. Pei (the famed architect who also did the East Wing of the Nat'l Gallery and the glass pyramid at the Louvre). It's one of the few embassies in the world done by a renowned architect -- but the embassy personnel have many complaints about it and claim that it was designed before "user friendly" became a popular term. (Humor potential?)

- o Humor?: their mail is often ripped off before it gets to the country. Chances are few that they ever receive any mail orders.

- o POTUS will arrive in Montevideo during the last week that anybody stays in the city -- everyone escapes to Punta del Este.

Address to Joint Session of Uruguayan Congress

- o Tuesday, December 4 @ 3:30 p.m.
- o Legislative Palace -- Chamber of Deputies
- o Approximately 300 attendees; 132 Senators and Deputies.
- o Embassy Control Officer: John Jurecky
Charge d'Affaires
- o TelePrompted

Above the podium is a huge mural (see brochure and photos). Unfortunately, I couldn't locate anyone who could tell me what it represents -- it's probably worth looking into.

Also above the podium is an inscription chiseled in marble. It's in Spanish, but I was told it says: "My authority emanates from you and that authority seizes through with your sovereign presence."

The Legislative Palace is absolutely beautiful. The interior is all Uruguayan marble of different colors. See photos and brochure.

Punta del Este

- o No remarks in PDE. POTUS will there for a private dinner with President and Mrs. Lacalle at a small seaside restaurant. The next day, a private breakfast with them at a small inn in town. Mostly an R&R stop. The Bushes will stay at a huge home on the water (it should be in Architectural Digest!!) -- it's owned by a wealthy Argentine who has lent it to the Uruguayan on several occasions, most recently for the visit of French President Mitterand.
- o Punta del Este is a seaside resort town that has practically no full time residents. It became well known in 1967 after its film festival and has since hosted many international meetings and conferences as well as art and entertainment. The entire town is made of (magnificent) summer homes of the Uruguayan and Argentine elite. When we were there, the place was all but deserted. At the time of POTUS' visit, the throngs of vacationers will be just arriving for their summer vacations which last through February.
- o Darwin came to Punta del Este in 1833 to study the species of Goriti Island, off the coast of Punta del Este. He live in Uruguay for three months. He told his friend Signor Marconi, an Italian engineer, that the area had a "good magnetic field" and Marconi later developed the telegraph in Punta del Este.

PREADVANCE NOTES -- ARGENTINA

Good Contact:

Stephen Thompson -- US Embassy

A very friendly man who is a good source of info for both the Embassy Greeting as well as business/trade info for the Joint Session speech. I gave him the heads up that you'd call him.

Michael Canning -- US Embassy, Cultural Officer

Benny Giron -- Very helpful and eager to please. He should be sending you some brochures that we didn't have time to get on the preadvance. Also at the Embassy.

NOTE: Upon arrival at the Aeroparque (municipal airport), POTUS will be presented with a key to the city. No remarks are planned, but check on this again.

Sites of interest in the city:

- "July 9 Boulevard" is claimed to be world's largest; the main thoroughfare of "B.A." (Why is July 9 an important date for Buenos Aires?)
- At one circle of "July 9" stands a monument that is exactly like the Washington monument here in D.C. -- only slightly smaller. It's dedicated to Don Pedro Mendoza. (check him out)
- B.A. is the second city in the formation of the country of Argentina.

- Recoleta Cemetery is their equivalent of Arlington, though the people buried there are not solely servicemembers. Many famous Argentines, writers, artists, political figures, etc, have been laid to rest there.

Wreath laying ceremony at the Plaza of San Martin

- POTUS will lay a wreath at the monument of San Martin, the George Washington of Argentina. No remarks are required, though you will want to use San Martin in your other speeches. He is a very important figure to the Argentines.
San Martin is actually buried in the Main Cathedral of Buenos Aires, which is down the street about 1/2 a block from the Casa Gobierno (joint session speech site). Both the Casa Gobierno and the Cathedral line the Plaza of May 25th (why is this date important?) The Plaza is a big site for rallies and other public gatherings.

Suggested Reading:

"The History of Argentina" by David Rock.

This book covers the history of the country, from its earliest beginnings through the Falklands War. It's supposed to be an extremely easy read and a good source for you. Should be available at the OAS library or the Library of Congress.

Note from LCDR Justice from the Mil Office:

An Argentine Navy sailing vessel and training ship is the sister ship of the Coast Guard training vessel Barque Eagle. Both were war reparations from Germany.

QUOTES FOR SPEECHES

"Sarmiento" is supposedly the most quotable Argentine. He was a civilian President at the time of Lincoln and is known as the "Abraham Lincoln of Argentina".

**Mike Butler at the Embassy is known by his colleagues as "Mr. Quote". Call him.

Address to the Joint Session of the Argentine Congress

- o Wednesday, December 5 @ 3:50 p.m.
- o In the Chamber of Deputies
- o The address is scheduled to the Prompted, however check with Dave on this. The only available space for the Prompter is also where they want to put the press pool. Keller told me that Dave and Marlin will have to work this out.
- o Approximately 500 attendees -- 300 Senators and Deputies; 70 member of diplomatic corps; the Cabinet; Supreme Court justices; etc.
- o Two speakers -- the President of the Senate who will open the session and introduce the President, and POTUS. POTUS introduced by Argentine Vice President Duhalde.

See photos of chamber interior as well as pamphlets. Though they are in Spanish, you can probably figure them out.

The National Seal It is dominant all over the government buildings. In the Chambers in particular, it appears on the front of the podium, above the podium, and in the stained glass ceiling. See the brochure for a picture.

The stripes in it are the blue sky and the white sky of the flag.

The hands are the union of the Argentine people

The staff holding the cup symbolizes Freedom; adapted from symbols of the French Revolution.

The sun symbolizes the birth of a new country.

The laurels mean Glory.

State Dinner

- o Wednesday, December 5 @ 9:00 p.m.
- o Informal, as they will just have viewed a rodeo and cultural demonstration. (Riding, roping, throwing bolos, precision horse drill team of the federal police, traditional costumes)
- o 500 attendees

American Embassy Community Greeting

- o Thursday, December 6 @ 8:50 a.m.
- o The U.S. Ambassador's Residence Ballroom
- o 500 attendees -- embassy personnel, Argentine staff, families

The Residence is the largest in the world -- it's even larger than the WH residence. Vice President Quayle stayed there on his Latin American trips; the Bushes will RON there as well. Check on Bush as VP stays.

Other Presidents who stayed there:

- A plaque at the Main Entrance commemorates the February 26, 1960 visit of Eisenhower (a private visit after his Presidency)
- A plaque at the top of the stairs commemorates the November 30 - December 2, 1936 visit of FDR.

PREADVANCE NOTES -- CHILE

Embassy Greeting

- o Friday, December 7 @ 9:25 a.m.
- o Ambassador's Residence, back patio
- o 300 - 400 attendees; Embassy personnel, Chilean staff, families.
- o Contacts: Dan Johnson Embassy Admin Officer
Dave Lugers Site Control Officer
- o We spent only a few minutes at the Residence and none of the Embassy personnel had much to offer by way of humor and color. I told both Dan and Dave to be thinking of such things in case you call them. Ambassador Gillispie is quite the dashing figure and I was told that there is humor there. Call his wife for more on that.

bio -

Mary Kate

Colombia

Vivian

Chuck + Kristin

AMCHAM Breakfast

- o Friday, December 7 @ 7:55 a.m.
- o Holiday Inn Crowne Plaza Hotel Ballroom -- a ballroom is a ballroom is a ballroom. Totally nondescript. Could have been Toledo.
- o Both Presidents will attend. JB III TBD. Mrs. Bush TBD.
- o 1000 attendees
- o TelePrompted
- o POTUS introduced by AMCHAM President Ed Tillman, CEO of Exxon in Chile
- o 2 speeches precede POTUS (one is Tillman). 55 minutes total time there. POTUS doesn't eat.
- o 7 people at head table (8 if Mrs. B. attends): President Aylwin [AIL win], 4 AMCHAM directors, Ambassador Gillispie, JB III.
- o Elementary school choir will sing the anthems.
- o Contacts:

ant

Embassy: ** Rick Villalobos, Econ Section **
Nancy Mason, Political Section

AMCHAM: M. Isabel Jaramillo
Paulina Dellafiori

Phone: 486 830

6433

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NOTES:

- Chileans think they'll be the first Latin American country to sign a Free Trade Agreement with the US through the Enterprise for the Americas Initiative. Mexico is slated to be first, but the Chileans are optimistic.

- Stay Away From: 1. The Kennedy Amendment prohibiting Chile from purchasing any military apparatus from the US. Senator Kennedy sponsored the bill after the Letalier bombing in D.C.-- the US asked Chile to locate and charge the perpetrators and to date they have not done so. Major source of tension in US-C relations.
2. The Generalized System of Preferences. The privilege was taken away from Chile in 1987 due to labor abuses. They say they have corrected this and want the GSP back, but the US refuses.
3. Chilean grapes.

- Nancy Mason and Rick Villalobos will send you examples of recent cooperative ventures and examples of cooperation in business; a story on early US-C business; humor. Probably should give them a call to remind them.

- GOOD NEWS: Chile is now back in OPIC. OPIC is again insuring US firms in Chile.

Also, Chile has been returned a clean bill of health after hoof and mouth disease problems in their cattle. They can now export to the US. Whoopee...

State Dinner

- o La Moneda Palace, Plaza de Naranjas (Plaza of Oranges -- courtyard filled with orange trees)
- o Thursday, December 6 @ 9:15 p.m.
- o Toast
- o Will just have participated in a ceremonious arrival at the palace with honor guards, review of troops, and fanfare. The Palace Guards are units of the National Police (Carabineros). The square outside the Palace will be lined with US and Chilean flags.
- o Attendees TBD

The Palace was designed by the Italian Tosca in 1786. It's been restored but is still essentially the same...except for

one room that has been removed. The palace was bombed during many coups. Pinochet was holed up there and committed suicide in the Palace -- that room has since been removed.

The national slogan of Chile appears ALL OVER the place; from the wrought iron work of the Palace courtyards to the marble over the podium at the joint session speech. It reads,
translated: "If not by reason, then by force". Yikes.

Gustavo Delgado is a young Foreign Service Officer at the Embassy who tried to get me some brochures on the history etc of the Palace. He was unsuccessful but left a message at our hotel that he'd try again and send it up. You may want to give him a call.

See photos of the Palace and the courtyard.

Address to Joint Session of Congress

- o Valparaiso -- Congreso Nacional, Salon de Honor
- o Approximately 900 attendees -- 47 Senators, 120 Deputies, plus various members of the diplomatic corps, Cabinet Ministers, etc.

This will be a special session of the Congress. The President of the Senate will open the session with 5 minutes of rituals and will introduce POTUS with the ringing of the bell. (President of the Senate is Gabriel Valdes, the highest ranking legislator.)

On dais: Rafael Eyzaguirre, Secretary of the Senate
Carlos Loyola, Secretary of the Chamber of Dep's
Jose Antonio Viera Gauo, President of Chamber of Deputies
Gabriel Valdes, President of the Senate

The Congress building is brand spanking new -- in fact, they were still laying carpet when we visited. It is a huge, gigantor monument of marble columns that seems extremely out of place in poverty-stricken Valparaiso. Even across the street, the building is surrounded by ordinary shops and slums coming down from the hills. See photos. It had an eerie feeling about it, as most government buildings of this sort are surrounded by others like it. See photos.

POTUS will get out of the limo about 1/2 a block from the building and walk a route lined with honor guardsmen from the Naval Academy. He'll review the troops and be greeted on the steps by the Senators and Deputies.

Again, their national slogan reads : "If not by reason, then by force." It is emblazoned in marble above the podium. In this instance it appears under a seal of sorts with a condor and a huemol (deer like animal). The condor represents the aggressive side, while the huemol represents the tranquil and peaceful side.

POTUS will chopper over to Valparaiso from Santiago. It might be worth it to mention the truly beautiful Chilean countryside. It's really quite remarkable -- greenery like you've never seen; rolling meadows filled with wildflowers; farmland; beautiful mountain ranges. Save for a few billboards here and there, it's virtually unmarred. The Andes Mountain Range is visible in the far distance, with snow capped peaks.

Other notes on Chile:

- King Juan Carlos of Spain just completed a state visit to Santiago the day we arrived. The papers applauded the success of the visit -- on the issues of trade, etc. Apparently the two countries have just recently reestablished good relations -- last time Juan Carlos visited, he was snubbed by Pinochet who left the city to visit his troops in the hills and never met with the King.
- North of Santiago begins a desert which continues to the border. Some spots are said to have never seen rain -- ever. No life can exist there. Some areas get 1/16th inch of moisture per year, mostly from mist coming off the ocean.
- La Iglesia de San Francisco de Assisi is the best known church in Santiago. We drove by it, but unfortunately I wasn't able to catch a photo for you. It's the oldest church in the country and also houses a museum of the monks. Nancy Mason said she would send a brochure on its significance; again, you may want to call her to remind her if you're interested.
- The national hero of Chile, believe it or not, is named Bernardo O'Higgins. (His father was Irish!) He is considered to be the equivalent of Bolivar, Artigas, San Martin, etc. -- the George Washington of Chile. In fact, he fought with San Martin (of Argentina). Definitely check into this man.

PREADVANCE NOTES -- VENEZUELA

Contacts:

- o Bill Millen
Political Counselor at the US Embassy. This man is an expert on the country and can answer just about any question you may have.
- o Helen Clare Hudson (Phone ext. 425)
Economic Counselor at the US Embassy. Call her for info on cooperative efforts in trade and business.
- o Paula Thiede (Phone ext. 330)
Also at the Embassy. A very nice woman who maintains files of newspaper clippings.

Color and Things to Check on:

- Bill Millen thought that POTUS may have visited Venezuela in the 1960's when he was an oilman in Texas. He supposedly visited the city of Maracaibo, in western Venezuela near Colombia.
- Jeb Bush once lived in Venezuela. Were any of his kids born there?
- POTUS visited V. in 1981 (?) for Bettencourt's funeral.
- Bettancourt [BET anne coor] is a good man to quote
- POTUS and President Perez met when both were President-elect's. State visit of Perez in spring '89. POTUS calls Perez often -- they have a good relationship.

NOTE: Avoid mentioning Perez's relationship with his wife. He is married, but pretty openly has a mistress. She travels with him in his entourage. Mrs. Perez has does not hide her displeasure.

--Embassy Greeting

- o Ambassador's residence -- on large patio overlooking the city
- o Saturday, December 8 @ 2:20 p.m.
- o Approximately 300 attendees -- embassy personnel, Venezuelan employees, families; possibly some Americans from the area.

- o Contact Bill Millen for inside humor. I was told that jokes about the erratic water supply and telephone service would be appreciated. Also, they have been waiting for several months (since May?) for their Ambassador-designate to be confirmed. It's become a running joke of sorts --it's hoped that he'll be on post by the time of POTUS' visit. If not, this has definite joke potential. If he is there, you could still use it.

I -- Caracas is surrounded by huge, green, lush mountains. They really are quite beautiful and it's difficult to escape a grand view of them. Avila National Park is a big deal to the people of Caracas; it's a landmark. It's a huge park high up in the hills and mountains with trails, waterfalls, and eating spots -- also a preserve of sorts, with birds and butterflies which are protected "El Avila" Nat'l Park separates Caracas from the Caribbean Sea. (Note: Venezuela has a heavy Caribbean influence, from the people to the reggae music. It's often said the V. is more a part of the Caribbean region than Latin America.)

The Ambassador's residence (RON Site and site of Embassy Greeting) is just below the park

--Business Luncheon

- o Caracas Hilton Ballroom -- a ballroom is a ballroom. Totally nondescript.
- o Saturday, December 8 @ 12:35 p.m.
- o 1,000 attendees
- o 14 on the dais
- o Brief Remarks; TelePrompted

-- Teresa Careño was a major opera diva from Venezuela. She toured the world and was very popular internationally. Across the street from the Hilton (Luncheon site) is a huge theater and arts complex in her honor. It is one of the best known buildings in Caracas.

-- State Dinner

- o Friday, December 7 @ 7:40 p.m.
- o Site: La Casona, President Perez' private home. It's still undecided whether it will be outdoors on the large patio (tented) or the indoor dining room.

--Pantheon -- Tomb of Bolivar and other liberators

No remarks, but this would be great to use in business luncheon or embassy greetings, as POTUS will have just participated in a wreathlaying ceremony there. Note that a statue of Bolivar stands in D.C. down the street from State.

Other liberators at the Pantheon include: Garantia, Jose Gregorio Monegas, Francisco Miranda. It is a beautiful monument with splendid murals and frescoes; high vaulted ceilings and stained glass windows. The paintings represent scenes of the liberation of Venezuela.

CARACAS:

- Capital of Venezuela
- Birthplace of "Libertador Simon Bolivar"
- Founded on July 25, 1567 by the Conqueror Diego de Losada. He named it Santiago de Leon de Caracas. The Lion (de leon) is quasi-official symbol of the city.
- The city of Caracas was mapped 9 years after founding. It was exactly 24 square blocks with the 25th as it's center plaza. Today this area is the colonial section of the city.

VENEZUELA:

- Discovered by Columbus (just like the US) in 1498 on his third voyage to the New World. First explored by Alonso de Ojeda in 1499 -- according to legend, he named it "Venezuela" or "Little Venice".
- Achieved independence in 1821. Begun by Francisco de Miranda and completed by Simon Bolivar.

SITES YOU MAY WANT TO MENTION:

- Iglesia de San Francisco: (Church of S.F.) Church and convent built in 1575. Simon Bolivar prayed here often. It was in this church that he was given the title "libertador" (liberator) and made Captain General of the V. armies. His state funeral took place here in 1813. It's open to public tours.
- El Capitolio Nacional: (The Nat'l Capital). Next to the legislative palace. Topped by a gleaming dome. Built in 1877. Now used only for the inauguration of the President.
Inside are 52 paintings depicting historical V. events. The most magnificent is on the ceiling of the dome; it shows Bolivar winning the V. Battle of Independence at Carabobo. The Declaration of Independence is housed here.
- Consejo de Municipal: Old seminary built in 1641. In the center are fountains with the symbol of the city, the lion. The Declaration of Independence was signed here in July 5, 1811.
- Casa Natal: Bolivar's birthplace.
- La Catedral: (the Cathedral) Mirrors the tumultuous history of Caracas. It was destroyed by earthquakes in 1641, 1766, and 1812 and rebuilt each time. In the Cathedral are the crypts of the Bolivar family.

Famous Artists:

Marisol
Jacobo Borges
Jesus Soto
Mateo Manaure
Alejandro Otero
Carlos Cruz Dias

All are internationally known.

(Smith/Dooley)
November 20, 1990
10 A.M.
CHILE

PRESIDENTIAL REMARKS: CHAMBER COMMERCE
SANTIAGO, CHILE
FRIDAY, DECEMBER 7, 1990
7:55 A.M.

President Aylwin, Ambassador Gillispie, friends. I want to thank you, Ed [Tillman], for those kind words. It is an honor to be with my fellow businessmen and vecinos -- and to be the first American President to visit here in thirty years. //

((First, let me say how pleased I am to see my friend President Aylwin. Two months ago we first met at the White House. Over the last day I have again had the chance to observe his insight and eloquence. // ^(put in) ~~The~~ President, of course, is fluent in both English and French. / I'm jealous. / Some say English is my only foreign language.)) //

((On a related note, I am delighted that Chile has been returned to a clean bill of health after hoof and mouth disease afflicted some cattle. You are now able to export to America. // I sympathize. // Some have accused me of foot in mouth disease.)) //

Three decades ago, the last U.S. President to visit Chile said this to your country's Congress: "The friendship between the two Nations is based on shared philosophy, on faith in God, respect for the spiritual dignity of man, and the conviction that government is the servant of the people." //

The man who spoke those words was one of the noblest Americans of this or any age -- a true hero in the image of such Chilean heroes as Artigas, San Martin and Simon Bolivar -- whose statue rests blocks from the White House. //

His name, of course, was Dwight David Eisenhower. He was a true of apostle of peace between Nations. And his entire life reflected a passage from your great poet, Bernard O'Higgins: "Make that ultimate sacrifice which your honor and your country demand." //

Too often, that sacrifice has meant the giving of one's life. Today -- in more peaceful times -- it means the giving of the human heart and mind. // Our two Nations have never been more united by values like work, faith, family, and democracy. I am here today to discuss how we can use those binds to build a better Hemisphere -- and a better life for all. //

Last June, we introduced an initiative to make those goals reality -- aided by leaders like President Aylwin who know the key to progress is trade, not aid. // We called it The Enterprise of the Americas Initiative. It can help foreign investment, free trade, and official debt reduction beget prosperity for Chile and its neighbors. Together, the business sectors in both Chile and America can use it to help the individual -- not the State -- be Chile's voice of tomorrow. //

Already, you have helped America become Chile's largest trade partner. We need to expand that trade, and we will. But only if both economies remain open -- open to ideas, to reform,

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3

creativity, open to free-market reform. // That means continuing Chile's ^{course of} tide toward democracy -- both political and economic. Or as President Menem said ^{in ball} at the United Nations: "Chile is showing that an expanding, stable, and equitable economy is compatible with an open and democratic political system." //

America has long known what Chile is rediscovering. The tide toward freedom -- once begun -- is irresistible. So we take great pride in recently concluding a trade and investment framework agreement between our countries. Our confidence in Chilean business is a major reason for this pact. // And the best

~~I believe~~ -- still lies ahead. I am confident that our Nations can -- and will -- sign an eventual Free Trade between our two countries. //

Should this occur, we must resist the siren song of protectionism -- where no one wins and our peoples lose. // 1st Agreementmu d is onlyhtat

A free trade agreement is a demand to resist the siren song of protectionism. Chilean forestry products. The Exporters' Association of Chile has been the first to export // All reductions in tariffs. We must lift the tariff on raw timber. The price is a fundamental. The state is that of a mine in La Araucanía. The water is Valdivia. In the north, more water for the olive oil growers.

an agreement with the Chilean government. This is a point to make the Chilean government. This is a point to make the Chilean government.

Chile has been the first to export // All reductions in tariffs. We must lift the tariff on raw timber. The price is a fundamental. The state is that of a mine in La Araucanía. The water is Valdivia. In the north, more water for the olive oil growers.

We shall not repeat this

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THE WHITE HOUSE
WASHINGTON

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SPECIAL INSTRUCTIONS:

CHRISTINA:

ATTACHED IS BIOGRAPHIC INFORMATION AND PROGRAM FOR OUR ENTERTAINERS FOR THE CHILE STATE DINNER NEXT WEDNESDAY, MAY 13. (YO YO MA AND JEFFREY KAHANE)

PLEASE NOTE THEIR EMPHASIS THAT THEY RECEIVE EQUAL BILLING.

MAY WE HAVE A COPY OF YOUR REMARKS FOR THE PRESIDENT?

MANY THANKS.

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Washington, DC 5/13/92

CC: LF, CF
July Bill
Chile Dinner
PROGRAM

Y O - Y O M A*
Cello

J E F F R E Y K A H A N E*
Piano

Adagio, from the Toccata in C Major for Organ
(Transcribed by Alexander Siloti)

J. S. BACH
(1685-1750)

Three Preludes (1926)
(Arranged by Jascha Heifetz)

GEORGE GERSHWIN
(1898-1937)

Seven Spanish Folk Songs
El pino moruno
Seguidilla murciana
Asturiana
Jota
Nana
Cancion
Polo

MANUEL DE FALLA
(1876-1946)

*Please note Messrs. Ma and Kahane MUST receive equal billing.

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YO-YO MA

Cellist

Yo-Yo Ma gave his first public recital at age 5 and by the time he was 19 was being compared with such masters as Rostropovich and Casals. One of the most sought-after cellists of our time, Mr. Ma has appeared with eminent conductors and orchestras in all the music capitals of the world.

In addition to his extensive work as a soloist, Mr. Ma is deeply committed to the vast chamber music literature. He regularly performs duo recitals with Jeffrey Kahane and with Emanuel Ax, the latter in a partnership that has produced many recordings, most recently, a pairing of the Rachmaninoff and Prokofiev Sonatas. Messrs. Ax and Ma also play in trio performances with Isaac Stern, with whom they gave a concert last May as part of Carnegie Hall's centennial celebration.

An exclusive Sony Classical recording artist, Yo-Yo Ma earned his sixth Grammy award in 1992 for his record of the Brahms Piano Quartets, Op. 25 & 26 with Ax, Stern and Jaime Laredo. His most recent release, "Hush," is a collaboration with vocalist and composer Bobby McFerrin, featuring both classical favorites and original compositions by McFerrin.

Born in Paris in 1955 of Chinese parents, Yo-Yo Ma began his cello studies with his father at age 4. He later studied with Janos Stoltz and, at The Juilliard School, with Leonard Rose. He is graduate of Harvard University, which awarded him an honorary doctorate in 1991.

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JEFFREY KAHANE

Pianist

Jeffrey Kahane has been heralded for performances that are simultaneously charged with visceral excitement and imbued with a nobility of spirit and poetic insight. His inspired interpretations have made him a popular guest with orchestras such as the New York Philharmonic, the Chicago Symphony, the Los Angeles Philharmonic, the Philadelphia Orchestra and London's Royal Philharmonic, among many others.

Mr. Kahane made his Carnegie Hall debut in 1983 in a special concert tribute to Arthur Rubinstein. He has since been heard as recitalist in New York's concert halls and in the leading music centers throughout the country. A much sought-after collaborator, Mr. Kahane performs regularly with Yo-Yo Ma, violinist Joseph Swensen and the Tokyo and Ridge string quartets. He is heard frequently at summer festivals including Caramoor, Ravinia, Mostly Mozart, the Hollywood Bowl and London's Proms.

Mr. Kahane has recorded music of Schubert, Bach and Bernstein for RCA Victor, Nonesuch and Virgin Classics. A graduate of the San Francisco Conservatory of Music, he was a medal winner at the 1981 Van Cliburn Competition and has been honored with several other prestigious music prizes. He now lives in Rochester, New York, where he is a professor of piano at the Eastman School of Music.

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--"renew and strengthen the ties that between our two nations that trace back to the first days of Chilean independence: To your first Congress, convened on the 4th of July, 1811.

--When Theodore Roosevelt visited Chile almost 80 years ago, he told your people: "We republics of the Western Hemisphere are working out the democratic experiment on a far vaster scale than has ever been attempted anywhere else in the world."

--Chilean sayings:

"The Devil knows more because he is old, not because he is clever."

--Thirty years ago, Dwight Eisenhower told your people, "We in the Western Hemisphere are still young nations, still growing, still experimenting."

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SOUTH AMERICA AND THE MONROE DOCTRINE

BY THEODORE ROOSEVELT

THE South American nations I have visited are, of course, keenly interested in the attitude of the United States in the international affairs of America. They are especially interested in the Monroe Doctrine.

As regards the Monroe Doctrine, there has been much misapprehension of our attitude, and this is largely due to the fact that not a few of our own citizens have both misunderstood and misrepresented it. In its essence the Doctrine is simply that America is no longer to be treated as if it were Africa, or parts of Asia, and subject to settlement by conquest by Old World powers. Most of our people accept this view.

There are, however, a few who say secretly and a still smaller number who say openly that we ought not to take this view, and that the Monroe Doctrine ought to be abrogated because it would be well to have foreign powers establish themselves on the American continent. This view has been advanced by certain magazine writers, and it is often upheld privately, the usual ground being that it would be in the interest of civilization to have European powers establish themselves in and send their colonists to portions of South America. The men who take this attitude usually pride themselves upon being very intelligent and advanced individuals. As a matter of fact, they are absolutely ignorant of the matter about which they write or speak. They do not understand the conditions of South America. They do not understand or, indeed, really care for the honor and interest of the United States. They do not understand what it is they really advocate. One favorite statement of the people of this school is that it would be well to have Germany, for instance, take possession of the southern province of Brazil; and they sometimes say that they would not object to European powers taking possession of various other portions of temperate South America.

They do not understand that the nations of temperate South America are already so advanced that what they advocate is a sheer impossibility—aside from the further fact

that, even if it were possible, it would be so terrible a calamity that all the peoples of the two Americas would have to combine to prevent its occurrence. There is a great need of immigration from Europe to South America. That immigration is already steadily taking place. I believe it would diminish rather than increase if the South American countries, instead of being independent, were merely colonies of Old World countries. With negligible exceptions, the children and grandchildren of the European immigrants become first-class Brazilians, Argentines, Chileans, Uruguayans. In my travels I have met literally hundreds of prominent men, including many officers of the army and navy, whose fathers or grandfathers were Germans, Frenchmen, Englishmen, Irishmen, Poles, Spaniards, or Italians. One and all, they were citizens of the country in which they were born, pure and simple. They were enthusiastic and patriotic Argentines or Brazilians or Chileans or Uruguayans. Often they could hardly speak the language of their fathers or grandfathers at all. Rarely did they speak it save as a foreign tongue. In short, they behaved exactly as similar men in our own country behave. It is as idle to talk of any foreign nation conquering and holding, as in some shape a colony, any portion of these countries as it would be to talk of their conquering and holding in such manner and for such purpose Rhode Island or Wisconsin or Oregon. The countries of the future in temperate South America will be the countries of to-day. The South Americans of the future will be Brazilians or Argentines or Uruguayans or Chileans. They will not be Englishmen or Irishmen or Germans or Frenchmen or North Americans, for what I have said about the assimilation of immigrants applies just as much to immigrants from the United States as from Europe.

In tropical America the conditions are somewhat different. But, as regards tropical America also, it is no less emphatically true that no good can come from any foreign conquest of the country by an Old World

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nation, and that the United States never could, never ought to, and never would permit any such foreign conquest.

Another type of well-meaning but singularly short-sighted American attacks the Monroe Doctrine from another standpoint. He says it is an "outworn policy," and that there is no longer need of applying it. This gentleman also is often a man of learning, a college graduate, or even a college professor. He is but one degree wiser than the individual whom I have already considered. Indeed, in some respects he is even more futile. So far as the seas and lands which in any way control the approaches to the Panama Canal are concerned, there is more need of the assertion of the Monroe Doctrine now than ever before. It is an act of folly in a private citizen, and of unpardonable folly in a public servant, to fail to recognize that this is the case. If the approaches to the Canal were dominated by nations as powerful, as stable and orderly, as ready to do justice, and as able to enforce justice as the great countries of temperate South America, the case would be wholly different. But as it is, no man in his senses can soberly deny that some at least of these countries are as yet struggling with conditions which render it always possible that they will themselves commit wrong on other countries, and thereby invite a retaliation which they are powerless to resist, and which would certainly take the form of territorial compensation—that is, territorial aggrandizement—by some big military Old World power, unless the United States were to forbid. This is precisely what so nearly happened in our own time in Venezuela and in Santo Domingo. In both these countries the United States had to interfere during the last decade to prevent territorial aggression at their expense by Old World military powers.

In its essence the Monroe Doctrine is merely that there shall not be this territorial aggrandizement by Old World powers in America. In practice, when we come to deal with a few of the less responsible and more disturbed American powers, we have to take into account the fact that they sometimes commit wrongs for which it is right that there should be redress on behalf of the aggrieved party. In certain cases almost the only form of redress practically open to the aggrieved party, unless the United States intervenes, is the seizure of territory. In these cases, if the United States is wise, it

will itself act, both doing justice and exacting justice. The ideal instance of such action was that taken by the United States during my Administration in regard to Santo Domingo.

The Government of Santo Domingo had sunk, through chronic revolution, into a condition of utter impotence and disorder. The custom-houses of various ports had been pledged for debts. There was no way of paying these debts, and the Governments of certain nations to which the creditors belonged were about to take action. This would have meant permanent territorial possession of the most important parts of the island by certain foreign powers. I did not believe that, either in our own interest or in the interests of America as a whole, this should be permitted. Accordingly I acted, the action being ultimately taken at the request of Santo Domingo itself. We organized the custom-houses, sending out a trained American official to take charge, with natives under him. We forbade any interference with the custom-houses by any revolution or otherwise. We also forbade foreign powers to take possession of them or any of the rest of the country. We collected the revenue, applying part to the uses of the Government and part to the satisfaction of honest claims against the Government. Peace came as a result of our efforts, and Santo Domingo has been more prosperous than ever before. The forty-five per cent which we turned over to the Government exceeded what in actual practice they had ever received when they had collected all the revenue for themselves. The creditors received satisfaction for their just claims, the Government was better off than it had ever previously been, the United States was saved all possible danger of future complications with great military powers, and, in short, we have never in our diplomatic history done anything more thoroughly satisfactory or that more thoroughly justified itself. It was strictly an instance of working out the Monroe Doctrine in the interest of the United States, in the interest of all people dealing with Santo Domingo, and, above all, in the interest of Santo Domingo itself. It furnished the proper, and the only proper, precedent for our action in Central America.

The Monroe Doctrine was connected with our action in Panama only in the sense that it would have been impossible for us to have permitted any foreign government to construct the Canal. This attitude on our part

had as a necessary corollary that unless we shirked our duty we were bound to construct the Canal ourselves. We acted with scrupulous regard to the rights of Colombia until Colombia's behavior became such that it would have been criminal weakness for us further to hesitate, and, moreover, an act of criminal injustice to the people of Panama, the people actually in possession of the Isthmus. If there is any truth at all in the "consent of the governed" theory, here at Panama was a capital instance of its application. The people of Panama were governed from Colombia without their consent. The people of Panama felt that it was vital that the Canal should be built by the United States—and it was literally vital from their standpoint.

Colombia, from evil motives, and with an ethical obliquity as great as, but no greater than, that of the American defenders of Colombia's action, refused to carry out the treaty which at its own instance the United States had made with it. Accordingly the United States acted. Its action was in accordance with the highest ethical principles. We should have made ourselves objects of derision if we had failed to follow the course we did follow. Curiously enough, no nation will benefit more than Colombia itself will ultimately benefit by our action. Colombia was standing in her own light. We have in no way hurt Colombia. She will be immeasurably richer when we have built the Canal which she herself was impotent to dig and which she wanted to prevent us from digging. To say that the United States owes Colombia a dollar is not only a falsehood, is not only a wicked and unworthy attack upon our own National character, but is an offense against international good morals and a justification of the worst international practices.

I was interested to see how every public man of any consequence whom I met in South America cordially approved our action as regards the Panama Canal. The only men who disapproved it were those who were professionally hostile to the United States and were eagerly seizing on everything that could be twisted into a means of attacking the United States. In Rio de Janeiro two or three of the most prominent men, while talking with me one day, spoke of the fact that a very eminent Colombian had himself told them that the United States followed the only possible course if it intended to have the Canal built and not to see the Isthmus under the control of a foreign power. One of these

men added: "It was exactly as if in going down a narrow street on business of importance I met a man who refused to let me pass. I would try to get by him on one side, and then I would try the other side, but if he still persisted in trying to prevent me I should put him aside and continue my journey; and not to do so would be weakness on my part." Of course these statesmen would not speak in public unless it were necessary. But in the Argentine, one of the noted international jurists of the nation, a prominent public man, Señor Zabellos, now in the Chamber of Deputies, spoke as follows:

"And now we come precisely to the rock on which the Monroe Doctrine is founded in the other hemisphere, that is to say, on its relation to the interests of the United States. Now we come to Panama. . . . President Roosevelt could not permit the Isthmus of Panama to come under the influence of a European nation, because the Isthmus of Panama is the vital point of the continent of America. Sir Walter Raleigh called it the key of the world, and to lose it would be a vital blow to American military strength. Without this, a squadron in the Atlantic would be utterly powerless to help a squadron in the Pacific. As England cast aside her spirit of insular conservatism and broadened her business policy by commanding both entrances to the Mediterranean, the Suez Canal and Gibraltar, so President Roosevelt risked his reputation and even the peace of his country to conserve for America the key of Panama. But, gentlemen, did this in any way or shape affect the dignity of the other republics? What other countries of America have the same world problems as Panama and Mexico, the latter on the frontier of the United States, and the former the throat of the continent itself? They have nothing in common with the problems of the River Plata, or the shores of Brazil, or the coast of Chile. The Monroe Doctrine is necessary to-day to the United States. The Caribbean Sea washes the coast of the richest part of the United States, and it is necessary that it be dominated by them, in order to guarantee the independence and security of the United States. Under these circumstances, when there is constant danger of European intervention, as in the case of Venezuela, the United States said to the powers, in accordance with the Monroe Doctrine, You can urge your claims in accordance with inter-

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national procedure; but you cannot take territory, because if you do you will have to deal with the armed forces of the United States. The powers thereupon became less aggressive and the matter was settled by arbitration. This action of the United States emphasized once more the doctrine that no European power will be permitted to acquire territory on the continent of America."

Our own public servants and our own publicists are much to blame because they fail to discriminate among the nations of Latin America. They often speak as if great and stable communities, entitled to stand on a footing of full equality with the United States, were really to be ranked with some small nominal republic in which a succession of greedy dictators, presiding over a helpless population, has resulted in complete governmental bankruptcy and political, social, and industrial anarchy. To speak of "Latin America" as an entity is true only in the sense in which it would be true to speak of "English America" as an entity, including both the United States and Jamaica, were Jamaica an independent republic. It is no injustice to Jamaica to say that in such event it would be impossible to treat her and the United States as of exactly the same types, however desirable it would be that each should respect and treat fairly the other. In the same way there are differences between certain Spanish-American tropical countries and great free nations like Chile and the Argentine. Our people as a whole fail to realize that certain of the South American countries are entitled to be treated on a footing of exact equality, precisely as we treat England and France, Germany and Italy, Holland and Sweden. Not only have I again and again in my speeches endeavored to bring out this point at home, but I was able to bring it out in the countries themselves. I discussed the general subject in my first Brazilian speech. After that I never alluded to the matter unless in response to some speech made to me. I thus spoke once in Uruguay, as I have already mentioned, and twice in Buenos Aires, once on the occasion when the degree of Doctor of Philosophy and Letters was conferred upon me by the University of Buenos Aires, and once at the great dinner of the Museo Social. These two speeches at Buenos Aires were received with the utmost cordiality, and they express my deep convictions—convictions which I believe will be shared by all the people of the United

States in so far as the actual facts are vivid to their minds.

In the course of the speech in the University of Buenos Aires I said:

"After the United States was founded as a republic, for over three-quarters of a century, for nearly ninety years after the Declaration of Independence, that Declaration was made a lie by our own acts in relation to slavery. Every criticism of the United States which said that it gave the lie by its acts to its declarations about freedom was just, and no critic of the United States ought to take back any condemnation of the United States made during that ninety years because of the existence of slavery. These condemnations were just. But when we abolished slavery we were entitled to have our critics say so. Then we were entitled to the credit for what we had done.

"The same thing is true of the republics of Latin America in connection with the disorders that marked their early growth. I shall always regret, deplore, and condemn the existence of chronic revolutionary disturbance in any Latin-American republic, and as long as the habit of revolutionary disturbance is chronic I shall never say that the republic in which it is chronic has a proper national life or a history worthy of respect. I shall never say it while such a condition of affairs exists; for if I did say it I would be speaking an untruth. As a philosopher of my own country, Emerson, has said: 'In the long run the most uncomfortable truth is a better traveling companion than the pleasantest falsehood.' But when a nation gets past the stage of disorder and weakness and revolutionary disturbance, when it has definitely entered on a career of orderly liberty and achieved justice, of power to do justice to others and to exact justice from others, then I take off my hat to it as I do to the Argentine Republic. You understand, friends, that in so far as my criticism applied, and applies, both about the past and as regards the nations that still deserve it, I do not retract it. But when a nation has shown by its acts that it is past that stage, then that nation stands as my own did when it got past the stage of being a slave-owning power. We earned the reprobation of all mankind, we of the United States of the North, when, while claiming to be a free nation, we remained the last of the great nations to have slavery in existence. We earned and we deserved, and it was right that we should receive, the con-

(Continued on page following illustrations)

demnation of mankind under these circumstances. But when we abolished slavery then we were entitled to stand with our heads erect in the faces of the nations of mankind. And just the same is true of the Argentine Republic to-day, as it has been for decades in the past.

"The Monroe Doctrine is meant to express the fact that the Western Hemisphere is not to be treated as Africa or mid-Asia is treated, as a subject for conquest by any Old World power. It is a doctrine which the United States promulgated, partly as a matter of policy in its own interest, partly as a matter of policy in the interest of all the republics of the New World. But as rapidly as any other republic grows to possess the stability, the prosperity that comes with stability, the self-respecting insistence upon doing right to others and exacting right from others, just so rapidly that country becomes itself a sponsor and guarantor of the Monroe Doctrine, with which the United States of the North no longer has any concern, so far as the Doctrine relates to it. Specifically, the Argentine Republic can protect itself, just as the United States of the North can protect itself; and in all our dealings as regards the Monroe Doctrine, and as regards all other matters, the reciprocal attitude of the United States of the North and the Argentine toward one another must be that of an equal speaking to an equal, with mutual respect, and each with self-respect.

"Have I put it absolutely clearly? I wish there to be no doubt of my meaning. As far as you are concerned, we have no more concern with the Monroe Doctrine about you than you have about us. If ever it became vitally necessary to enforce it, each would help the other. The attitude of our people—yours, mine—should also be one of cordial good will and friendship towards the peoples of Europe. We are of European descent—your people, our people. We have inherited the Old World European culture. We are bound to the peoples of Europe by a thousand ties, and I welcome every increase of friendship between either of our peoples and the peoples of Europe. But let me add this—and it has been said by you—we are not simply colonies of the Old World, we are new nations. Ours is a new nation, yours is a new nation. The American of the North, the Argentine of the South, both represent new peoples. Each nation holds within its veins the blood of many different European stocks. Each is like many European nations,

and different from any one European nation. And we have such problems in common, such beliefs and ideals, and methods of government, and ways of life, and habits of thought, that we inevitably are closer together, and will in the end have a closer and more understanding relationship with one another, than is possible at the present time among European peoples. As has been so well said, each must remember that the citizen of each country cannot be a good citizen of the world unless he is a good citizen of his own country first. We must first and foremost be citizens of the Argentine, citizens of the United States, in the full sense of the word, patriotically, with pride, with eager desire to identify ourselves with our own national life, before we can be of any help in the great world at large. I think so well of you just because you are Argentines and not imitations of something else. If you were merely the imitations of something else, I would not visit you; I would visit the originals of which you were the copies. Never forget that the most intensely patriotic devotion to your own country is not merely compatible with, but should be the inspiration of, the heartiest good will and respect for all the other nations of the world."

And at the dinner of the Museo Social I said, in part:

"The Monroe Doctrine is, in its essence, merely the statement that the soil of the New World is not to be the scene of territorial aggrandizement by any nation of the Old World. It is a doctrine which every self-respecting nation of the two Americas should treat as of cardinal importance, both as a matter of self-interest and also from the standpoint of the common interest of all the nations of the Western Hemisphere. It is not a matter of international law, it is a matter of American policy—a policy which should be partly based upon the self-interest of every American nation, and partly upon the common interest, the disinterested sense of community of ideals and purposes among all American nations. It is not worth the paper on which it is printed unless back of it there is potential force. I have always championed every practical measure to bring nearer the day when we shall be able to substitute other methods than those of war for the settlement of international disputes. I have always fought in every way to further the cause of the peace of righteousness throughout the world. But as yet it would be an act of

criminal folly for the great free nations not to remember that we must make might the servant of right instead of divorcing might from right. As yet no movement for peace amounts to anything unless the peoples behind it possess, in addition to the love of justice, the power and the determination in time of need to use the potential force that is theirs. As yet the proclamation of such a policy as the Monroe Doctrine is not worth the paper on which the words are inscribed unless back of the words lies the power of action, unless back of the proclamation lies the potential strength to enforce it, and the will to use that strength should the need arise.

"Ninety years ago, when the Doctrine was first proclaimed, the only American nation that had sufficient strength to gain even a scanty and discourteous hearing from the Old World was the United States of America. At that time the only hearing even the United States received was both scanty and discourteous; nevertheless, it could at times make itself heard and heeded; and therefore the guardianship of the Doctrine had to rest with the United States. But times have changed. Certain of the Latin-American nations have grown with astonishing speed to a position of assured and orderly political development, material prosperity, readiness to do justice to others, and potential strength to enforce justice from others. These nations are able to enforce order at home and respect abroad. These nations have so developed their institutions that they themselves do not wrong others, and that they are able to repel wrong from others. Every such nation, when once it has achieved such a position, should become itself a sponsor and guarantor of the Doctrine; and its relations with the other sponsors and guarantors should be those of equality.

"Prominent among these nations is your own, the Argentine. You are not only one of the great free nations of the future, you are already a great free nation of the present. In size, in political stability, in virile energy, in orderly development, in patriotic self-respect, and in the right to the respect of others you rank on a footing of entire equality with the great free nations of mankind. As far as you are concerned, my feeling is that the Monroe Doctrine in the sense of special guardianship thereof by the United States of the North no longer applies. You need no protection. You are fit to be the champion of your own Monroe Doctrine.

"In other words, you have so developed that you have the right to expect that in all international relations between the Argentine and the United States the treatment shall be on both sides absolutely and without qualification that of an equal to an equal, based on an exact mutuality of respect and obligation. There are other Latin-American powers which have achieved this position, and as regards them also what I have said should apply. I most earnestly hope that under the stimulus of the example of you and of these other Latin-American nations that have achieved a similar position, all of the Latin-American peoples will finally reach such a level of orderly self-government, of material prosperity, of potential strength, and of political and social conduct as to make the Monroe Doctrine, in the sense of being a merely unilateral doctrine, a thing of the past and to substitute for it a common agreement among all the free republics of the New World. This time has come as regards you. It has not come as regards any nation in which there is still chronic revolutionary disturbances, in which the hands of social order and justice are so relaxed that the nation is impotent to do justice to others or to enforce justice from others.

"The history of the United States shows with extraordinary clearness the point I wish to make. When our Civil War broke out, when revolutionary disturbance reduced us to impotence abroad, all our power to enforce respect for the Monroe Doctrine, or for any other policy we championed, vanished like smoke into thin air. Old World powers at once began again to treat this continent as subject to conquest and exploitation. A European empire was established immediately south of us. When the period of revolutionary disturbance came to an end, when the Union was restored, and the United States again became a great Nation, this empire crumbled at once into dust, and once more we were able to reassert the right of the peoples of this country to independence.

"In short, the history of my own country shows that it is useless to claim a right or a privilege unless the country claiming it acknowledges the obligation and duty that go with the privilege. We cannot claim the privileges of freedom unless we exercise the duties of freedom. You of the Argentine and we of the United States, both of us, I am happy to say, have reached the stage where we can truthfully say that we have

performed with at least as good a performance as to the right absolutely and equality.

"I need of the Monroe Doctrine any course power save. It should be the Argentine to cultivate the people blood and of them by interest. I great common we use the nificance, should try international where it is good will. Let us hope thinking, either the admitted peoples whereous good nations of.

"Nevertheless that knit of the Old World ourselves each with politics. We have characteris We are no have reach must not la terms which than a rare European us. Each ples, each people. Argentine dwell abroad from abroad feet. This given to n

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performed and are performing our duties with at least measurable success, and therefore that we are entitled to the privileges and to the rights that should accompany the performance of duty. One of these rights is absolutely self-respecting mutuality of regard and equality of treatment between us.

"I need hardly say that the championship of the Monroe Doctrine in no way implies any course of action toward any European power save one of the kindest good will. It should be the object of all of us—of you of the Argentine and of us of the United States—to cultivate close and friendly relations with the peoples of Europe. We are of their blood and of their culture. We are knit to them by many close ties of sympathy and interest. Like them, we are part of that great commonwealth of the spirit which, when we use the term in its best and highest significance, we speak of as civilization. We should try to extend the area of that great international commonwealth, not by conquest where it is possible to avoid conquest, but by good will, by friendliness, by just treatment. Let us hope that in the end every right-thinking, right-acting people in any part of either the Old World or the New shall be admitted to full brotherhood with all other peoples who are striving for justice, for generous good will and fair dealing among the nations of mankind.

"Nevertheless, close though the ties are that knit our several nations to the nations of the Old World, let us not forget that we are ourselves separate and individual nations, each with its own distinguishing characteristics. We have our own interests, needs, special characteristics, and special fields of work. We are not colonies. We are nations—we have reached the status of manhood. We must not lay overemphasis on supposed racial terms which often indicate a linguistic rather than a racial affinity. The blood of many European stocks runs in the veins of all of us. Each is akin to various European peoples, each is separate from every European people. Each Argentine citizen should learn Argentine first and foremost; don't let him dwell abroad, or be a mere copy of something from abroad. Let him stand on his own feet. This is the same advice I have always given to my own people.

"Allusion has been made here to the successful effort made under my Administration, and by my direction, to secure admission to the Hague Conference for the nations

of the New World on a footing of entire equality each with the others and with the several nations of the Old World. I would have felt myself derelict in my duty if I had not striven for this end. Will you permit me also to say that my deeds as President made good every word I have ever spoken in reference to the duty of the United States toward the other nations of this continent? In Panama I acted not only with scrupulous good faith, but in the only way that was consonant with my duty towards, not alone my own country, but all the countries of the New World and of the Old World as well. I served the cause of mankind by what I did, and any other action would have been culpable weakness and folly. I specially ask you to consider what we did in reference to Cuba under my Administration, and what we did in reference to Santo Domingo. We intervened to save Cuba from the effects of a desolating struggle under which her population had diminished in numbers by more than a million, the loss falling far more heavily upon women and children than upon men. When at last we intervened, we said that as a result of our interference Cuba should be independent.

"I doubt if there was a chancellery in Europe which believed that this promise was more than an empty form. During my Administration I made it an actual fact. We started Cuba on the path of stable and prosperous self-government, and then we left the island and left her a sovereign and independent nation. Later, when there was a revolutionary disturbance, we intervened, but we intervened only to make peace, to secure an honest election, and once more to start the island on a path of stable self-government. Again we left Cuba. She is now absolutely independent. I have every hope and belief that her stability and growth are firmly assured, and that from henceforth on she will continue as an absolutely independent and prosperous nation."

And then I told also the story of our course with Santo Domingo, essentially as I have told it above in this article.

I do not here attempt to discuss all the sides of the Monroe Doctrine. As regards the collection of debts from weak nations, I am inclined to think we shall ultimately come to the doctrine of the distinguished Argentine international jurist, Señor Drago, whom I had the honor of meeting. But, however this may be at present, we must face facts; and the facts are as I have stated them.

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The stockholders will get, it will be seen, a return of 7½% instead of 12% on their stock, but they will also get a contented, interested, and efficient body of employees; they will, in all probability, avoid the cost and anxiety of strikes, and they will have the comfortable feeling that comes from living on a basis of justice and fair dealing with one's neighbors—a comfort that is worth paying for.

I do not, however, wish to be understood as advocating profit-sharing enforced by law. One step at a time is sufficient, and voluntary profit-sharing is the first step. The Ford Company have set a wise and workable example in fixing arbitrarily the total amount which their directors deem it proper to give to the wage-workers as their share of profits. Their error has been in distributing it in the weekly pay envelope. It should be distributed among the wage-workers in quarterly,

semi-annual, or annual dividends at a rate per cent, just as the stockholders' profits are distributed to the stockholders.

A successful history of sixty years shows that wherever this general view of profit-sharing is adopted, wherever it is regarded as simple financial justice and not as a gracious form of philanthropy, it proves to be a practical success.

Those who care to study the history of profit-sharing are referred to the following authorities: "Profit-Sharing," by Sedley Taylor, London, 1884; "Methods of Industrial Remuneration," by D. F. Schloss, London, 1894; "Profit-Sharing," by N. P. Gilman, Houghton Mifflin Company, Boston, 1892; "Dividend to Labor," by N. P. Gilman, Houghton Mifflin Company, Boston, 1900; article on "Profit-Sharing," Encyclopædia Britannica, Eleventh Edition.

CHILE AND THE MONROE DOCTRINE

BY THEODORE ROOSEVELT

CHILE is one of the countries in which there has been much misconception of the Monroe Doctrine, a misconception largely due to the fact that the United States in its turn has utterly misunderstood Chile and failed to appreciate the really great qualities that Chile possesses. Moreover, the unwise citizens of our own country who write essays to the effect that the Monroe Doctrine is dead, or who defile the National honor by false assertions as to our conduct in acquiring Panama, do all they can to further this misconception and to bring us into disrepute. Finally, mischief is done by the men who talk with loud insolence about all "Latin America," making no distinction between stable and self-respecting countries, on the one hand, and, on the other, some utterly impotent and anarchic little so-called republics in tropical America.

It is important, both for the United States and for Chile, that neither the one nor the other shall identify Chile with these impotent and anarchical little tropical American commonwealths. It is, for instance, very important that the United States shall not ignorantly and stupidly look down on Chile because Colombia behaved badly; and, on the other hand, that Chile shall not encourage

this very regrettable attitude by making common cause with Colombia. No two states of the civilized world are more fundamentally different than Chile and Colombia. Chile has a right to rank on a footing of full equality with the United States, England, Germany, Sweden, Belgium, and Switzerland; in short, with all self-respecting free nations. Colombia as yet has no such right. There are charming, high-bred, and cultivated people in Colombia, just as there are in Egypt, for instance; but the action of Colombia as a governmental unit was such as to render the action of the United States in Panama as inevitable and as justifiable as the interference of England in Egypt and the Sudan twenty years before. The interference, in one case as in the other, was enormously to the benefit of civilization as a whole, and, moreover, was enormously to the benefit of the country over which civilization was thereby extended.

The far-seeing public men of Chile already thoroughly understood the fundamental need of the Monroe Doctrine, and, moreover, thoroughly understood the propriety and necessity of our having acted exactly as we did act in Panama. But there were certain men in Chile, corresponding precisely to the similar

men at home, who were not clear on either subject. It was therefore with real pleasure that I took advantage of the opportunity to set forth the views which I held and which, I believe, represented the views of my countrymen on this subject. It came at a great meeting at the beautiful Municipal Opera-House in Santiago.

One of the addresses of welcome was by Professor Vargas on the history of Chile. The other was by a noted writer and public man, Senator Bulnes, the son of a great Chilean statesman. The Senator, with singular justness and fair-mindedness, touched on the question of the relations of the United States with her sister republics. He showed fair-minded understanding of the policy of the United States, together with a keen sense of national self-respect which found expression in the words, "Chile loves peace, but is not afraid of war." In his address he particularly dwelt upon the advantage to all America of our action in Panama, saying: "Your name is associated with a great work of progress, which will be of especial benefit to Chile—the piercing of the Isthmus of Panama. We Chileans owe you gratitude for this great work, which has placed our national house on the new highway of world-intercourse, and has opened a new and wide door through which our country will come into close contact with the material wealth and the fund of common knowledge and morality of the civilized world." I answered as follows:

"I have been greatly interested in the learned address by Mr. Vargas on the history of Chile. I have already been fairly familiar with that history; for when I was doing my part in preparing my own country for war, at the time that I was Assistant Secretary of the Navy under President McKinley, I studied with minute attention Chilean military and naval history. Among the many things that I have enjoyed here in Chile, one of the chief has been the chance of seeing the admirable work of the officers and enlisted men of the Chilean army, and I look forward to getting at least a glimpse of the Chilean navy. I am acquainted with the really notable poem of Ercilla. I was already aware of the remarkable character of the Araucania Indian. I recognize to the full the high value of the new ethnological entity arising in Chile from the mixture of the two virile types, that of the Spanish Conquistadores and of the valiant Indian by whom Chile was originally

populated. The ruling class, I was also aware, included not only these men of pure descent from the early Spanish conquerors, but also many men descended from the Biscayan and other newcomers of a very high type who came thither in the eighteenth century.

"I also wish to thank most sincerely the distinguished and eloquent orator and public man, Senator Bulnes, who has just addressed you. I deeply appreciate his courteous references, not only to myself, but to the great republic of which I am a citizen. And, moreover, I cordially agree with the entire tone and tenor of his address. Certain of the allusions he has made, notably to the Monroe Doctrine, and of the questions which he has so courteously put, and the wishes he has uttered, make it proper and desirable that I should myself speak on the points to which he alludes.

"We republics of the Western Hemisphere are working out the democratic experiment on a far vaster scale than has ever been attempted anywhere else in the world. We are meeting many new problems, and though we act with certain advantages in our favor, we also suffer under certain disadvantages. Moreover, each of us, each republic, yours, mine, each among all the other American nations of importance, has made certain failures and certain successes that were peculiarly its own, and each has something to learn from as well as to teach every other. For example, the nation to which I belong handled the whole question of slavery very much worse than it was handled by any other free republic of the entire Western world. Again, it was my own nation which, in solving the problem of slavery, was brought to the verge of destruction by four years of civil war, during which it became impotent to aid its sister republics of the New World, or to enforce the Monroe Doctrine, or in any shape or way to be of service to mankind, or to secure respect for itself among the nations of the earth. I hold that, normally, each nation can do best by concerning itself with its own faults and shortcomings, and not with the faults and shortcomings of others, and that each of our nations should find its chief work in advancing the cause of social and industrial betterment among its own people at home; and that it should endeavor always to deal with other nations in a spirit of justice, of courtesy, of consideration and forbearance.

"But there are other duties, less important, and nevertheless of great importance.

(Continued on page following illustrations)

Curro

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Colonel George
tional Syst

There must be international relations. I hold that these relations between nations should be handled on the same plane as the relations between individuals. The same principles should apply in one case as in the other, although the methods of achieving the principles must differ because international law does not exist in the sense that municipal law or law within each nation exists; for there is no law in any real sense unless there is both a judge to declare the law and a representative of the police power able and ready to put that declaration into execution.

"I speak to a gallant people, a proud and patriotic people, with a great military record, with a fine army and navy. Therefore I am certain of being understood when I say that an honorable private man will indignantly refuse to wrong others, and will also himself refuse tamely to submit to wrong by others. In similar fashion, an honorable nation, a free nation, fit to do its part in the world-wide struggle for civilization, for liberty, for order, and for the only peace worth having, the peace of righteousness, must both be able and ready to defend itself against wrong-doing, and also be proudly eager never to wrong others.

"In addition to our duties as members of the great family of civilized nations throughout the world, we of the Western Hemisphere have certain special interests of our own. A hundred years ago the only American nation that had achieved independence was the United States of the North. Ninety years ago the other free nations had just begun their independent careers. As yet they were wholly unable to speak with authority abroad. At that time, and for many years afterwards, even the United States could not always make itself heard by Old World powers, and it was listened to at all only when it spoke with the utmost decision, while at that time no other American power received any heed whatever. It was under these circumstances that the Monroe Doctrine was promulgated. This Doctrine was perfectly simple. It declared that the soil of the Western Hemisphere was no longer to be treated as a subject for territorial conquest or acquisition by Old World powers. I wish you to remember just what the Monroe Doctrine is. If any man tells you that it is dead, ask him if he really means that Old World powers are to be permitted to acquire territory by conquest or colonization in the Western Hemisphere. Unless

he so believes, he cannot assert that the Doctrine is dead. So far from its being dead, I think it is a great deal more alive than ever before. I believe that there is less chance than ever before of the American nations permitting any species of conquest or colonization on this continent by Old World powers. Moreover, I believe that the time has now come when the Doctrine in reality has the guarantee not only of the United States, my own country, but of your country, Chile, and of every other American nation which has risen to a sufficient point of economic well-being, of stable and orderly government, of power to do justice to others and to exact justice from others, and therefore of potential armed strength, to enable it thus to act as a guarantor of the Doctrine.

"In other words, keep these two facts distinctly in your minds: (1) the Doctrine itself, (2) the question as to who the guarantor or guarantors of that Doctrine shall be. I am wholly unable to understand how any far-sighted patriot of the two Americas could fail to recognize the vital importance of the Doctrine to the liberty and well-being of the nations of the Western Hemisphere. The only differences that can arise are as to the methods of its enforcement and as to who shall be its guarantors. On those points there must of necessity be change as conditions change.

"When the Doctrine was promulgated, the United States was the only power able to secure any respect whatever for it from the Old World nations. Without armed strength back of it the Monroe Doctrine is not worth the paper on which it is written or the breath of the orators who speak it. It was at the beginning rendered respectable only because back of it lay the army and navy of the United States. When in 1861 our Civil War broke out, and we became powerless to secure respect from other nations in international matters, while no South American nation had yet advanced to a degree that would enable it to take our place, the Monroe Doctrine vanished into thin air. Old World nations at once began a course of conquest and aggression on the American continent, and a foreign empire was established immediately south of the United States. When the Civil War ended, and the United States once more became a power able to speak with self-respect in international affairs, that foreign empire at once crumbled to dust and ashes.

"During all this early period various

causes, to which the two eminent speakers who have preceded me have alluded, combined to keep the nations of Southern and Central America weak and to retard their growth to influence and power. But within the last quarter of a century there has been a great change. Certain republics have achieved a position of assured and orderly liberty. These republics do justice to other peoples. To them there has come a great material prosperity and a moral growth such as to make them in character and in potential strength fit to handle their own Monroe Doctrine, or, to speak more accurately, fit to act as co-guarantors of the Doctrine. Your own Republic of Chile is one of those republics.

"In short, the Doctrine is as emphatically a living doctrine to-day as it ever was; but for many years after it was promulgated it was of necessity a unilateral doctrine because only one country had power to enforce it. Now other nations of the Western Hemisphere have come to a position where by international conduct and by strength they are entitled to stand on a full equality with the United States in this as in all other matters.

"As yet, unfortunately, there still remain other nations in the Western Hemisphere of which this assertion cannot truthfully be made. As long as a nation is from any cause, and especially from chronic revolution and anarchy, reduced to a condition in which she is impotent to perform her duties toward others, or to exact the performance by others of their duties toward her, then it is a waste of words to pretend that what does not exist does exist. It is untruthful folly to assert that it is possible for the United States, or for any other great nation, to treat an anarchic and wrong-doing country on a footing of real and full equality of which I have above spoken as representing that plane of conduct which should characterize all the dealings between my nation and your own, and my nation and certain other South American republics. I hope, and I am reasonably confident, that the less advanced nations of the New World will in their turn gradually advance just as my nation and yours, as well as certain others, have already advanced. As soon as any such nation in the course of its advance reaches a position of self-respecting strength and orderly liberty and achieved power to do and to exact justice, then it should at once step out from any position of tutelage in any respect. Then as regards it likewise the Monroe Doctrine should be

treated as no longer a unilateral doctrine, but one in the upholding of which this nation herself shall take part as an equal among equals. I hope, and I believe, that ultimately the day will come when this will be true of all the nations of the Western Hemisphere. When that day comes, the Monroe Doctrine, in the sense of being a unilateral doctrine, enforced only by the United States, will entirely disappear. It will remain as much as ever a doctrine to be believed in and enforced, but it will be enforced by all the nations of the Western Hemisphere as co-guarantors on a footing of equality.

"The Doctrine partly represents the self-interest of each nation, and partly the disinterested belief that it is essentially in the interest of the nations of the Western Hemisphere. When promulgated by the United States, and as since adopted and followed by the United States, it had, and has always since had, and ought always to have, both of these bases of justification. The United States in its own interest cannot afford to see a great Old World military power acquire territory on this continent. Moreover, the United States, from disinterested friendship for the rest of the free peoples of this continent, must also object to seeing any of their territory thus acquired. This, after all, is simply to feel as every other nation on this continent would feel. Chile could no more afford to tolerate conquest by some Old World military power on or near her northern border than we could afford to tolerate such conquest on or near our southern border.

"At the present day, then, so far as the United States is concerned, the Doctrine must still be one of unilateral enforcement in regions where her interests are vital, and where unfortunately no other American nation has achieved a position of such stable and orderly power as to enable it to be a co-guarantor of the Doctrine.

"This applies to the lands, both continental and insular, which cover the approaches to the Panama Canal. The time had come when it was imperatively necessary that that Canal should be built. The United States ought not to, and, in my judgment, will not, permit any great Old World power to establish itself along the line of approach to the Canal. This is not only vitally important to the United States, but it is also eminently to the interest of the other New World nations. For example, your own nation, Chile, will, I believe, be benefited at least as much

as the United States that Canal—which really would not have not acted precisely

"And, men and here use the address Senator Bulnes has attitude of your country peace, but it is because I am afraid action I did in I acted otherwise we and wicked. I would no matter what position What I did was world, and was president of Chile and of other countries. It was highest and strict it were a matter act precisely and did act.

"We of the United States pledged to administer equal interest of a and we are pledged and our navy, by along the Canal approach to the Canal obliged to see that applies in full to that approaches to the cause of our own and especially because along the approach guarantor.

"But in other there are nations Chile, which have that entitles them exact equality in with the United States have the right to

"Now, gentlemen that words are what they represent or deeds. I ask you about the proper in foreign relations when I was President citizen and distinguished Senator Walker-Martin to Washington due to you of his own that I strove myself to act in a spirit genuine friendship

as the United States itself by the building of that Canal—which I may remark parenthetically would not have been built at all if I had not acted precisely and exactly as I did act.

"And, men and women of Chile, let me here use the admirable words with which Senator Bulnes has truthfully described the attitude of your own republic. I too love peace, but it is because I love justice and not because I am afraid of war. I took the action I did in Panama because to have acted otherwise would have been both weak and wicked. I would have taken that action no matter what power had stood in the way. What I did was in the interest of all the world, and was particularly in the interests of Chile and of certain other South American countries. It was in accordance with the highest and strictest dictates of justice. If it were a matter to do over again, I would act precisely and exactly as I in very fact did act.

"We of the United States are solemnly pledged to administer the Panama Canal in the equal interest of all the nations of mankind, and we are pledged to defend it by our army and our navy, by fortifications, and by ships along the Canal and along the lines of approach to the Canal. Therefore we are obliged to see that the Monroe Doctrine applies in full to the territory controlling the approaches to the Canal, and this both because of our own vital interest in the matter, and especially because as yet no other power along the approach is able to act as a co-guarantor.

"But in other parts of South America there are nations such as your own, such as Chile, which have now reached a position that entitles them to stand on a footing of exact equality in all international relations with the United States. I believe that they have the right to expect such treatment.

"Now, gentlemen, as you know, I believe that words are worse than useless except as they represent or are translated into actual deeds. I ask you to judge what I now say about the proper attitude of the United States in foreign relations by what I actually did when I was President. My host, your fellow-citizen and distinguished public servant, Senator Walker-Martinez, was Minister from Chile to Washington during my term. He can tell you of his own knowledge from the inside that I strove my best throughout those years to act in a spirit of the most cordial and genuine friendship and justice towards all our

fellow-republics in the New World. He can tell you this specifically in reference to Chile. When I said a thing I meant it, and I acted on it. When, in response to the unanimously expressed wish of the Pan-American Congress, I said that the time had come to build an Isthmian Canal, I meant it, and I saw to it that the words were translated into deeds. When, on the other hand, my country had promised that Cuba should be a free and independent republic, I saw that the promise was kept. The Cuban Minister here in this city can tell you all about our relations with Cuba. All I wished of Cuba, as of each one of our Central American neighbors, was that she should be stable and prosperous. All I did was to try to help her to achieve such stability and prosperity as enabled me to see that every representative of the United States, civil or military, left her during my term of service so that she could begin her career as a sovereign and independent republic."

I then instanced the facts in the case of Santo Domingo as stated in my article on "South America and the Monroe Doctrine" [The Outlook of March 14] and continued:

"I do not believe that the United States should meddle in its neighbors' affairs, when such meddling can possibly be avoided. While I was President, I declined to interfere in any disputes between any nations on this continent or elsewhere unless both the nations asked me to aid in settling their differences. We never acted toward any other nation save as our own self-respect demanded; and if the other nation showed respect for itself and for us, we showed it respect in return. These are the principles upon which I believe that the foreign policy of my country should be founded. Specifically, I desire the United States and Chile to treat each the other on a footing of absolute equality, and of self-respect, combined with respect for the rights of the other. The essentials of the Monroe Doctrine are vital to the welfare of all our people in the Western Hemisphere. Chile has achieved a position where she is entitled herself to stand as one of the guarantors of that Doctrine. I hail her advent to this position of assured international power and dignity, and I am glad to be the guest of her hard-working and valiant people to-night."

The sentiments which I expressed in this speech were in effect exactly the sentiments upon which while I was President I had

acted. The chairman of the committee of reception in Chile was Mr. Walker-Martinez, who had been Chilean Minister at Washington during most of the time that I was President. My relations with Mr. Walker-Martinez had been close. I had found while I was President that I could trust implicitly his loyalty and discretion, and that, moreover, he and I looked at the fundamental questions of foreign policy from the same standpoint. Accordingly I used to discuss freely with him the methods of application of the Monroe Doctrine. He and I both felt that it was imperative that the Monroe Doctrine should be retained, but that the methods of application must of necessity change with the changing conditions, and especially with the growth in South America of such stable, orderly, and powerful national units as Chile, the Argentine, and Brazil.

I had discussed at some length with Mr. Walker-Martinez the possibility of getting these three powers to join with the United States—and Mexico, which then was in a condition of stability and apparent prosperity, from which, alas! it has now completely retrograded—in securing order in certain disorderly Central American countries which we were anxious to protect from European aggression. Specifically, I discussed this matter with him in order to lay the grounds for future action at a time when it seemed that I might have to interfere as regards Venezuela. This was about January, 1906. When the question immediately at issue concerned Santo Domingo, I told Mr. Walker-Martinez in full the reasons for my action in the case, he being one of the foreign diplomats who was informed of all the circumstances. At that time I told him that if Santo Domingo had been in the Pacific I should have asked the Chilean Government to undertake the task which we were undertaking—using the expression that, in such event, as soon as the Chilean ships appeared off the island ours would retire.

There was a peculiar appropriateness in making this speech in just the place I did. The time had come when it was necessary clearly to restate the Monroe Doctrine as changing events had rendered it necessary that it should be restated. In Chile the educational system is excellent, and many students from Central American states come thither. Most naturally, these students tend to ask that their states be treated on a full equality with Chile. They cannot be so

treated until they show themselves worthy of the treatment. By effort, by sober determination, by steadfast exercise of will power and self-respect, Chile has raised herself so that she stands in the front rank of civilized powers, among such powers as those, whether of big population or not, to which I have alluded above. When any tropical American state at any time raises itself in similar fashion to such a level, it will be the duty of the United States, no less than of Chile, promptly and heartily to recognize that fact, and thenceforth to treat that state as one equal treats another.

As with everything else in life, facts are what count, and words are of use only so far as they represent the facts. It is of no use whatever for well-meaning but misguided representatives of these states inexcusably to assert, or for less well-meaning people at home inexcusably to assert, that these states are to be treated on a full equality with great stable civilized powers until they show themselves fit for such treatment. Let them by sustained effort prove their worth, and then it will become the highest duty of the United States to give fullest and most generous recognition of the fact.

At the time of my visit to Chile the Colombian Government had sent to its diplomatic representatives in Chile a published circular which really amounted to an incitement to make demonstrations against me. In Chile a few Colombian students and citizens endeavored to carry out the spirit of these instructions by shouting "*Viva Mexico!*" and "*Viva Colombia!*" on public occasions. In its circular the Colombian Government quoted with satisfaction some of the untrue assertions in the campaign utterances of the present Vice-President of the United States. The equal readiness with which the Colombians cheered for Colombia and for Mexico showed their entire indifference as to whether the controversy with the United States was due to President Wilson's action or to mine; they did not care a rap for the rights of the case; they cheered Mexico with the same enthusiasm as Colombia merely because each represented hostility to the United States.

It is an entire mistake to suppose, as some well-meaning people assert, that the assertion by the United States of the Monroe Doctrine, or its display of power, has hurt it in its dealings with South America. To be offensive, to be rude, or to adopt a bullying attitude in the name of that Doctrine of course does hurt the United States; simply because

rudeness and badness are always damaging to the cause. But now can, or does, any state rise from others unless it has strength, and no nation can have a part in the world without strength, and that strength in and in defense of the need arise. The battle fleet round of peace, helped name, a hundred peace conference representatives have e

I wish that because of impenetrable people into could realize the United States in abroad. If only make up their mind the result would our people. At self-respecting I have been put in tion by the regulations sign an a tration about all think that the United States in making such a who make the re esty only by ad moment that th ican Government with regard to that war between hood over matte to arbitration, o American Govern miliating bluff a American states evident that the nor would subm Mexico to arbit proper for t to making a promi United States i time of nation and self-respecti would be oblig

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, as some assertion Doctrine, it in its e offen- ing atti- f course because

rudeness and bad manners and bullying are always damaging, without regard to the exciting cause. But no nation in the world now can, or does, receive respectful treatment from others unless it possesses the virile virtues, and no nation can affect to play a great part in the world unless it possesses potential strength and the will and the ability to use that strength in defense of its own rights and in defense of the cause of justice should the need arise. The voyage of the American battle fleet round the world helped the cause of peace, helped the honor of the American name, a hundred times more than all the peace conferences in which American representatives have ever taken part.

I wish that the good people who so often because of imperfect information follow unwise people into the ultra-peace movements could realize the damage they thereby do the United States in the eyes of sensible men abroad. If only they would face facts and make up their minds to test words by deeds the result would be of incalculable benefit to our people. At this moment far-seeing and self-respecting South American statesmen have been put in a very uncomfortable position by the request to have all American nations sign an agreement for obligatory arbitration about all difficulties. Naturally, they think that the United States cannot be honest in making such a request—and indeed those who make the request can prove their honesty only by admitting their folly. At the moment that the request is made the American Government has been following a course with regard to Mexico which either means that war between the two nations is a likelihood over matters which cannot be submitted to arbitration, or else that the action of the American Government has been one of humiliating bluff and insincerity. These South American statesmen feel that as long as it is evident that the United States neither could nor would submit its own attitude as regards Mexico to arbitration it is insincere and improper for it to ask other nations to join in making a promise which, at the moment, the United States is repudiating, and which in time of national need every other strong and self-respecting American commonwealth would be obliged to repudiate.

It was announced the other day in the South American press that the United States was about to agree to a treaty with Denmark which should provide that all questions, even those affecting national honor and interest,

should hereafter be arbitrated. Under such a treaty Denmark would have the perfect right to sell the island of St. Thomas to any great military nation of Europe, and any arbitral court would decide that she had the right. Yet no patriotic American of courage and sound intelligence would hesitate for a moment to say that, treaty or no treaty, such action could not be tolerated by the United States. In the same way, if Mexico chose to sell Magdalena Bay to some great Old World power, any arbitration court would decide that Mexico had the right to do so. Yet it would be a criminal act for the United States to permit such a sale. As regards St. Thomas and as regards Magdalena Bay alike, not only would the Monroe Doctrine forbid the transfer of either to any foreign power, but, even if it did not, and if no such doctrine were in existence, the United States, if it possessed the slightest wisdom, could not permit such transfer to take place. It is worse than folly, it is mischievous hypocrisy, to make promises which ought not to be and would not be kept.

Nor is this all. At the very moment when I write, the Senate of the United States is holding up two proper arbitration treaties which ought to be continued, and the Administration is not submitting to arbitration one question which we are asked to arbitrate, and which under these treaties we are pledged to arbitrate. We expose ourselves to the derision of all serious-minded and upright men when, at the very time when we fail to carry out and to continue the moderate arbitration treaties already made, we yet profess our willingness to enter into new and far more sweeping arbitration treaties which every sane man knows that we would violate, and would be obliged to violate, if the occasion for their fulfillment ever arose. The United States can keep the respect of other nations and can continue to do good in the world only if it keeps up the navy and army of the United States at the very least at their present pitch of preparedness and efficiency relative to other nations; only if it acts with justice and high-mindedness toward other nations; and only if it refrains from putting itself in the humiliating and hypocritical attitude of making foolish and improper promises, the making of which is inconsistent with National self-respect, and which, if made, would have to be repudiated because of imperative National need if ever the question of their serious application arose.

In your South America speeches:

Do you mention the final GATT rounds taking place at the same time in Geneva?

If so, NOTE:

I just spoke with USTR for the Farm Bill and was told that the final meetings have been moved Geneva, December 3-7.

Check it though :"

BERNARDO O'HIGGINS

"Vivir con honor o morir con gloria"

Live with honor or die with glory.

"Chilenos: yo os juro morir o libertaros"

Chileans: I swear to free you or die trying.

"Haga el sacrificio último que la patria y el honor exigen de usted"

Make that ultimate sacrifice which your honor and the country demand.

Find quote tells how appais & dismis or man.

*Simon Collier
Univ. of Essex*

185-1746

185-3159

*Dr. David Bushnell
Dept Hist
Univ. Fla.*

*904/392-4672 (w)
392-3241 (secretary)*

904/376-8932 (h)

*107-5400
Widarda*

VOLUME 6

Cathedrals to Civil War

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CHILE

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CHILE, chil'ē (Spanish, chē'lā), a country in South America with a unique geography. Extending some 2,600 miles (4,200 km) along the Pacific Ocean, it has an average width of only 110 miles (180 km) between the sea and the towering Andes. At Cape Horn, the southern tip of the Americas, it reaches farther toward Antarctica than any country in the world. Paradoxically, although Chile hugs the west coast of South America, it lies due south of the northeast coast of the United States because of the curvature of the Pacific Basin. Chile's long, ribbonlike configuration also is misleading, for in total area the country is larger than Texas. The name Chile is of Native American origin, meaning possibly "ends of the earth" or simply "sea gulls."

Although plagued by frequent devastating earthquakes, Chile has been favored with a mild climate and fertile soils in its central region and by abundant mineral wealth, especially copper, in areas unsuitable for agriculture. In addition, Chile is one of Latin America's most industrialized countries and has vast timber, marine, and hydroelectric resources.

The population is concentrated in the relatively small, compact Central Valley, which extends north and south through the middle third of the country. Near the northern end of the valley lies Santiago, Chile's capital and largest city. The forbidding Atacama Desert isolates the country from Peru and Bolivia to the north, and the Andes cut Chile off from Argentina to the east.

The northern half of Chile had been loosely incorporated within the Inca Empire, when Spanish adventurers conquered the Incas' Peruvian homeland in the 1530's. By the end of the 16th century the Spaniards had firmly annexed Chile to their Viceroyalty of Peru as far south as the Bío-Bío River. Through racial amalgamation of the Spaniards and Native peoples, a new nation of Chileans gradually took shape.

Neglected by motherland Spain during much of the colonial period, the Chileans acquired considerable experience in self-government before they won their independence in 1818. Much of the southern region was not opened to large-scale settlement until the 1880's, when its indigenous Mapuche inhabitants were pacified after a 350-year war. Chile's northern boundary with Peru was fixed only in 1929.

1. The Land and Natural Resources

Chile's three main geographical regions differ greatly in climate, natural wealth, and suitability for human habitation.

North Chile. This region extends from the Peruvian border to Coquimbo between 18° and 30° south latitude, or about 800 miles (1,280 km). Here, between the Pacific Ocean and the Andes



State Arms

as far south as the 27th parallel, stretches the Atacama Desert, one of the world's driest places. In some sections of the desert no rainfall has ever been recorded, while in others the total for several decades hardly equals that of a summer thunderstorm. Rivers flow intermittently if at all, and only the Loa reaches the sea. South of the desert—in the "Little North"—some rain falls in the winter and the stream beds carry more water.

Because of dense fogs that form over the cold offshore waters and roll onshore, coastal North Chile is exceptionally humid and cloudy (though virtually rainless), and temperatures are lower than would be expected at its latitudes. Thermometer readings average 60° to 70°F (16°–21°C), with little seasonal or daily fluctuation. Inland the sun shines continuously, humidity is much lower, and temperatures are more variable, sometimes near freezing on winter nights.

Throughout the length of the region a scarcely unbroken line of cliffs rises from the ocean, confining seaport towns to narrow, exposed ledges. Inland, coastal hills give way to dry flat basins containing extensive salt beds and partially filled with debris from the Andean mountain valleys. Along the Bolivian and Argentine borders, the Andes rise to elevations of more than 22,000 feet (6,700 meters). Some of the peaks are active volcanoes.

Large areas of North Chile have no vegetation whatever. Farming in the region is limited to a few irrigable areas, mainly in the river basins south of the 27th parallel. The wealth of the Chilean north lies in its abundant and varied mineral resources, notably its vast reserves of copper and iron ores.

Middle Chile. Extending from Coquimbo to Puerto Montt, another 800 miles (1,280 km) between latitudes 30° and 42°, Middle Chile is particularly favorable for human settlement. This region is the nation's heartland.

Although Middle Chile spreads over contrasting climatic zones, it is unified by its domi-

INFORMATION HIGHLIGHTS

Area: 292,258 square miles (756,945 sq km), excluding part of Antarctica claimed by Chile.
Boundaries: North, Peru; northeast, Bolivia; east, Argentina; south and west, Pacific Ocean.
Elevations: Highest—Nevado Ojos del Salado (22,572 feet, or 6,880 meters); lowest—sea level.
Population: (1982 census) 11,275,440.
Capital and Largest City: Santiago.
Name of Nationals: Chileans.
Major Language: Spanish (official).
Major Religious Groups: Roman Catholic; Protestant.
Monetary Unit: Peso (= 100 centavos).
 For Chile's flag, see under FLAG, both illustration and text.

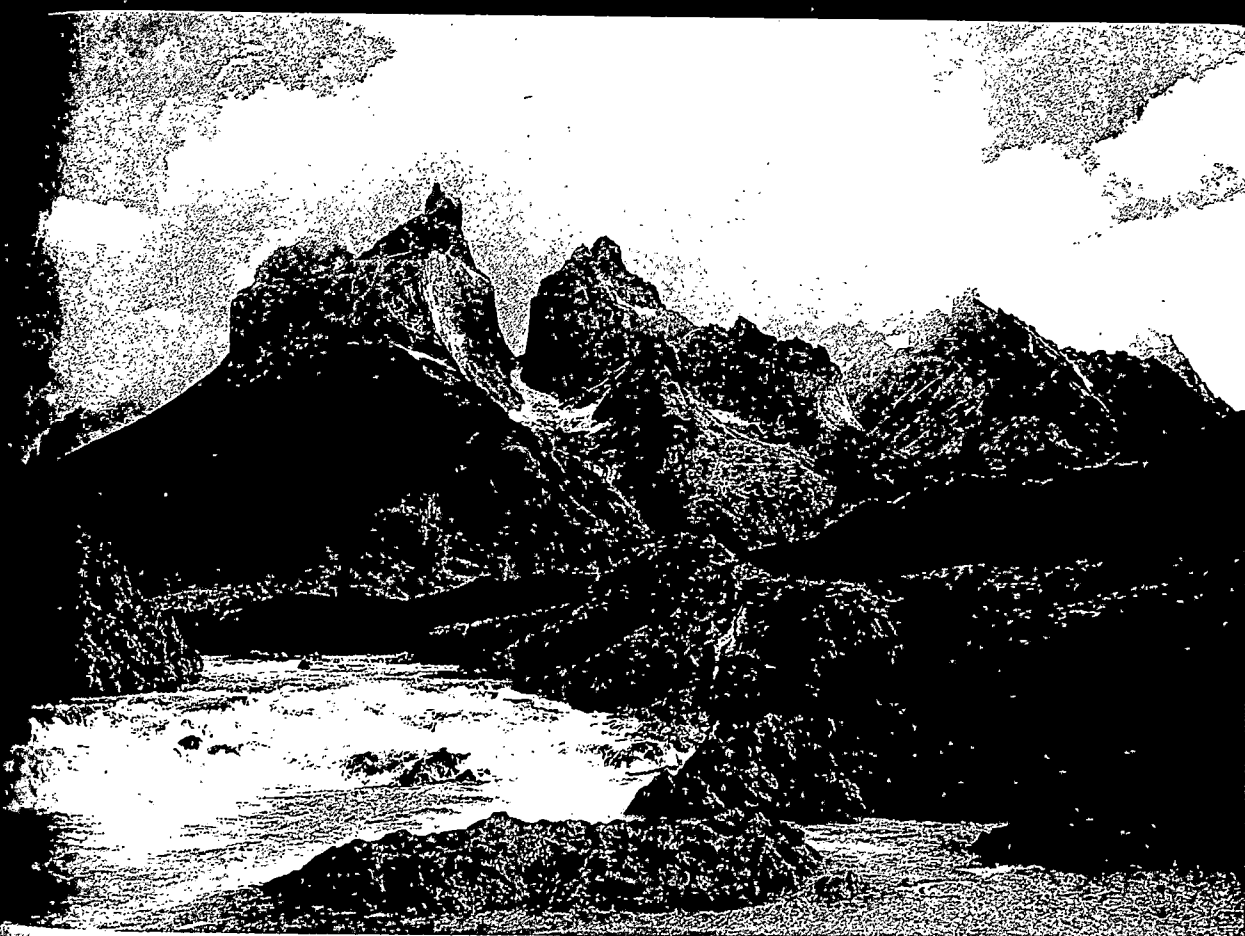
Torres del Paine—

nant physical feature. This Central Valley, bounded on coastal plateaus and on the Andes, which varies considerably in width, stretches from Santiago to the north, or about three fourths of the way to the southern tip of Chile. North of Santiago the valley is bounded by mountains from the Aconcagua River, and south of the river it disappears into a gulf of the sea.

The Central Valley is actuated by transverse hills. Between Santiago and Coquimbo, these dividers are low and they are eroded to form one continuous valley from the Andes cross the Cordillera before breaking through to the sea.

The Andes take up a third of Chile, reaching the highest peaks in the Americas at the summit of Mt. Aconcagua (22,841 feet, or 6,960 meters), just across the border near Santiago. Farther south, the Andes become more of a sculptured mountain range, with many lakes having been dammed between the peaks. The Cordillera stands out between the lakes of the cordillera.

The flat-topped highland of the western third of Middle Chile is made up of shaped valleys that have been carved by streams of local origin. Broad valleys of the Andean rivers become narrower toward the coast, but that of the Bío-Bío exception continues all the way to the coast, though cliffs border the ocean.



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Torres del Paine—towers of the Paine Range—overlook the rugged coast of South Chile.

nant physical feature. This is the longitudinal Central Valley, bounded on the west by broken coastal plateaus and on the east by the Andes. The valley, which varies considerably in width, stretches from Santiago southward to Puerto Montt, or about three fourths the length of Middle Chile. North of Santiago it is clearly separated by mountains from the lateral valley of the Aconcagua River, and south of Puerto Montt it disappears into a gulf of the Pacific Ocean.

The Central Valley is actually a series of basins set off by transverse hills or mountain spurs. Between Santiago and Concepción, however, these dividers are low and the basins are considered to form one continuous depression. Rivers from the Andes cross the Central Valley at right angles before breaking through the coastal highlands to the sea.

The Andes take up a third to a half of Middle Chile, reaching the highest elevation in the Americas at the summit of Mt. Aconcagua (22,834 feet, or 6,960 meters), just over the Argentine border near Santiago. Farther south, jagged glacial sculpturing becomes more evident, and beyond Temuco many lakes have formed in gravel-dammed mountain valleys. A line of volcanoes stands out between the lakes and the main crest of the cordillera.

The flat-topped highlands that occupy the western third of Middle Chile contain deep, V-shaped valleys that have been cut by many small streams of local origin. Broader valleys formed by the Andean rivers become constricted toward the coast, but that of the Bío-Bío south of Concepción continues all the way to the sea. Although cliffs border the ocean, drowned river

mouths and partly protected bays serve as anchorages.

The semidesert northernmost section of Middle Chile merges near Valparaíso into a "Mediterranean" zone that extends down to Concepción. This area has mild winters with rainfall and warm summers that are dry. The Central Valley experiences a greater range of temperatures than does the coast, but rarely frost and snow. Annual precipitation increases southward in this agricultural area, from a scanty 14 inches (350 mm) at Santiago to 30 inches (760 mm) at Concepción, where a sharp climatic dividing line occurs.

South of that city and the Bío-Bío River begins a zone of cool, stormy winters with heavy rain and cool summers with less rain. At Valdivia the yearly precipitation exceeds 100 inches (2,500 mm). Below the Bío-Bío, patchy scrub or open woodland yields to dense forest with heavy undergrowth, which impeded agricultural development.

Because of its climate and fertility, the Central Valley north of the Bío-Bío has been compared with that of California. The dry summers make irrigation necessary for crop growing, but the many snow-fed Andean rivers supply abundant water. The wet forest country to the south resembles the Pacific Northwest of the United States. Farmlands do not require irrigation, and extensive timber resources remain. Here, too, the spectacular scenery of the lake district constitutes a major economic asset.

Middle Chile's industrial resources are considerable. They include large deposits of copper as well as coalfields and abundant waterpower.

South Chile. The environment of South Chile—from Chiloé Island (42°) to Cape Horn (56°), a span of nearly 1,000 miles (1,600 km)—is as harsh as that of arid North Chile but for opposite reasons. South Chile is one of the wettest and stormiest parts of the world, with annual precipitations as heavy as 200 inches (5,000 mm), little sunshine, and high winds the year round. Winter temperatures are not severe, but the region has no real summer. Although the Andes here rarely exceed elevations of 10,000 feet (3,000 meters), most of the region is mountainous and in some places ice fields reach the sea. The coast presents a complex pattern of islands, channels, and fjords, as in British Columbia and southeastern Alaska. Dense forests grow where the land is not too rocky or sodden.

These conditions are mitigated in the part of the far south that is known as Atlantic Chile because it lies east of the mountains that border the Pacific. Chile includes both the mainland side of the interoceanic Strait of Magellan and the western half of the large island of Tierra del Fuego across the strait. Because most of this territory is situated in the lee of the mountains, it enjoys a drier and somewhat warmer climate than the southern Pacific coast. The gently rolling terrain is covered by short grass.

South Chile's resources are concentrated in this Atlantic area. They consist of petroleum, natural gas, coal, and pastureland suitable for sheep grazing.

Outer Territories and Coastal Waters. Several outer Pacific islands belong to Chile, which also claims a wedge of the Antarctic between 53° and 90° west longitude. Rich fishing grounds lie off the nation's coast, and Chile was one of the first countries to assert an exclusive right to exploit fisheries within 200 nautical miles of its shores.

One of the world's harshest deserts, the Atacama has one river that reaches the sea. The area is rich in minerals.

SHOSTAL ASSOCIATES



Easter Island (Rapa Nui), the farthest Chilean island from the mainland, has been the object of much scientific study and increasing tourist interest owing to its mysterious prehistoric stone statues. The Juan Fernández Islands are historically interesting because the Scottish seaman Alexander Selkirk, prototype of Robinson Crusoe, lived alone on one of them for several years. Other Chilean islands are the San Ambrosio and San Félix group and Sala-y-Gómez.

2. The Economy

Since colonial times the Chilean economy has shown a strong reliance on exports of primary products, with wheat, nitrates, and copper successively the dominant commodities. Mining and agriculture together, however, contribute less than 20% to the value of gross domestic product. Manufacturing provides another 20%.

Agriculture. Only about 5% of Chile's land is suitable for growing crops. Another 15% is pasture. The total area of cultivated and pasture land per person is one of the lowest in Latin America.

Chilean agriculture traditionally has been characterized by a scarcity of top-level managerial talent and low productivity of labor accompanied by low levels of investment. On the other hand, the agrarian sector has been highly commercialized and land transportation is not a limiting factor except in the south.

The most important crop in area planted and contribution to the value of agricultural production is wheat. Other grain plantings include maize, oats, barley, and rice. Beans and potatoes, dietary staples, are grown in large quantities. Sugar beets and oilseed crops are important specialties. Growing conditions permit the cultivation of a great variety of fruit, with grapes and apples the leading commodities supplemented by melons, peaches, and many others. Chilean fruit has a good foreign market because of the reversal of growing seasons in the Northern and Southern hemispheres. Wines constitute a major agricultural export, and Chilean vintages have won international prizes.

Livestock contributes a third of the value of agricultural production. Cattle and poultry, the most important stock, are raised chiefly for meat. Chile produces little cotton but obtains wool for its textile industry and for export from sheep herds in the far south.

Forestry and Fishing. Much of the high-quality native timber is not easily accessible, and the natural forests have been exploited mainly for fuel. Plantations, especially of Monterey pine (*Pinus radiata*), are the chief source of commercial wood products such as lumber and pulp. Chemical wood pulp is the major forest export.

Fishing is highly developed, with most of the catch processed for fish meal, a high-protein animal feed. The fish-meal industry, which is based on the anchoveta catch, is particularly vulnerable to world market conditions and periodic disastrous ecological changes.

Mining and Power Production. Chile's economy is popularly associated with mining, because mineral products long provided more than four fifths of export earnings and government revenues. Although economic diversification greatly reduced this dependence in the latter part of the 20th century, the nation retained a dangerous reliance on exports of copper and other minerals, which are notoriously subject to violent swings

in international demand for mineral fuels, but its potential is among the highest.

Chile is one of the world's largest exporters of copper. The copper industry was developed in the 19th century after the richest deposits had been exhausted. Mining companies supplied the mining techniques for the extraction of vast low-grade ores. The industry has come from a few mines that became famous as the source of their type: Chuquibambilla and El Teniente (underground). Most Chilean copper is exported.

Molybdenum, gold, and silver are mined in Chile as by-products of copper. Molybdenum is a major product of the molybdenum industry, which is steel.

Chilean iron ore is one of the world's richest (40% to 60% metal content). Traditional export, it also feeds the steel industry.

Chile's deposits of sodium nitrate, which was used as fertilizer and as an ingredient in the late 1920's, however, synthetics had left a sharp decline in natural compound. An important product of the Chilean nitrate industry is a major export, sodium iodate.

Among other nonfuel minerals, Chile produces lead, manganese, and zinc; borax, lithium, and common salt; and materials for the construction industry. High-quality sulfur is produced but has been difficult to export.

Middle and South Chile have large coal deposits. However, the coal is difficult to work or are not in places from consuming coal of high quality. Chilean coal furnishes the domestic market.

Most of Chile's energy is derived from petroleum and water. The country has large reserves of oil and natural gas, but national demand but must be met from sources in the far south. Chile. Owing to the mountainous terrain, a pipeline is not feasible. Argentina. Major hydroelectric power is available but has not been developed because of high investment costs.

Manufacturing. A sharp decline during the two World Wars I and II and the subsequent development of the copper industry of Chilean government concern geared to the substitution of imported manufactures, the production of simple goods such as foodstuffs and apparel, and the production of steel and other metals runs were limited.

in international demand. Chile is not rich in mineral fuels, but its per capita hydroelectric potential is among the highest of any country.

Chile is one of the leading producers and exporters of copper. The nation's modern copper industry was developed early in the 20th century after the richest and most easily worked deposits had been exhausted. North American companies supplied the investment capital and mining techniques for the profitable exploitation of vast low-grade ores. The bulk of production has come from a few major sites, two of which became famous as the largest copper mines of their type: Chuquibambilla (open-pit) in the north and El Teniente (underground) southeast of Santiago. Most Chilean copper is refined before export.

Molybdenum, gold, and silver are recovered in Chile as by-products of copper mining. The country is a major producer and exporter of molybdenum, which is used in high-strength steels.

Chilean iron ore is of medium to high grade (40% to 60% metal content). Besides providing a traditional export, it also supplies the domestic steel industry.

Chile's deposits of sodium nitrate, the largest in the world, helped fund its rapid development after the War of the Pacific (1879-1884). As the prize of its victory over Peru and Bolivia, Chile obtained a near monopoly in the production of sodium nitrate, which was in world demand for fertilizer and as an ingredient of explosives. By the late 1920's, however, the development of synthetics had left a shrunken market for the natural compound. An important export by-product of the Chilean nitrate industry is iodine; the country is a major commercial source of calcium iodate.

Among other nonfuel minerals, Chile also produces lead, manganese, mercury, vanadium, and zinc; borax, lithium, potassium nitrate, and common salt; and materials for the glass, ceramic, and construction industries. Large reserves of high-quality sulfur are found high in the Andes but have been difficult to exploit.

Middle and South Chile have extensive soft-coal deposits. However, reserves are either difficult to work or are not located at optimal distances from consuming centers, and they do not yield coal of high quality. Mines near Concepción furnish the domestic steel industry.

Most of Chile's energy production is derived from petroleum and waterpower. Domestic supplies of oil and natural gas meet about half of national demand but must be transported by sea from sources in the far south to Middle and North Chile. Owing to the mountains and ice fields of the south, a pipeline is feasible only through Argentina. Major hydropower sources are conveniently situated but have taken a long time to make a significant impact on the economy because of high investment costs.

Manufacturing. A scarcity of imported goods in World Wars I and II and a shortage of foreign exchange during the depression of the 1930's made the development of manufacturing a major concern of Chilean governments. Under policies geared to the substitution of domestic for imported manufactures, industry expanded from the production of simpler consumer goods such as foodstuffs and apparel to more sophisticated areas including steel and automobiles. Because production runs were limited by the small size of



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Grapes are harvested for winemaking and table use near Santiago in the fertile Central Valley of Middle Chile.

the domestic market, costs tended to be high and Chilean manufacturers were given protection from foreign producers in the form of high tariffs. Thus the industrial sector was vulnerable to any radical departure from protectionist policy that the government might deem necessary to benefit the economy as a whole.

Manufacturing is based mainly on Chile's agricultural, forest, marine, and mineral wealth. Flour milling, leather tanning, and sawmilling were developed in the colonial period, and by 1900 manufacturing or processing to meet the basic needs for food, clothing, and home comfort were well advanced. Meanwhile, Chile had also begun to produce locomotives, mining equipment, and armaments.

Until the 1930's, however, major urban industrial expansion had the traditional aim of supplying finished products for the consumer market. The government then began to give greater encouragement to the manufacture of intermediate goods, with the result that Chile increasingly turned out textiles (including synthetics), metals, chemicals, rubber, glass, and finished components for its established industries, thus relieving their reliance on imports. In 1951, for example, an integrated steel mill was completed near Concepción, using local coal supplies, iron ore from the north, and limestone from the south. More capital goods also were produced, but in general the manufacture of factory equipment and machinery lagged.



CHIP & ROSA MARIA PETERSON

Sheep ranching is the main agricultural activity in Atlantic southern Chile, where pasture is abundant.

Given Chile's varied resources and diversified manufactures, the economy is capable of meeting most of the domestic demand for consumer products, including cars and many kinds of appliances. Manufacturing for outside markets greatly increased in the late 20th century, reducing national dependence on copper exports for foreign exchange. In world trade, Chilean processing industries producing such goods as basic nonferrous metals, wood and paper products, fish meal, and wine—all from domestic resources—enjoyed a competitive edge over the less cost-efficient industries that had been developed for import substitution.

Transportation. North and Middle Chile have well-developed systems of land transportation. The scattered communities in South Chile depend on air and sea transportation for their links with the rest of the country.

The rail system, which carries the major share of freight within the country, connects the port of Iquique in the north with Puerto Montt at the southern end of the Central Valley. The trunk route runs generally inland, with connecting lines to the principal ports, mining centers, and resorts and to the rail systems of Bolivia and Argentina. The northern and southern networks, however, were built with different track gauges and could not use the same rolling stock. Passenger service, phased out in the north, remained important only in Middle Chile. Santiago boasts an efficient, modern subway.

The road network repeats the pattern of the rail system but is denser, and the paved Longitudinal Highway extends into Peru. About half the roads are all-weather; nearly a fifth (with a greater route mileage than the rail system) are considered to be of first-class construction.

Chile has about a dozen major seaports, several of which are specialized for bulk cargoes such as minerals. The northern ports, notably

Antofagasta, serve mining centers and handle most of landlocked Bolivia's international trade. Valparaíso (the chief port) and San Antonio are the nearest to Santiago and the Teniente copper mine, and Talcahuano serves the Concepción industrial area. Punta Arenas, the main port of the far south, is situated midway between the Pacific and Atlantic oceans on the Strait of Magellan.

The country's great length enhances the value of its air services. Of several hundred airfields, about a dozen handle scheduled commercial traffic.

Trade. Traditional products such as minerals, fish meal, and wood pulp account for the major portion of Chilean export revenues, with copper retaining its primary position though no longer overwhelmingly dominant. This group's share of trade earnings declined to about two thirds, however, with the growth of newer exports such as wood manufactures, basic metal products, fruit, and wine. Chile imports oil, chemicals, industrial and transportation equipment, spare parts, and food products—including wheat, live animals and meat, and tropical commodities such as coffee. Trade is well distributed among Western Hemisphere countries, the nations of western Europe, and Japan.

3. The People

The Chilean people have one of the lowest rates of natural increase in Latin America, and the population was not expected to reach 15 million before the year 2000. Most Chileans are of Spanish descent (with some Native American forebears) and are Roman Catholic. Almost all speak Spanish. The average citizen lives in an urban community and has had at least a primary education.

Origins of the Population. About 70% of the people are of mixed Spanish and Amerindian ancestry; most of the remainder are of European

(mainly Spanish) descent alone. Despite the seemingly large Indian element in the population, Chile possesses substantial ethnic unity. Since the 16th century the Indian stock has been gradually absorbed into the Hispanic mainstream of the population, and among persons of mixed race Indian physical characteristics are disappearing. Cultural solidarity is even more pronounced. The overwhelming majority of Chileans, regardless of ethnic background, have a strong sense of nationhood formed through geographical concentration, historical isolation, and the shared values of a predominantly Spanish heritage.

Largely because of its remoteness and isolation, Chile never experienced the massive immigration that flooded Argentina and Brazil in the late 19th and early 20th centuries. Basques were significant among the 18th century newcomers from Spain, and by the early 19th century a trickle of immigrants had arrived from Britain, Ireland, and France. In the 1850's a few thousand German homesteaders braved the difficult and hostile wet-forest Indian environment of the southern Central Valley. Later, small numbers of Italians, Swiss, South Slavs, and others were added to the European mix, while Lebanese and Syrians contributed a Middle Eastern element. Although postcolonial immigration accounted for only a tiny percentage of the Chilean population, individuals of non-Spanish European or Mediterranean origin have played a prominent role in national life, as the many foreign-sounding names indicate. The most renowned example was the hero of Chilean independence, Bernardo O'Higgins, known as the Liberator.

Less than 5% of the people are Native Americans. In the 16th and 17th centuries numerous Indian groups inhabited Chile, each adapted to one of the country's varied ecological environments. The Mapuche, whom the Spaniards called Araucanians along with related peoples of Middle Chile, defended their south-central forests from the Inca Empire, Spain, and finally the Chilean republic until they agreed to make peace in 1883. They live by farming, cattle raising, fishing, and handcrafting, with Temuco as their urban center. The Mapuche constitute the only sizable group who have retained their traditional language and customs. Many speak Spanish, however, and considerable numbers have migrated to the large cities.

Religion. An estimated 90% of Chileans are Roman Catholics, but the degree of their adherence to church teachings and rites varies widely. Most of those who do not regularly attend Mass at least receive the sacraments that mark life passages such as birth, marriage, and death.

Chile has one of the largest Protestant ratios in Latin America—perhaps 10% of the population. A relatively small number were born into the Protestant faith of their northern European ancestors. The majority are converts to fundamentalist groups, which have been active among the urban masses. Less than 0.5% of Chileans are Jews or Eastern Christians.

Distribution of the Population. Over 90% of the people live in Middle Chile, and most of the remainder in the desert and semidesert areas of the north. Less than 2% reside in the south, mainly in the Atlantic area.

Five out of six people live in a city or town, with more than half of these in three urban agglomerations: Greater Santiago, Valparaíso

(plus the adjacent resort city of Viña del Mar), and Concepción (with its seaport, Talhuano). Santiago's millions make that metropolis one of the largest urban centers in South America. Even where urban concentration is lowest, in the agricultural Central Valley, it is over 50%. In the Santiago Basin and in North and South Chile, it exceeds 90%. Outside the nation's midsection, most people cluster in scattered seaports, mining centers, and oases. Punta Arenas has the distinction of being the world's most southerly city of more than 50,000 inhabitants.

Education. The foundation of a system of universal primary education in Chile was laid in the 1880's, when free compulsory elementary schooling was made available to urban youth. The system was extended to rural youth in the 1920's. Since then, public education has been greatly expanded—in the number of schools and teachers, in student enrollment, and in the length of compulsory studies.

Various governments have undertaken educational reform, not only to improve the system's coverage and relevance to a changing society, but also to regulate social change in keeping with particular ideological views. Strategies of reform have ranged from decentralization to greater centralization, and goals have swung between the extremes of inculcating Marxist ideology and reemphasizing traditional Christian values. In general, however, governments have perceived the need for attuning education to the requirements of an increasingly urbanized, industrialized, and service-oriented society—however the long-range goals of national development are formulated. As a result, rigidly academic curricula have been relaxed and greater emphasis has been placed on sciences, engineering, and business training.

4. Cultural Life

A long dedication to political freedom not only fostered creative expression among the Chilean people but attracted foreign intellectual leaders (often political exiles), who found Chile receptive to new ideas. Venezuelan-born Andrés Bello, who became the first rector of the University of Chile, and Argentine-born Domingo Sarmiento, the first director of the national teachers college in Santiago, were examples of 19th century transplanted thinkers whose educational and literary contributions have immensely enriched Chilean culture.

Literature. Imaginative writing, especially poetry, probably represents the area of Chile's greatest cultural achievement. The nation's literary beginnings can be traced to the 16th century with the publication of Alonso de Ercilla's *La Araucana*, an account of the wars between the Spaniards and the Mapuche (Araucanians). This epic poem provides the first artistic description of aboriginal life in Chile.

Gabriela Mistral, a Chilean teacher, was the first Latin American to receive a Nobel Prize in literature. The award, made in 1955, honored her "for her lyric poetry, which is inspired by powerful emotions and which has made her name a symbol of the idealistic aspirations of the entire Latin American world." Pablo Neruda, who has been called "the poet of violated human dignity," became the nation's second Nobel laureate in literature in 1971. A political activist, Neruda had represented the Communist Party in the Chilean Senate during the late 1940's.

Chile has produced many novelists and short-story writers. Gabriela Mistral's "Chilean Balzac," a realistic novel in Spanish American style (1925), depicts the life of a poor city dweller with emphasis on the poorest of the urban poor (the novel is *Down-and-Out*). The novel's author, Manuel Rojas, who also dealt with the harsher sides of existence, included in his work abrupt time shifts (*Hijos de la Noche*, *Born Guilty*). Eduardo Barrios, with abnormal personalities, depicted the torment (*El hermano asno*), and José Donoso depicted the vivid realism (*El obscuro*, 1970; *The Obscure Bird of Night*).

Visual Arts. Among the painters since the late 19th century, Juan Francisco González, an Ibero-American, and Nemesio Antúnez, who represented the mental forces of the Andes. A not a center of pre-Hispanic culture, but a center of modern sculpture, Colvin and Alicia Penalba. (The latter represented in the National Museum and the Museum of Contemporary Art in Santiago).

The range of architectural styles from the colonial to the modern period all are found in the capital. Earthquakes have destroyed many of Chile's colonial structures, and

Viña del Mar

Viña del Mar



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Viña del Mar, one of Chile's largest cities, is also a popular seaside resort.

Chile has produced many distinguished novelists and short-story writers. Alberto Blest Gana, the "Chilean Balzac," established the realistic novel in Spanish American letters (*Martín Rivas*, 1862). Joaquín Edwards Bello portrayed city life with emphasis on the *roto* ("ragged"), the poorest of the urban poor (*El roto*, 1920; *The Down-and-Outers*). The novelistic techniques of Manuel Rojas, who also dealt with the harsher sides of existence, included interior monologues and abrupt time shifts (*Hijo de ladrón*, 1951; *Born Guilty*). Eduardo Barrios was concerned with abnormal personalities and their spiritual torment (*El hermano asno*, 1922; *Brother Ass*). José Donoso depicted the phantasmagoric with vivid realism (*El obscuro pájaro de la noche*, 1970; *The Obscure Bird of Night*).

Visual Arts. Among the important Chilean painters since the late 19th century have been Juan Francisco González, an Impressionist; Roberto Matta, who was influenced by Surrealism; and Nemesio Antúnez, who expressed the elemental forces of the Andes. Although Chile was not a center of pre-Hispanic culture, Native Andean totemic forms and structural values inspired several modern sculptors, such as Marta Colvin and Alicia Penalba. Chilean art is well represented in the National Museum of Fine Arts and the Museum of Contemporary Art, both in Santiago.

The range of architectural styles from the colonial to the modern period also is best seen in the capital. Earthquakes have taken a heavy toll of Chile's colonial structures, and the frequency

of tectonic disturbances has been an important consideration in the design of contemporary buildings.

Performing Arts. Landmarks in the development of the performing arts included the opening of the Municipal Theater of Santiago in 1857 and the creation of the University of Chile's Theater Institute and Experimental Theater in the early 1940's. Innovative playwrights have emerged, as represented by Jorge Díaz, Alejandro Sieveking, and Sergio Vodonovic.

A national symphony orchestra and national ballet also came into being in the late 1940's. Particularly influential in the promotion of musical life were the composer Domingo Santa Cruz, founder of the National Composers Association and the Music Extension Institute of the University of Chile, and Isabel Barra, a driving force in the revival of folk music. Individual Chilean performers such as operatic tenor Ramón Vinay and concert pianist Claudio Arrau have made international reputations.

Folk dances, as well as folk music, are popular. The best-known dance is the *cuenca*, a spirited takeoff on the courtship of rooster and hen. Numerous religious festivals and commemorations of dramatic episodes from Chile's past offer attractive settings for folkloric expression. Rodeos have been especially popular. Featuring *huasos* ("cowboys") in colorful costumes, the Chilean rodeo symbolizes the selection of the cattle herd.

CLARK C. GILL*, University of Texas
(Section 4: "Cultural Life")

HISTORY

Chile is divided into regions, provinces, and municipalities, in that order of rank. Heads of these units are appointed by the president.

After the Spaniards under Francisco Pizarro overthrew the Inca Empire in 1533, Pizarro's partner Diego de Almagro led an unsuccessful expedition from Peru to conquer the Incas' southern domain in Chile. A second and successful expedition, under Pedro de Valdivia, founded Santiago in 1541. To the north, the Indians were quickly subjugated; but to the south, the Mapuche (Araucanians) remained unconquered.

6. Colony and Nation to 1932

Although Chile failed to yield its conquerors gold or silver, its central region proved suitable for farming and ranching. Settlers were often granted large estates, with claims on the labor of the resident Indians. But the danger of Mapuche attacks inhibited immigration from Spain, and the expense of maintaining a frontier army helped keep Chile a deficit area of the Viceroyalty of Peru throughout most of the colonial period.

As in other parts of Spanish America, resentment against the motherland's restrictive economic and political policies, combined with intellectual ferment resulting from the spread of Enlightenment ideas and the examples of the French and American revolutions, stimulated desires first for reform and later for independence. Napoleon's invasion of Spain in 1808 created the opportunity for revolt.

Independence and the Autocratic Republic. Initial Chilean attempts to achieve independence, beginning in 1810, were suppressed in 1814 by Spanish troops from Peru. Afterward, many Chilean patriots went to Argentina and joined an army that was being trained in Mendoza by José de San Martín, an Argentine who intended to liberate Chile and Peru. In 1817, San Martín's army made a remarkable crossing of the Andes into Chile and routed the Spaniards. The next year an independent Chile entrusted its political direction to Bernardo O'Higgins, a native-born hero of the revolutionary movement.

Hoping to effect a compromise between rival factions of conservatives and liberals, O'Higgins was unable to satisfy either group and was forced into exile in 1823. After seven years of chaos, conservative forces under a military officer, Joaquín Prieto, and a businessman, Diego Portales, crushed their opponents and ushered in the period of the "autocratic republic" (1830-1861). Although assassinated in 1837, Portales was the architect and guiding genius of the autocratic republic. Conservative for pragmatic rather than doctrinaire reasons, he avoided fanaticism and established a tradition of firm-handed rule tempered by moderation.

The Liberal Movement. By the late 1840's a new generation of liberal intellectuals and statesmen had arisen. Led by José Victorino Lastarria, Francisco Bilbao, and Santiago Arcos, they demanded decentralization of government, extension of suffrage, curtailment of presidential powers, and suppression of the Catholic Church's temporal influence. Liberal and Conservative parties soon emerged. The avowedly conser-

sional Conservative Party right to intervene in politics to stand for continuation of the party split on the issues pushed by Portales.

The last president of the party was Manuel Montt. He was a conservative, but toward the end of his term the party split on the issues. The faction that remained in power, the Conservative Party, and in the person of Montt's successor it allied itself with a mutually acceptable faction held power until 1891. The Liberals then found themselves in opposition.

The Radicals, and as a result the Party entered a long period of political stability in 1875 to 1885 national politics were considerably modified. Montt was largely responsible for the stability, and the church lost its power over education.

These and earlier changes in the structure and church-state relations were reflected by peaceful, constitutional stability in turn contributed to uninterrupted economic development. Institutional strength helped Chile in the War of the Pacific (1879-1883) when combined forces of Peru and Chile's politically disorganized army expanded its borders far to the south. Its new nitrate and copper resources made the still unsubdued Maipo River wilderness frontier more peaceful.

Shortly after overcoming the challenges from abroad, however, internal stress and for the first time engaged in a civil war. José Manuel Balmaceda, the Liberal president elected in 1886, his overconfident country was slipping into inertia. Centralization was necessary, he believed, to derive main revenue from nitrates could be invested in public projects. Persuaded that the president could institute change, he had in mind, Balmaceda moved to curtail congressional powers of a parliamentary type. The unregulated market economy led to a civil war and drove the president to death by suicide in 1891.

Parliamentary Government. The new parliamentary government of Chile. During this time new social classes appeared, labor unrest increased, and strikes, some of them violent, increased in frequency. A basic cause of these problems was the rapid population shift. In the urbanization the rural paternalism was characterized by master-servant relations, and rapidly swelling numbers were subjected to intensive exploitation.

Alessandri and Ibáñez. For the next election, Arturo Alessandri, a candidate of the Liberal Alliance, won. He was supported principally by Liberals and Radicals. Waging a new type of campaign, he appealed to the masses, in effect



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Santiago, seen from the park on Santa Lucia Hill, is the hub of Chile's political, economic, and cultural life.

5. Government

The constitution of the Republic of Chile came into force in 1981. Drawn up by the military government that took power in 1973, it was approved by popular referendum in 1980. The military regarded the new charter as a "transition to democracy."

Until 1990, Chile would continue to be governed by the president, exercising extraordinary executive powers and assisted by the cabinet, and by the military junta, consisting of the heads of the three armed forces and the police, acting as the legislature. In 1988 the junta would name a presidential candidate, who if confirmed by popular referendum would take office in 1989. In the following year elections for a legislature would be held. If the junta's presidential nominee should be rejected in the referendum, the incumbent would call presidential and congressional elections within a year.

Presidents would serve for eight years with no right of reelection. The first presidential election would take place in 1997. Presidents could dissolve the legislature once during their term and could declare a state of emergency for up to 20 days.

The National Congress would consist of a partially elected Senate and a fully elected Chamber of Deputies. A minority of senators would be appointed by the president. Senators would serve eight years, except that former presidents would be senators for life. Deputies would have a term of four years.

The constitution provided for a judicial system with a Supreme Court and lower courts. All judges are appointed by the president.

sional Conservative Party defended the church's right to intervene in political affairs and claimed to stand for continuation of the traditions established by Portales.

The last president of the autocratic republic was Manuel Montt. He was backed by the Conservatives, but toward the end of his 10-year term the party split on the issue of church prerogatives. The faction that supported the church against the government retained the name Conservative Party, and in the election of 1861 for Montt's successor it allied with the Liberals behind a mutually acceptable candidate. This coalition held power until 1873, when the Conservatives left the government.

The Liberals then found new allies among the Radicals, and as a result the Conservative Party entered a long period of decline. From 1875 to 1885 national political institutions were considerably modified. Ministers were made largely responsible to Congress, suffrage was extended, and the church lost various privileges, including its power over education.

These and earlier changes in Chile's political structure and church-state relationship were effected by peaceful, constitutional means. Political stability in turn contributed to an essentially uninterrupted economic development. Chile's institutional strength helps account for its victory in the War of the Pacific (1879–1884) over the combined forces of Peru and Bolivia. Crushing its politically disorganized adversaries, Chile expanded its borders far to the north, acquiring vast new nitrate and copper resources. Moreover, in 1883 the still unsubdued Mapuche on the southern wilderness frontier were induced to make peace.

Shortly after overcoming its military challenge from abroad, however, Chile succumbed to internal stress and for the first time since 1830 engaged in a civil war. José Manuel Balmaceda, the Liberal president elected in 1886, feared that his overconfident country was in danger of slipping into inertia. Centralized economic planning was necessary, he believed, so that government revenue deriving mainly from export taxes on nitrates could be invested in special development projects. Persuaded that only a strong president could institute changes of the nature he had in mind, Balmaceda became arbitrary and moved to curtail congressional powers. Supporters of a parliamentary political system and the unregulated market economy then precipitated a civil war and drove the president to his death by suicide in 1891.

Parliamentary Government. The ensuing period of parliamentary government lasted until 1925. During this time new social and economic problems appeared, labor unrest became commonplace, and strikes, some of them violently suppressed, increased in frequency.

A basic cause of these problems was a rural-to-urban population shift. In the course of urbanization the rural paternalism that had frequently characterized master-serf relations broke down, and rapidly swelling urban labor forces were subjected to intensive exploitation.

Alessandri and Ibáñez. For the 1920 presidential election, Arturo Alessandri Palma was the candidate of the Liberal Alliance, made up principally of Liberals and Radicals and enjoying significant support from burgeoning middle sectors. Waging a new type of campaign, Alessandri appealed to the masses, in effect promising to sub-

stitute a system of government-administered paternalism for the private paternalism of a bygone day. Elected by the narrowest of margins, Alessandri was unable to win congressional approval for a mild reform program. Following a brief period of military intervention, during which he was exiled, Alessandri was recalled in 1925 and presided over the adoption of a new constitution. The constitution reestablished presidential rule (although still assigning imposing powers to Congress), provided for the separation of church and state, and embodied impressive-sounding social justice codes.

In 1927, Col. Carlos Ibáñez seized the presidency, ushering in a four-year period of mild dictatorship that witnessed many material accomplishments, stimulated largely by North American and other foreign capital. His regime could not survive the reversal of this progress after the onset of the world depression in 1929, and with a popular uprising imminent he left office in mid-1931. Brief but acute political instability followed.

FREDRICK B. PIKE, *Author of*
"Chile and the United States, 1880–1962"

7. Chilean Democracy from 1932 to 1973

Political instability coincided with the still severe impacts of the Great Depression on Chile's export-oriented economy. Exports fell by more than 85% and imports by 80% between 1929 and 1932. Mass unemployment, the formation of shantytowns in the principal cities, and frequent violence and political protests proved too much to manage for six short-lived governments in 1931–1932. These included a "socialist republic," led by a colorful air force officer, Marmaduke Grove.

Politics and Society: 1932–1964. The political chaos ended when elections returned a more conservative Arturo Alessandri to the presidency in 1932. During his six-year administration, many of the issues and trends that would endure until the 1970's became evident.

One issue was foreign control of Chile's most valuable mineral resources, which caused widespread resentment. Moreover, continuing dependence on copper and nitrate exports for most of the country's foreign exchange produced periodic fiscal and balance-of-trade crises. A trend toward economic nationalism appeared, spawning efforts to industrialize. But the new domestic enterprises required subsidies and tariff protection that made Chilean industry uncompetitive in world trade and contributed to inflation. At the same time, an inability to modernize agriculture focused attention on the need for agrarian reform.

A growing urban and mining labor movement challenged government economic policies, as did the Socialist Party (founded in 1933) and the older Communist Party. These parties represented one of the three political blocs into which Chilean society had become divided by 1938. On the left, the Communists, Socialists, and smaller groups sought fundamental social transformations and a redistribution of wealth and income. In the center, the Radicals, Liberals, and some Catholic movements promoted economic modernization and political reform without revolution. On the right, the Conservatives and their allies resisted the pressures for social and economic change.



SHOSTAL ASSOCIATES

The Festival of La Tirana ends with a pilgrimage to the village church after days and nights of group dancing.

In 1938, Pedro Aguirre Cerda was elected president at the head of a center-left coalition, the Popular Front. Major economic and political initiatives followed, including creation of the National Development Corporation (CORFO) to stimulate industry. The government also undertook the expansion of education, health care, and other public services.

The three basic divisions in the political system persisted into the early 1950's, but with periodic shifts in alliances. The Popular Front was split by disagreements regarding the extent of union participation and the influence of the Communist Party, as well as by disputes over efforts to unionize agricultural workers and the role of the government in the economy. After Aguirre Cerda died in office in 1941, the coalition gradually dissolved; but his Radical Party—with a variety of allies—continued to win the presidency until 1952. Meanwhile, the trend toward urbanization and industrialization quickened. Foreign investment, particularly from the United States, also increased, accelerating the process by which key mining and industrial sectors came to be dominated by non-Chileans.

Little progress was made in redistributing national wealth and income. In fact, real income for most urban workers and peasants declined between 1938 and 1952. Great inequalities in opportunity remained: for example, more than one third of school-age children were not attending classes in 1952. Such disparities and the government's inability to improve agricultural production, control inflation, or raise living stan-

dards gave rise to political frustration and social tensions.

Dissatisfied with "politics as usual," the Chilean electorate in 1952 rejected the traditional parties and returned ex-dictator Carlos Ibáñez to the presidency. But none of Ibáñez' programs overcame Chile's long-standing economic difficulties. Renewed inflation, reaching 86% in 1956, brought a resurgence of labor activism, strikes, and political protest.

In the 1958 election for the next president, an alliance of Communists and Socialists—the Popular Action Front (FRAP)—challenged a rightist coalition led by Jorge Alessandri, the son of Arturo Alessandri. The FRAP candidate, Salvador Allende, barely lost out to his rival, and Eduardo Frei of the Christian Democratic Party finished third. The Alessandri administration emphasized economic stabilization and growth. But this policy proved to be incompatible with intensified demands for agrarian reform, for higher industrial wages and benefits, and for expanded public services.

The Alessandri administration proved unable to resolve the contradiction. Inflation, a decline in real wages, devaluation of the currency, and shortcomings in the public-service sector led to strikes and violent demonstrations. The political opposition, especially the Christian Democrats and leftist parties, took advantage of these developments as the 1964 presidential election approached.

Christian Democracy: 1964–1970. The shift of the electorate toward more reformist and leftist views convinced the right of its inability to win the presidency in 1964. The right therefore supported the Christian Democratic candidate, again Eduardo Frei. Promising "Revolution in Liberty," Frei won the election overwhelmingly and initiated six years of dramatic social, economic, and political reforms.

The new government committed itself to economic modernization, "Chileanization" of the copper industry, agrarian reforms, tax reforms, redistribution of income, new employment opportunities and expansion of social programs. The takeover of copper, through negotiated purchase agreements, would increase government income and help finance the administration's program of social and economic development. It would also generate nationalist support for that program.

Funded in part by the U.S. Alliance for Progress and higher copper prices, the Frei administration undertook large-scale construction projects, provided credit for private industrial and agricultural expansion, and encouraged foreign investment in the economy. It also mobilized hundreds of thousands of women, students, slum dwellers, and peasants into newly formed cooperatives, unions, and community organizations. Constitutional changes modifying property rights allowed for agrarian reform in 1967 and widespread unionization of farm workers.

Besides threatening the economic and political position of the traditional elites, the Christian Democratic program undercut Socialist and Communist influence among workers and peasants. Consequently, it came under increasing attack from both the political right and left. By 1968 the party's ability to govern had been weakened, owing to divisions between those members who wished to accelerate reforms and those who preferred to move more slowly while con-

solidating the achievements. The Marxist parties encouraged labor conflicts in agriculture and in general sought to disrupt the process. The political opposition called a breakdown of law and order a reform program, and accused the government of opening the door to chaos.

Despite the opposition forces, the Christian Democratic government improved the living conditions of workers and urban poor, integrated unorganized groups into unions, and greatly expanded education. Lower-level schooling increased by 45%, university registration by 100%. Technical-school rosters increased, health programs reduced infant mortality, and agricultural unionization enlarged the system of labor codes, intensified enforcement of labor codes, and raised the productivity of the countryside and raised the productivity of urban workers.

In other areas the Christian Democrats to achieve the promised reforms. The economy stagnated, inflation rose, employment opportunities failed to keep pace. Despite efforts to create new jobs, dependence on foreign investment increased instead of full employment.

The reforms thus went to the heart of the economic polarization intensified. The 1969 election approached, and the Christian Democrats were longer willing to support the Christian Democratic candidate as an alternative to Frei. Frei backed ex-president Jorge Alessandri, promised to restore law and order, and promised to restore law and order. Meanwhile, pressure, an abortive military coup, and new land seizures led Frei to declare a "state of emergency" in 1969. The Revolution in Liberty was a fierce electoral confrontation and right, with the Christian Democrats and isolated.

Popular Unity: 1970–1973. Popular Unity presidential candidate Salvador Allende, won 36.3% of the vote, ahead of Alessandri and 27.8% for the Christian Democrat, Radomiro Tomic. The Christian Democrat, Radomiro Tomic, was elected president in Latin America. Frei received a presidential sash from his predecessor.

The coalition headed by Allende attempted to lead Chile peaceably toward socialism through economic and social reforms. The Popular Unity government emphasized redistribution of income, government nationalization of the copper, steel, and insurance sectors, including copper, steel, and insurance. It also called for intensification of economic and social reforms and expanded organization of workers. The government sought to change the direction of a social revolution. In the first year of the new government, civil service workers made large gains in income, the agrarian reform was

solidating the achievements of the first three years. The Marxist parties and dissident Christian Democrats encouraged land seizures, provoked labor conflicts in agriculture and industry, and in general sought to radicalize the reform process. The political right decried what it called a breakdown of law and order, resisted the reform program, and accused the Frei government of opening the door to Communism.

Despite the opposition of leftist and rightist forces, the Christian Democratic program greatly improved the living conditions of many rural workers and urban poor, incorporated previously unorganized groups into the political system, and greatly expanded educational opportunities. Lower-level school enrollments increased by 45%, university registration doubled, and technical-school rosters quadrupled. Public-health programs reduced infant mortality and enlarged the system of rural clinics. Land reform and agricultural unionization, along with intensified enforcement of safety, housing, and labor codes, doomed the old order in the countryside and raised the prospects of peasants and urban workers.

In other areas the Christian Democrats failed to achieve the promised results. After 1967 the economy stagnated, inflation increased, and employment opportunities failed to satisfy expectations. Despite efforts to Chileanize copper, increased foreign investment exacerbated Chilean dependence instead of fulfilling the nationalist dream of a more independent economy.

The reforms thus went too far for some Chileans and not nearly far enough for others. Political polarization intensified. As the 1970 presidential election approached, the right was no longer willing to support the Christian Democrats as an alternative to Marxism. Instead, it backed ex-president Jorge Alessandri, who promised to restore law and order. Communists, Socialists, and Radicals forged a new coalition: Popular Unity. Meanwhile, mounting political pressure, an abortive military "strike," political violence, and new land seizures prompted President Frei to declare a "state of emergency" in 1969. The Revolution in Liberty ended in a fierce electoral confrontation between the left and right, with the Christian Democrats divided and isolated.

Popular Unity: 1970-1973. Unexpectedly, the Popular Unity presidential candidate, Salvador Allende, won 36.3% of the votes, versus 34.9% for Alessandri and 27.8% for the Christian Democrat, Radomiro Tomic. The first freely elected Marxist president in Latin America received the presidential sash from his predecessor on Nov. 3, 1970.

The coalition headed by President Allende attempted to lead Chile peacefully to socialism. In his inaugural address Allende declared, "The road to socialism lies through democracy, pluralism, and freedom." The Popular Unity program emphasized redistribution of income and government nationalization of the main economic sectors, including copper, steel, nitrates, banking, foreign trade, and insurance. The program also called for intensification of the agrarian reform and expanded organization of labor. The government sought to change the 1925 constitution in the direction of a socialist system.

In the first year of the new administration, civil service workers made large gains in real income, the agrarian reform was speeded up, and

government spending increased by 70%, as did the money supply and subsidized credit. Congress unanimously approved nationalization of the U.S.-owned copper firms, and the government took over a significant number of other major economic enterprises as well. These measures initially improved living conditions for workers and peasants, generated economic expansion, and won much political support. They also led to apprehension and resistance by the United States, as well as domestic opposition.

While public investment increased, the Chilean private sector, frightened at the prospect of socialism, refused to cooperate with the government. Widespread farm seizures by the Revolutionary Left Movement (MIR) and other groups, including some led by elements of Popular Unity itself, radicalized the opposition. With falling copper prices, rising food imports, declines in foreign reserves, and escalating inflation (over 160% a year by the end of 1972), the government faced an economic crisis.

The crisis was intensified by strikes supported by the opposition. Congressional hearings in the United States later revealed that the American government took actions to "destabilize" the Chilean economy and thus prevent the consolidation of socialism in Chile. These actions included influencing the World Bank to deny the Allende administration new aid and persuading the InterAmerican Development Bank to reduce its loans to Chile.

In 1973 the economic situation deteriorated further. Strikes increased in number and militancy. Within the Popular Unity coalition some members desired to drop all pretense of compliance with the law and to move rapidly forward with the construction of socialism. Others argued for accommodation with the opposition or at least moderation in implementing the government program in order to avoid more severe violence or even civil war. A public-opinion poll taken in August 1972 found that over 80% of Chileans believed the country was living in a "climate of violence"; by mid-1973 the legitimacy of the government was openly questioned.

With President Allende unable to control his own coalition, inflation at over 700% a year, the opposition plotting the government's overthrow, and the revolutionary left calling for "acceleration of the class struggle," congressional elections in March 1973 gave Popular Unity almost 44% of the vote and the opposition about 54%. Allende still had three years to serve as the head of a minority coalition, but neither Popular Unity nor the opposition could accept the current stalemate accompanied by social upheaval and economic crisis.

In June 1973 an aborted military coup signaled the severity of the crisis. President Allende attempted to fashion a new compromise with the Christian Democrats but was unable to gain the support of many elements in his own coalition or the majority of the Christian Democratic Party. Some of the most militant Socialists, along with members of MIR and minor parties, called for enlisted personnel in the armed forces to disobey their superiors, and even threatened an insurrection. Finally, in late August 1973, the opposition majority in Congress passed a resolution declaring the Allende government "unconstitutional."

The polarization of Chilean society culminated in a military coup on Sept. 11, 1973. Presi-

dent Allende died defending the presidential palace. In bombing the palace and attacking the major industrial centers where worker support for the Popular Unity government existed, the military leadership left a toll of thousands killed and wounded. Many more were detained and incarcerated. The Chilean road to socialism had ended in bloodshed rather than in President Allende's dream of a better life for his aspiring compatriots.

BRIAN LOVEMAN, *Author of*
"Chile: The Legacy of Hispanic Capitalism"

8. The Late 20th Century

The 1973 coup led to the creation of a military government headed by Gen. Augusto Pinochet, who declared that Chile had "broken the chains of totalitarian Marxism" and that Chileans had become "pioneers in humanity's fight for liberation." Determined to "extirpate the Marxist cancer," the military radically altered Chile's politics, society, and economy.

In the political sphere the government denounced liberal democracy as outmoded and inefficient, to be replaced with "authoritarian democracy." Under the new system, "decree laws" and "constitutional acts" adopted between 1974 and 1976 allowed the president (General Pinochet) to declare a "state of defense against subversion" and to "restrict personal freedom, freedom of information, and the right of assembly." If the president declared a "state of internal commotion," he could then deprive Chileans of their citizenship and suspend or restrict all constitutional rights and guarantees.

Supported initially by a majority of Chileans, who had suffered from the uncertainty, inflation, and polarization of late 1973, the military government suspended the activities of some political parties and outlawed others. Likewise the national labor confederation, CUT, was dissolved, the press censored, and many Chileans arrested, tortured, or killed. New security institutions, such as the DINA (secret police), sought to destroy leftist and Marxist political movements and to stifle all forms of opposition to the military dictatorship.

When accused by the United Nations of violating human rights, the military government in 1978 called a national referendum in which Chileans were asked to vote "yes" or "no" on reaffirming "the legitimate right of the republic to conduct the process of institutionalization in a manner befitting its sovereignty." Pinochet claimed that over 75% of the electorate supported him by voting "yes" in the referendum. On this basis, the dictator announced that there would be no further elections for a decade.

To further consolidate its power the government adopted a new system of labor relations in 1979 and a new constitution in 1980. These changes were part of what Pinochet called a program of "national modernization." His program effected regional decentralization and drastic changes in labor policy, education, health, agriculture, and the administration of justice. Educational programs were decentralized and privatized, as were health and social security programs. Agrarian reforms undertaken by the governments from 1964 to 1973 were reversed, and much agricultural land was returned to the ex-owners. Overall the military reduced the role of the public sector, privatizing many economic and social functions previously carried out by

the government and restructuring the Chilean economy in a manner that relied more heavily on foreign capital and free trade.

The new labor legislation and the constitution approved by plebiscite in 1980 severely restricted individual rights, freedom of organization, and collective bargaining. The regime claimed that the difficulties experienced by Chile in the recent past had originated in the demagoguery of the politicians, the inefficiency of protectionist and interventionist policies, and the subversive influence of the Marxist political parties and their domination of the labor movement. The military's program, according to the government, sought to eliminate these defects.

The constitution provided for a transition period of 17 years. During the first eight, political parties and Congress would not function. Then in 1988 the military would name the candidate for president, to be approved by plebiscite in 1989, with Pinochet himself as the possible nominee. In 1997 political competition and direct elections for the presidency would be restored, though only under the supervision of a National Security Council in order to guarantee a permanent role for the military in the politics of the nation.

The drastic nature of the military program also transformed the economy. Reduction or elimination of tariffs destroyed many Chilean industrial firms and induced widespread unemployment. Efforts to encourage "nontraditional" exports, new infusions of foreign capital, and reactivation of the mining economy could not overcome the shock of the free-market experiment and the severe international recession of 1980-1983. After initial successes in reducing the hyperinflation of the early 1970's, and a brief economic boom in 1976-1979, the Chilean economy declined. Gross domestic product per capita dropped by more than 9% cumulatively from 1980 to 1985. Meanwhile the Chilean foreign debt had become one of the highest per capita in Latin America.

By that time, support for the Pinochet regime was greatly eroded. Political protests, strikes, and renewed violence and terrorism—including a nearly successful attempt on the president's life in 1986—indicated widespread dissatisfaction with the government. Still unable to unite and force Pinochet to resign, opposition political groups and many groups that had previously supported the military government continued to call for a return to democracy in Chile.

BRIAN LOVEMAN, *Author of*
"Chile: The Legacy of Hispanic Capitalism"

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CHILI PEPPER. See CAPSI.

CHI-LIN. See KIRIN.

CHILLÁN, chē-yān', a city in Central Valley, 230 miles (370 km) south of Santiago. It markets grain, livestock and products, and textiles, and footwear. A cathedral, Chillán has a cathedral. The Escuela-México contains the work of Alfaro Siqueiros.

The original settlement of Chillán Viejo, was founded in 1778 of birthplace (1778) of Bernardo O'Higgins, a hero of national independence. In 1835, a new present site to the north. The town took place after the earthquake of 1939, which destroyed the building in Chillán and killed many inhabitants. Population: (1990) 100,000.

CHILLICOTHE, chil-ə-koth'ē, a city in central Ohio, the seat of Ross County, near the mouth of the Ross River (72 km) south of Columbus. It is a trade and distribution center and a grazing area. Hogs, cattle, and products are the chief sources of income. Principal industries include paper, shoes, aluminum products, and steel springs. Other industries include steel springs. Other industries include steel springs.

Chillicothe is the seat of Ross County, which maintains a museum of Thomas Worthington, six miles (10 km) north of the city. It is believed to have been founded by Benjamin H. Latrobe and the Mound City Group National Monument (5 km) to the north, preserve mounds and artifacts. The city was founded in 1800, is the oldest published newspaper west of the Mississippi. Chillicothe was founded in 1802, incorporated as a city in 1802. It was founded from 1803 to 1810 and Chillicothe is a Shawnee Indian town. The city has a major government. Population: 23,000.

CHILLIWACK, chil'ə-wak, a city in British Columbia, Canada, 53 miles (90 km) east of Vancouver. It is a major port (16 km) north of the U.S. border. Trans-Canada Highway. Significant productive farming area in the Chilliwack is the trading center for the Fraser Valley, and is known for poultry raising, and food products. Dairy cattle are raised. Corn, peas, berries, hay, and other crops are raised. After placer gold had been discovered in the Fraser River in 1858, mining was the area. Settlement at Chilliwack was completed in 1903 to prevent flooding of the river. The name derives from an old word for "valley of many waters." Population: 40,642.

CHILOPODA. See CENTIPEDE.

prompter
simultaneous
broadcast?

McGroarty/Dooley
November 29, 1990
3:15 pm

PRESIDENTIAL REMARKS: THE CHILEAN NATIONAL CONGRESS
VALPARAISO, CHILE
DECEMBER 6, 1990
~~XX:00 A.M.~~ 9:45 p.m.

47 senators
120 deputies
Valdes President [of the Senate, Gabriel] Valdes. President [of
[604-oh]
the Chamber of Deputies, Jose] Viera Gallo. Members of the
National Congress -- and all the people of Chile: It is a great
privilege to address you today, and to bring you -- on behalf of
the American people -- our heart-felt congratulations on Chile's
return to democratic rule. //

rec. of Senate
Rafael Eyzaguirre Here amid the hills of Valparaiso -- here in the halls of
this assembly -- stands proof that Chile has returned to the
democratic path. Proof that -- in Chile -- once more, the people
rec. of Chamber
of Deputies shall govern. //

Carlos Loyola It is my hope that this visit will renew and strengthen the
ties between our two nations that trace back to the first days of
Chilean independence: To your first Congress, convened on the
4th of July, 1811. To the guiding principles we share -- "the
community of ideas" that linked your new nation to our own nearly
180 years ago. //

At the center of that community of ideas stand the shining
principles that unite us today: individual liberty and
democracy. //

In the past year, the world has focussed on the dramatic
events that brought freedom and democracy to Eastern Europe --
and an end to an era of Cold War and conflict. But the

principles at the root of those revolutions across the Atlantic are the very same that give life to our own democratic destiny. And in spite of the remarkable events unfolding in Europe, we should not lose sight of the fact that the triumph of the democratic ideal promises to make the Americas the first fully free hemisphere in all of history. //

Chileans can take great pride in the role they have played in Latin America's democratic renaissance. Since the plebiscite of October 1988, Chile has undergone a political transformation every bit as far-reaching as the revolutions that changed the face of Eastern Europe. // When others, frustrated by the long years under autocratic rule, might have engaged in recrimination -- Chile chose reconciliation. // When others might have consumed themselves with settling scores, Chile chose to draw a positive lesson from the pain of the past. //

Every year under autocratic rule served only to deepen your devotion to freedom, tolerance and respect for human rights -- to strengthen Chile's collective resolve to make this return to democracy permanent -- and irreversible. //

Chile's peaceful return to the way of democracy owes much to the leadership of a man of vision and great moral courage: President Patricio Aylwin. //

But as President Aylwin understands -- as everyone in this chamber knows -- democracy's ultimate success rests not on the shoulders of one man alone -- but on the collective commitment of every Chilean -- every citizen in every region, from every

station in society -- to put allegiance to democracy above any differences that divide you. //

As a friend of Chile -- as the representative of a fellow democracy -- I have deep **respect** for all that this nation has done to **move forward, in peace, to this new day of freedom.** //

What is happening here in Chile is part of a larger movement sweeping this continent. Centuries ago, the Americas represented to the explorers of Europe the new world -- an uncharted territory of promise and possibility. // In the dawn of Chile's own independence, Bernardo O'Higgins -- Chilean patriot, and patron of liberty for all Latin America -- spoke of the Americas shared destiny when he wrote: **"The day of liberty has arrived for the Americas. From the Mississippi to Cape Horn -- an area comprising almost half the world -- we now proclaim the independence of the New World!"** //

At long last, the new world O'Higgins wrote about is dawning across the Americas -- a new dawn of democracy, in which **all** men and women are **free to live, work and worship as they wish.** //

My travels these past few days have made me more certain than ever that the Americas share a common democratic destiny -- and that Latin America's future lies with free government and free markets. //

Chile -- now returned to the democratic path -- has long recognized the merits of a free market economy. ///

From the day Diego de Almagro first set foot on what is now Chilean soil, your life-blood and link to the world has been

trade. // What has been true for Chile throughout its long history is today increasingly true for all nations. //

Chile has moved farther, faster than any other nation in South America toward real free market reform. // The payoff is evident to all: **seven straight years of economic growth**. In **exports** alone, a 15 to 20 percent increase in value in each of **the past five years**. //

This explosive growth has secured for Chile a growing impact on the world economy. // Today, the farmer in San Fernando labors not just to feed his family or even his village -- but to deliver products to the dinner tables of Japan, Europe and the U.S.. From the miner in Calama, the world obtains the raw materials it puts to use in everything from new homes to skyscrapers to space shuttles. //

Chile's success is the product of wise policy -- a comprehensive plan to transform this nation's economy into an engine for growth. //

Chile has worked to create an open and inviting investment climate for foreign capital. Since 1985, about **\$2.5 billion dollars** in new investment has flowed into Chile. Capital flight -- which has sapped the economic strength of so many Latin nations -- has now reversed itself, with returning funds spurring new investment here at home. // And Chile has pioneered some of the world's most creative debt reduction programs. **Debt for equity swaps** -- exchanges that have transformed debt from a dead-weight on development into new opportunities for growth. ///

Chile is a land of tremendous natural riches -- near limitless potential. The mineral wealth of the arid Atacama; the black earth of the Central Valley; the safe haven here at Valparaiso, for centuries Chile's main port of entry and access point to the world beyond. //

But all of these abundant resources pale in comparison to this nation's most significant asset: the vast human potential of the people of Chile. Give to the people of Chile the opportunity to better themselves -- to provide for their families, their children -- and Chile will build its future. Let the people reap the rewards of their own hard work -- and **incentive** will spur **enterprise**. //

The future of Chile is the sum total of every individual's hopes and dreams. Unleash these energies -- and uncover a reservoir of riches. Tap this source -- and transform a nation.

What has worked here in Chile can work across this continent. // Last June, I introduced an initiative I call **Enterprise for the Americas** -- a comprehensive plan to reduce the crippling burden of debt, and increase trade and investment, across the Americas -- North, Central and South. //

The Enterprise for the Americas initiative challenges all countries in Latin America and the Caribbean to commit themselves to the free market policies that will help them attract capital and achieve strong economic growth. //

Attracting new capital is central to growth. To this end, Enterprise for the Americas seeks to promote open investment

policies through a new lending program in the Inter-American Development Bank, as well as the creation of a multi-lateral fund to support investment reform. //

We recognize that the burden of external debt weighs heavily on efforts to breathe new life into Latin American and Caribbean economies. For that reason, the United States will help countries committed to free market reform to shake loose this burden of debt. Chile's strong economic performance makes it a prime candidate for the debt reduction measures proposed as part of the Enterprise for the Americas initiative. //

Finally, our initiative recognizes the critical importance of our environment -- and the need to design debt reduction measures that encourage environmental protection and conservation. //

Enterprise for the Americas has generated great hope in the future of free markets across the continent. // Already -- during President Aylwin's recent visit to Washington -- our two countries have signed a **bilateral trade and investment framework** under the initiative. // I look to Chile to continue to lead the way -- to remain at the forefront of the free market movement now taking hold across Latin America. // To work together toward the **ultimate aim of the Enterprise for the Americas** -- the creation of a Hemispheric Free Trade Zone, from the Arctic reaches in the North, down to the southernmost tip of Cape Horn.

I want to see our two nations work together to bring down barriers to free and fair trade -- not just here in the Americas,

but around the world. // The great economic lesson of the past half-century is that protectionism stifles progress -- and that free markets breed prosperity. // That is why the successful completion of the current Uruguay Round negotiations remains my highest trade priority. //

In the Uruguay talks, both our nations have sought a deep reduction -- and ultimately -- the complete elimination of counter-productive agricultural subsidies. // Together with Chile and our other neighbors in the hemisphere, we here in the Americas constitute a potent force for free trade. Let me say to all of you today: the United States stands ready to forge a new partnership in prosperity. ///

I've been told, according to some scholars, that the word Chile means "the ends of the earth." Today, what Chile means to the world is far different: your nation is at the very center of the democratic revival transforming this continent -- bringing us closer each passing day to the new world we seek. Because what matters in this new world is not the vast distances that separate us -- but the vital ideals that bring us together. //

Let today mark the beginning of a new partnership between our peoples. Let us all -- across the Americas -- work together toward a new world -- toward that new dawn of democracy -- in which every nation is the home of liberty, democracy and progress. //

Once again, thank you for this warm welcome -- and may God bless the people of Chile.

9 Senators designated
by Pinochet
1 died
7 for each member of
armed services (4) + 5

Congress - freely elected
Valparaiso - title?
Gallo's name

Chilean Natl. TV

McGroarty/Dooley
November 26, 1990
1:30 pm
[CHILE]

PRESIDENTIAL REMARKS: THE CHILEAN LEGISLATURE
VALPARAISO, CHILE
DECEMBER 6, 1990
XX:00 A.M.

Natl. Congress

✓ DCM
David Greenlee
696-6385

Pres. of Senate Gabriel Valdés

Pres. of Chamber of Deputies José Viera Gallo

~~President Aylwin.~~ Members of the Chilean Congress -- and

all the people of Chile: It is a great privilege to address you today, and to bring you -- on behalf of the American people -- our heart-felt congratulations on Chile's return to democratic rule. //

~~amid a fest of hills~~

✓ Here atop the hills of Valparaiso -- here in the halls of this assembly -- stands proof that Chile has returned to the democratic path. Proof that -- in Chile -- once more, the people shall govern. //

✓ It is my hope that this visit will renew and strengthen the ties between our two nations that trace back to the first days of Chilean independence: To your first Congress, convened on the 4th of July, 1811. To the guiding principles we share -- "the community of ideas" that linked your new nation to our own nearly 180 years ago. //

At the center of that community of ideas stands the shining principle that unites us today: democracy. //

In the past year, the world has focussed on the dramatic events that brought democracy to Eastern Europe -- and an end to an era of Cold War and conflict. But the principles at the root

of those revolutions across the Atlantic are the very same that give life to our own democratic destiny. And in spite of the events unfolding in Europe, it is here -- here in the Americas - that democracy stands on the threshold of a new era. // It is here that the triumph of the democratic ideal promises to make the Americas the first fully free hemisphere in all of history.

// *in the words of Chile's great patriot & patron of freedom Bernardo O'Higgins*

Chileans can take great pride in the role they have played in Latin America's democratic renaissance. Since the plebiscite of October 1988, Chile has undergone a political transformation every bit as far-reaching as the revolutions that changed the face of Eastern Europe. // When others, frustrated by the long years under autocratic rule, might have engaged in recrimination -- Chile chose reconciliation. // When others might have consumed themselves with settling scores, reopening old wounds, Chile chose to draw from its painful past a positive lesson. //

Every year under autocratic rule served only to deepen your devotion to freedom, tolerance and respect for human rights -- to strengthen Chile's collective resolve to make this return to democracy permanent -- and irreversible. //

Chile's peaceful return to the way of democracy owes much to the leadership of a man of vision and great moral courage: President Patricio Aylwin. //

But as President Aylwin understands -- as everyone in this chamber knows -- democracy's ultimate success rests not on the shoulders of one man alone -- but on the collective commitment of

every Chilean -- every citizen in every region, from every station in society -- to put allegiance to democracy above any differences that divide you. //

As a friend of Chile -- as the representative of a fellow democracy -- I have deep **respect** for all that this nation has done to **move forward, in peace, to this new day of freedom.** //

What is happening here in Chile is part of a larger movement sweeping this continent. Centuries ago, the Americas represented to the explorers of Europe the new world -- an uncharted territory of promise and possibility. // Today, too, the Americas hold out hope of a new world -- a world in which all men and women live in liberty -- free to work and worship as they wish. //

My travels these past few days have made me more certain than ever that the Americas share a common democratic destiny -- and that Latin America's future lies with free government and free markets. //

Chile -- now returned to the democratic path -- has long recognized the merits of a free market economy. //

From the day Diego de Almagro first set foot on what is now Chilean soil, your life-blood and link to the world has been trade. // What has been true for Chile throughout its long history is today increasingly true for all nations. //

Chile has moved farther, faster than any other Latin nation toward real free market reform. // The payoff is evident to

In dollar terms, Chilean exports grown as much as 20 % in last few yrs.

4

all: **seven straight years of economic growth.** In exports alone, a **15 to 20 percent** ^{dollar value} **increase in each of the past five years.**

✓ This explosive growth has secured for Chile a growing impact on the world economy. // Today, the farmer in ^{San Fernando} Valdivia labors not just to feed his family or even his village -- but to deliver products to the dinner tables of Japan, Europe and the U.S..
✓ From the miner in ^{Calamá} Lota, the world obtains the raw materials it puts to use in everything from new homes to skyscrapers to space shuttles. //

Chile's success is the product of wise policy -- a comprehensive plan to transform this nation's economy into an engine for growth. //

Chile has worked to create an open and inviting investment climate for foreign capital. Since 1985, about **\$2.5 billion dollars** in new investment has flowed into Chile. Capital flight -- which has sapped the economic strength of so many Latin nations -- is now reversing itself, with returning funds spurring new investment here at home. // And Chile has pioneered some of the world's most creative debt reduction programs. **Debt for equity swaps** -- exchanges that have transformed debt from a dead-weight on development into new opportunities for growth. ///

Chile is a land of tremendous natural riches -- near limitless potential. The mineral wealth of the arid Atacama; the black earth of the Central Valley; ^{marine resources off the coast of} ~~the broad bay here at~~ Valparaiso, for centuries Chile's port of entry and access point to the world beyond. //

But all of these abundant resources pale in comparison to this nation's most significant asset: the vast human potential of the people of Chile. Give to the people of Chile the opportunity to better themselves -- to provide for their families, their children -- and Chile will build its future. Let the people reap the rewards of their own hard work -- and **incentive** will spur **enterprise**. //

The future of Chile is the sum total of every individual's hopes and dreams. // Unleash these energies -- and uncover a reservoir of riches. Tap this source -- and transform a nation. //

What has worked here in Chile can work across this continent. // Last June, I introduced an initiative I call **Enterprise for the Americas** -- a comprehensive plan to reduce the crippling burden of debt, and increase trade and investment, across the Americas -- North, Central and South. //

Enterprise for the Americas has generated great hope in the future of free markets across the continent. For its part, Chile has become the first nation to sign with the U.S. a framework free trade agreement. // I look to Chile to continue to lead the way -- to remain at the forefront of the free market movement now taking hold across Latin America. //

I want to see our two nations work together to bring down barriers to free and fair trade -- not just here in the Americas, but around the world. // The great economic lesson of the past

half-century is that protectionism stifles progress -- and that free markets breed prosperity. //

In the Uruguay Round, we have sought a deep reduction -- and ultimately -- the complete elimination of counter-productive agricultural subsidies. //

[[UPDATE ON OBJECTIVES IN URUGUAY ROUND.]]

We can and must continue to work in common cause toward a successful conclusion to the Uruguay Round. // Together with Chile and its Latin neighbors, we here in the Americas constitute a potent force for free trade. Let me say to all of you today: the United States stands ready to forge a new partnership in prosperity. ///

I've been told, according to some scholars, that the word Chile means "the ends of the earth." Today, what Chile means to the world is far different: your nation is at the very center of the democratic revival transforming this continent -- bringing us closer each passing day to the new world we seek. Because what matters in this new world is not the vast distances that separate us -- but the vital ideals that bring us together. //

Let today mark the beginning of a new partnership between our peoples. Let us all -- across the Americas -- work together toward a new world in which every nation is the home of liberty, democracy and progress. //

Once again, thank you for this warm welcome -- and may God bless the people of Chile.

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SPEECH AT SANTIAGO DE CHILE

The Democratic Movement in a Republic

delivered Nov. 22 before the
 University of Chile

I am glad to have the chance to address this great republic of yours. Chile is a young nation, and its national history is not as long even as the history of the country from which I come. But it is sometimes forgotten that, taking into account both colonial history and the history of the several colonies after they became independent nations, there is a far longer history for Latin America than for English-speaking America. Chile's history, as known to people of European stock, began three quarters of a century before the Puritans landed at Plymouth Rock. The signal valor which the people of the republic of Chile have so repeatedly shown, and the stern and high quality of devotion to an ideal which is theirs, was shown by the ancestors of the present Chileans at least two generations before the New World was sighted by the founders of the colonies which afterwards became the United States. Since Chile has become a nation, it has made giant strides forward toward greatness; its people have shown striking efficiency, in war, in government and in business, and the success and eminence of the great university before which I have the honor now to appear afford proof that in addition to material triumphs in peace and war the leaders of the Chilean nation have also sought for and obtained the right to stand abreast of the modern nations whose triumphs have been those of the spirit and the intellect. It has been suggested to me that when I spoke to this audience I would find that they would be especially interested in an account of the political movement in the United States during the last dozen years, the period since I myself became President of the United States. It is not too much to expect that in addition to furnishing leadership in arts and letters this university shall furnish its proper share of leadership in the political and industrial thought of the Chilean nation throughout the lifetime of the generation that is now coming to manhood. Having in view this fact, and the further fact that in this age

all the free peoples everywhere are engaged in some shape or way in working out the great democratic experiment. I shall speak to you very briefly of certain features of the democratic movement of the last dozen years in the republic of which I am a citizen.

The graduates and the undergraduates, the teachers and the scholars of this university need not be told by me that the institutions of government must of necessity change, as all things change, not only in the human but in the natural world. Change is part of the law of life. What is absolutely necessary to the welfare of a people, or indeed of mankind, at one time, may at another time represent what is useless or positively harmful. We cannot afford to let ourselves be withheld from the path of necessary reform by the dead hand of the past. The great forward movement of mankind can take place only at the cost of breaking shackles. These shackles may once and have been instruments of growth;

but the slow change of the years has turned them into obstacles to growth. To fail to strike them from our fettered limbs because they once were supports instead of fetters is foolish; and it is no less foolish to reject supports which will do good in the present because some time in the future they may turn to fetters; and it is even more foolish to reject all the supports that are needed in the present because some time in the remote future it may be that no supports whatever will be necessary.

When facing the necessity for change, the leadlong innovator and the mere obstructionist tend to fall into frames of mind which in their sum represent a double error. The radical, because he finds that what the wise men of the past created no longer serves the needs of the new time, is apt to deride these leaders of the past as obstructionists and reactionaries. The reactionary, on the other hand, is apt to hide his opposition to reform in the present by loudly insisting that it is his fealty to the reformers of the past which forbids him to go further than they went. Neither side is right. Leaders in a reform movement, if they are wise, will gauge their attempted progress by the ability of the people for whom they are working to receive and profit by their reforms. There can be no permanent advance if such advance goes far beyond what at the time humanity is capable of receiving. Therefore radical reformers who also possess sanity and common

sense can do most good by pushing the forward movement up to but not beyond the limit which
can at the moment receive popular acceptance. A generation or two later, or a century or
two later, when the people have advanced, it is necessary for the reformers again to lead
them farther forward--and in such case the spiritual heirs of the men who bitterly opposed
the original reform when it was a reform are to be found zealously championing the same re-
form when years and events have made it a bulwark of reaction. Under these circumstances
sealous radicals who do not understand the past are apt to let their zeal to overthrow or
modify the existing system make them unjust to the men who founded that system; and, what
is of more practical importance, they are apt to play into the hands of the reactionaries
by championing reforms so extreme that if the effort to realize them is made it invites and
insures reaction.

To scholars trained in a school of learning such as this university, it ought not to be and I suppose it is not necessary to say that both of these attitudes are wrong. You have been taught by what you have listened to in the classroom, and you have been taught by your own researches, that it is equally foolish to condemn the men of the past because they did not go as far as you now find it expedient to go, and to refuse to go forward in your own day because the leaders of progress in a past generation could not push the forward movement further than they actually did push it. Every modern people that has fought for liberty has followed in the footsteps that Athens tread twenty-four centuries ago. Yet the people of Athens were a slaveowning people, to whom slavery seemed part of the eternal order of life. We of the modern democracies would be equally foolish if we failed to recognize the incalculable service Athens rendered to democracy, and if we failed to war against slavery because Athens accepted it. Turn from a real to an imaginary community. Consider Thomas Moore's "Utopia". I only wish it were practical for us of the Twentieth Century to realize some of the Utopian ideals of this fine and highminded old philosopher who lived four centuries ago. But we would not show ourselves his disciples unless we warred against certain parts of his theory.

Again, in the history of the Englishspeaking peoples, the men who put through

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Magna Charta took the lead in what was then the great movement of liberalism. If any among them had tried to embody in that document the principles for which the North Americans of 1776 fought, they would have accomplished nothing whatever. They would have been so far ahead of their time that they could have done nothing to bring their own generation a measurable distance forward. In their turn the men of Lincoln's day would have been false to the principles of 1776 if they had not in their application gone far beyond the application the men of 1776 made of those principles. And now in our day in my own country we can be loyal to the principles of Lincoln only by applying them in his spirit to conditions which did not exist in his day; and therefore we must use methods which it was impossible for him to devise or to think of.

During the last dozen years the political movement in the United States has represented chiefly the effort to put into actual and concrete performance the principles which in the abstract all intelligent men admit to be true. It has represented the effort to make the great republic of the North a genuine democracy. It is the history of a democratic movement in a republic. When twelve years ago I became President it was as the representative of a party which when founded under the lead of Abraham Lincoln had been the genuine party of popular rights, of radical democracy. The rank and file of the party remained true to Lincoln's doctrines; the machine leaders, who controlled the organization, had grown false to them. The movement with which during the last twelve years I have been associated has consisted merely in applying to the conditions of the present day, in actual fact, the principles of the founder of the Republican Party, Abraham Lincoln, and in bringing to the task before us the purposes not only of Abraham Lincoln but of Thomas Jefferson the founder of the Democratic Party. The political and financial leaders of the old parties still paid lip service to these principles and purposes; but it was lip service merely; and these leaders resented as party disloyalty the effort to translate into deeds the exact words which they were only too glad to use as long as they remained words only; I believe that the effort to which I, and those associated with me are committed, is in its essence chiefly an effort to turn words into deeds, and that it is emphatically a movement

in the interest of the plain people, in the interest of the rank and file of both the old parties, as against the political and financial machines which have dominated them. The power of names is great; we of the new movement care nothing for them, whereas we care infinitely for the facts which the names symbolize; and one of the chief obstacles in our path is the adroitness with which the leaders of reaction have used loyalty to a dead name as a fetish wherewith to keep the rank and file of their followers in line against their own living interests.

Following the Civil War there has come a period of extraordinary industrial development in the United States. This produced such sweeping economic changes that we were obliged as a people to look our political theories squarely in the face, and see whether these inherited theories actually fitted the new facts.

In the early days of the Nineteenth Century, when government almost everywhere was in the hands of the few, the rights of the many could best be secured and entrenched abuses overthrown by restricting the use of the powers of government and by claiming for every man the exercise of an almost unrestricted individualism. The leaders of the democratic movement in the United States at that time had championed these two principles. A century later the growth of the country in wealth and industry had resulted in the creation of conditions which conclusively showed that in order to achieve the objects which the early democratic leaders had at heart, it was necessary to reverse the processes by which these early democratic leaders thought the objects could be achieved. It was necessary to increase the power of the government and to control individual action in order to secure the rights of the many against the enormous power amassed in finance and industry by a few men operating through a system of uncontrolled individualism. The ultraconservatives, the reactionaries, used the democratic shibboleths of a century previous in order to prevent progress in true democracy, in order to prevent the democratic advance.

One of the standbys of the reactionaries was the judiciary. In the days when the people suffered from the tyranny of irresponsible power, it was absolutely vital that the courts should be independent of this irresponsible power, so that they should possess

complete independence in the exercise of their judicial functions. Accordingly the independence of the judiciary became one of the vital features of the democratic programme. But during the last half of the Nineteenth Century, the leaders of reaction in the United States, political and financial alike, gradually grew to recognize in the judiciary their most powerful potential ally. There was very little actual corruption on the bench; on the contrary, our judges have been on the whole both able and upright public servants, standing on a level probably higher than that of any other civil servants of the government. As long as they confine themselves to the exercise of judicial functions they perform their duties at least as well as, probably better than, other public servants perform theirs. But their whole training, and the aloofness of their position on the bench, prevent their having, as a rule, any real knowledge of, or understanding sympathy with, the lives and needs of the ordinary hardworking toiler. There are many honorable exceptions; but this is the rule. In consequence their tendency is to be ultraconservative in all matters where the fancied rights of property are invoked on behalf of the big privileged interests as against human rights, as against the ordinary rights of ordinary men and women. The reactionaries in business, and the bosses in politics, thus found these well-meaning and upright judges instruments already fashioned for their use. Their purposes were served by gradually clothing the judges with non-judicial functions, including especially the right to interpret, and authoritatively and finally to declare the meaning of, the supreme and fundamental law of the land, the constitution. This made the judges in reality irresponsible lawmakers, with a strong natural bias against every species of reform legislation for social and industrial relief and fair play. When by their decisions the judges thus created a system of law hostile to popular interest, the reactionaries defended them, and insisted that they be kept irresponsible, denouncing as an assault upon the independence of the judges all effort to give to the people themselves the power to make their own laws for themselves--which necessarily means the power finally to interpret and to say what these laws really are.

The great privileged interests work through a combination of politics and business. They were favored by the actions of many men who had no intention of favoring them. As everywhere, and throughout all history, the foolish ultra-radicals and the apostles of a sort of radicalism showed themselves to be the most efficient tools and instruments of reaction. Many of the so-called radicals who may sincerely have thought themselves such were in reality nothing whatever but well-meaning foolish reactionaries who either advocated impossible remedies or sought relief from present-day evils by the vain effort to go back to conditions that were so dead that they could not by any possibility be revived. Others attempted to meet real evils without taking the trouble to diagnose what those evils were.

For example, the conditions of modern life make it essential that men should work with concentrated capital. There must be big business in this era of world business, in this era of steam and electricity. Yet very great evils have come through permitting the uncontrolled concentration of big business in the hands of a few men, whose enormous wealth became formidable to the body politic because it was in entirely irresponsible hands. The mock radicals, both the sincere, usually the rural, Tory, and the man who wanted to make believe that he was a radical without accomplishing anything, attempted to meet this situation by breaking up all big business units. This was attempted not merely as regards monopolies, but as regards every great corporation of such size as to get the maximum of efficiency.

The effort has of course proved futile. If not futile it would prove mischievous. There is no use in trying to reverse the wheels of economic development. What is necessary is to recognize the fact that big business has come to stay, and so to control it and supervise it as to prevent there being any improper advantage taken by big business at the expense of small business. Moreover we must insist upon the principle of co-operation, of profit sharing and partnership as regards employer and employee, so that the prosperity coming to the big business organization shall in measureable degree and with some approximation to justice be divided with the ordinary wageworkers in the business.

I shall not attempt to tell you in detail our problems, for the details would not prove interesting to you. In barest outline, they were in the first place to restore the government to the people so as to make the fact correspond with the theory, and in the second place and even more important to use the governmental power when thus restored so as to make us an industrial and economic as well as a political democracy. As with all such movements, very great obstacles were encountered, and we had nearly as much to fear from the unwise and extreme zealots as from the Tories, the Bourbons, the reactionaries.

We also had to encounter that curious blindness to the lessons of the past which seems so difficult to reconcile with any knowledge of the past. I suppose that most competent historians are now agreed that if during the thirty years of half century preceding the French Revolution the government had been administered as Turgot for a short while tried to administer it, there would either have been no revolution or else it would have been kept within such bounds that its results would have been almost wholly beneficent... But as it actually turned out, reform was denied until the demand for it came with a burst of such pent-up fury as to bring in its train almost as many disasters as benefits. One result was to throw the nation which led European thought into a process of governmental growth by convulsion, in which spasms of furious excess in radical advance were succeeded by spasms of furious excess in Tory reaction.

In our own movement during the last two years we have seen on a small scale the exhibition of all the passions and meanness and follies which were witnessed on a larger scale in such movements as the French Revolution, in such movements as the struggle which brought about the abolition of slavery in the United States. The zealots of an unwise and extreme radicalism were almost as unhealthy allies as were the hypocrites who professed allegiance to the forward movement merely to advance their own fortunes. On the other hand, the ultra-reactionaries who set their faces against all reform played into the hands of these zealots and rendered doubly difficult the task of the sane radicals. It is these sane radicals alone who are in reality the wise conservatives, for the very reason that they are the wise progressives. The wish to substitute social consciousness--the

consciousness that recognizes the duty of the individual towards all his fellows--for a malign class consciousness, whether preached in the interest of the working man or practiced in the interest of the capitalist. The reactionary who upholds an ancient abuse tends to excite a feeling which wishes to destroy all that exists, whether good or evil; and the zealot who in his assaults confounds good and evil tends to make the supporters of the good also the supporters of the evil. Some radicals wish to go forward and meet the new conditions by changing governmental and industrial activities so far, and only so far, as is necessary. Because they war against evil, for that very reason they are anxious not ignominiously to tear down anything that is good.

There are crises in human affairs when the only safe man to follow is the extremist. But under normal conditions the leaders of a great movement have to curb the men who wish to push too far in front exactly as they whip forward those who desire to lag too far in the rear. The great permanent successes in the forward movements of mankind have always been achieved by men whose sane idealism was both inspired by lofty devotion and guided by robust common sense. In my own land it was this combination which preeminently marked both Washington and Lincoln.

Probably in any such movement it is inevitable that the pioneers should at first meet defeat. We of the United States who are the pioneers in this movement shared the common lot. But we have nothing to regret, for in our case we have driven even our bitterest opponents to a frantic lip loyalty toward the very principles which they started by condemning. There was in the United States a historic party, the one to which I then belonged, which if true to its origin would have championed without exception every single one of the reforms which the Progressives have championed. Every single one of these reforms can find its justification in the principles and policies of Abraham Lincoln. All that we of the second decade of the Twentieth Century have done is to apply to the conditions of our day the principles which Abraham Lincoln fifty years previously had applied to the conditions of his day. We did not desire to go into any political or economic revolution. We do not believe in revolutions. But we most emphatically do believe that the only way to prevent violent revolution is to provide for peaceful growth and evolution in

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the right direction.

We are not Socialists, for we do not believe in class consciousness, and we as little believe in mere doctrinaire dogmatism about collectivism as we believe in mere doctrinaire dogmatism about individualism. But we do believe that the only way to prevent the growth of a party founded on class consciousness is to secure the triumph in the community of a party founded on the ideal of social consciousness.

Such a party must in good faith assume that each man is in very truth his brother's keeper. It must act in no spirit of vindictive hostility even toward wrongdoers. When necessary it must punish them; but where this can be avoided it must be avoided, and the end sought for obtained by changing the conditions which have brought about the wrongdoing. We believe in property rights as indispensable to the advancement of human rights; but where they are twisted into an obstacle to the advancement of human rights, then we are for human rights as against them. We believe in using the collective power of the people, through their government, not to hinder the growth of individualism or to interfere with individual activity, but so to regulate the possibilities of that growth as to give to the largest number of individuals possible the power to develop their own lives with the utmost freedom along their several lines, provided always that they do not wrongly interfere with the lives of their fellows.

OPIC

Overseas
Private
Investment
Corporation



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(202) 457-7200
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November 28, 1990

TO: Ms. Peggy Dooley
The White House

FROM: DAVID ROBB CRALLE', CORPORATE AFFAIRS
OVERSEAS PRIVATE INVESTMENT CORPORATION
Return Tel: 202/457-8212
Return Fax: 202/223-3514

PAGES: TWO

MESSAGE: ATTACHED ARE REVISED TALKING POINTS FOR THE
PRESIDENT'S SPEECHES IN CHILE.

RETURN FAX: 202/223-3514

OPIC talking points for the President's speeches in Chile.

--OPIC has recently resumed offering political risk investment insurance, loans and loan guaranties in Chile after a hiatus of several years. OPIC has begun issuing coverage for private American investment in Chile and anticipates a high level of activity.

--The President has asked OPIC to mobilize its resources to design a financial product for private investment throughout Latin America. Such a product could be similar to other OPIC capital funds, such as the Africa Growth Fund, East European Growth Fund and the Environmental Fund.

--Consistent with President Bush's Enterprise for the Americas Initiative, emphasizing hemispheric integration through commerce, debt reduction and private investment, OPIC will bring an mission of private American investors to Chile ~~in~~ next year.
~~May 1991.~~

--The investment mission is designed to introduce private American investors to specific investment opportunities in Chile. It is also an active show of U.S. support for the contribution that private investment has made to the Chilean economy.

--In preparation for the investment mission, OPIC will send an Investment Missions Officer for a reconnaissance visit to Chile for a ten-day visit December 10-20.

--OPIC will also take an investment mission to Argentina, March 3-9, 1991.

TRANSFER SHEET
BUSH PRESIDENTIAL MATERIALS PROJECT

COLLECTION Bush Presidential Records
Office of Speechwriting

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DESCRIPTION:

12 Photographs, color 3x5 of government buildings in ~~and~~
Santiago, Chile

SERIES Office of Speechwriting Speech File- Backup	BOX NO. 1990 -42
FILE FOLDER TITLE: Chile Toast 12/6/90 [OA 8320] [1]	
TRANSFERRED BY: RFH	DATE OF TRANSFER: 7/17/96
RECEIVED BY:	DATE RECEIVED

CHILE:
1990 INAUGURATION

UNITED STATES EMBASSY
SANTIAGO - CHILE

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NOTES ON THE INAUGURATION

The Inauguration Sites: The inauguration of President Patricio Aylwin will take place in the two most important cities of Chile, Santiago and Valparaíso where the new congress is located. The principal inauguration sites are --

-- La Moneda Presidential Palace, in front of the Plaza de la Constitución, diagonally across from the Hotel Carrera.

-- Metropolitan Cathedral, facing the Plaza de Armas.

-- Municipal Theater, Agustinas street, between San Antonio and Tenderini streets.

-- National Stadium, Avenida Grecia 2001, southern Santiago.

-- Congress Building, Avenida Pedro Montt in Valparaíso.

Inauguration ScheduleSunday, March 11

13:00 Inauguration ceremony,
congress building, Valparaíso

20:30 Concert, Teatro Municipal,
for foreign delegations

Monday, March 12

09:00 Te Deum, Metropolitan
Cathedral

13:00 Luncheon for chiefs of state,
La Moneda

18:30 Ceremony, National Stadium

21:30 Reception by the President,
La Moneda

Tuesday, March 13

09:30 The president meets with
chiefs of state, La Moneda

18:30 Press conference by the
president

20:00 Reception by diplomatic corps
in honor of the president,
Palacio Cousiño

Press Facilities

Santiago: U.S. delegation press center, Salon Puyehue, third floor, Hotel Carrera. Press Center hours --

-- Saturday, March 10, 8 pm - 11 pm

-- Sunday, March 11, 6:30 am - midnight

-- Monday, March 12, 6:30 am - 5 pm

Telephones: 697-1509, 697-1510,
697-1511, 697-1512, 697-1283.

FAX: 697-1522.

Government international press center
in the salons adjoining the U.S.
center and offering similar facilities.

Valparaíso: A large press facility
adjoins the congress hall where
President Aylwin will be inaugurated.

Press Pools: Coverage at certain
official events will be by pool
assigned by the press office of the
incoming government, third floor,
Hotel Carrera; and/or DINACOS, fourth
floor, La Moneda, rear entrance.

THE NEW GOVERNMENT

The new president, 38 (of a total of 47) senators and 120 deputies were elected in a national election on December 14, 1989. Patricio Aylwin, the candidate of the Coalition of Parties for Democracy obtained 55.2 percent of the votes, while conservative candidate Hernán Büchi obtained 29.4 percent, and populist Francisco Javier Errázuriz won 15.4 percent. President Aylwin will serve for a four year term.

The 1988 Plebiscite: In accord with the 1980 Constitution, the Chilean armed forces government designated General Augusto Pinochet candidate to occupy the presidency of the country for an eight year term ending on March 11, 1997. His nomination was to be accepted or rejected by a national "yes/no" plebiscite convoked for October 5, 1988. Chilean voters rejected President Pinochet's candidacy by a margin of 54 to 43 percent. With this rejection, the constitution provided that the term of President Pinochet be extended until March 11, 1990, at which time a new President would take office. To elect this President, the law provided for national elections on December 14, 1989.

<u>The 1989</u>	<u>Constitutional</u>	<u>Reform</u>
<u>Plebiscite:</u>	Following the	October
plebiscite,	several political	groups
advocated	amending the	1980

Constitution. Following agreement with the political parties, President Pinochet proposed a set of 54 reforms, which were subjected to a plebiscite on July 30, 1989. The reforms ranged from minor corrections of text to significant changes, including the elimination of a number of restrictions upon liberties, changes in the composition of the senate, and a change in the term of office of the president. Chilean citizens ratified the reforms by a vote of 87 to 8 percent.

The 1989 Presidential and Congressional Elections: On December 14, 1989, voters elected a president, 37 senators and 120 deputies. The three presidential candidates were Christian Democrat Patricio Aylwin, candidate of the Coalition of Parties for Democracy, formed by 17 parties opposed to President Pinochet; Hernán Büchi, supported principally by the conservative parties; Francisco Javier Errázuriz, independent and businessman. Results of the presidential voting: Patricio Aylwin, 55.2 percent of votes cast; Hernán Büchi, 9.4 percent; Francisco Javier Errázuriz, 15.4 percent

BIOGRAPHICAL NOTES

Patricio AYLWIN Azócar, President of Chile: President Aylwin has been an important political figure in Chile for forty years. Born on November 26, 1918, Aylwin began his political career in the 1940s as a member of the "Falange Nacional," the predecessor of the "Partido Demócrata Cristiano" (Christian Democracy Party) (PDC). In 1958 he was elected president of the PDC, a position he has held in six different periods. In 1965 he was elected senator. He became president of the senate in 1971. Reelected in 1973, his second period in the senate was interrupted by the military coup. In 1987 Aylwin was re-elected president of the PDC and also became the principal coordinator of the

Coalition of Democratic Parties for the "No." This coalition developed the campaign that culminated in the defeat of President Pinochet in the 1988 presidential plebiscite. In 1989, Aylwin was nominated by the same coalition of parties as its presidential candidate for the December election.

Enrique KRAUSS Ruske, Minister of the Interior: Enrique Krauss, 57, an attorney, is a former congressman and member of the PDC. He was PDC vice president until his designation as Interior Minister by President Patricio Aylwin. During the 1989 presidential campaign he was the principal spokesman of Aylwin's candidacy. From 1964 to 1970, in the Frei administration, Krauss served as interior ministry legal advisor, undersecretary of interior, and minister of economy and development. He is married to Gabriela Valle. They have four children.

Enrique SILVA Cima, Minister of Foreign Relations: Enrique Silva Cima, 71, was president of the Radical Party (PR), chief of the Aylwin presidential campaign, and coordinator for the Coalition of Parties for Democracy. Prior to the 1973 coup, Silva Cima held positions such as comptroller general and president of the constitutional tribunal. He was professor and dean of the school of law, and director of the school of political science of the University of Chile. He is married to Elena Marfán; they have 2 daughters and 1 son.

Edgardo BOENINGER Kausel, Minister Secretary General of the Presidency: Edgardo Boeninger, vice president of the PDC and a former rector of the University of Chile, was the senior political planning assistant to Patricio Aylwin during his presidential campaign. Boeninger, 64, has degrees in civil engineering, economics, and political science. He

has been a consultant to the World Bank and the United Nations FAO. Boeninger is married to Marta Gómez.

Alejandro FOXLEY Rioseco, Minister of Finance: Alejandro Foxley, 50, is the principal economic adviser of President Patricio Aylwin and a prominent member of the PDC. He was president of the Corporación de Investigaciones Económicas para América Latina (CIEPLAN), and professor of economy at the University of Chile, Catholic University and visiting professor at the University of California, Institute of Technology of Oxford University, Sussex University and professor of economy and international development at the University of Notre Dame. Foxley is married to Gisela Tapia; they have one daughter and one son.

NOTES ON CHILE

Population: Chile has a population of about 12,963,600 (1989) and is 79 percent urban. Almost 40 percent of its people live in or very close to Santiago. Chile is one of the more lightly populated countries of Latin America (about 36 persons per square mile), with an annual population growth rate of slightly more than 1.8 percent. The largest ethnic group is Spanish, but German, English, Italian, Yugoslav, French, and Arab immigrants have exercised considerable cultural influence.

Geography: Chile stretches some 4,300 kilometers down the west coast of South America, but has an average width of only 160 kilometers, with a maximum width of only 400 kilometers. Chile, wedged between the Andes and the Pacific, shares a border with Perú to the north and Bolivia and Argentina to the east. With an area of about 775,000 square kilometers, it is larger than any European country except the Soviet Union and is about as large as California, Oregon and half of Washington State combined.

Southern Chile is an archipelago with Cape Horn at its tip, where the Atlantic merges with the Pacific. A number of Pacific islands are Chilean territory. Among them is famous Easter Island, or Rapa-Nui, about 3,700 kilometers from the Chilean coast, which is inhabited by people of Polynesian ancestry.

In Chile's central zone, including Santiago and Valparaíso, the climate is generally mild. Summers (December to March) are dry; days are warm and evenings are cool. Winter (June-September) is relatively rainy, and fog makes the cold more penetrating. Smog is a problem in Santiago.

A Brief History: The first Europeans to arrive were Diego de Almagro and his band of Spanish conquistadores who came from Perú in 1535, seeking gold. The conquest of Chile was carried out by Pedro de Valdivia, one of Pizarro's lieutenants, in 1550. Until the end of the 18th century, Chile was ruled by governors-general under the viceroys of Perú. On September 18, 1810, a junta proclaimed Chile an autonomous republic within the Spanish monarchy. A movement for total independence soon won a wide following. Intermittent warfare continued until 1817 when an army of patriots led by Bernardo O'Higgins, Chile's most renowned patriot, and José San Martín, hero of Argentine independence, crossed the Andes into Chile and defeated the royalists. On February 12, 1818, Chile was proclaimed an independent republic under O'Higgins' leadership.

After years of political strife, a new constitution in 1833 established a republic headed by a president with wide powers. A long period of prosperity and constitutional government followed. In 1890-91 a revolt by a majority of congress led to the establishment of a parliamentary-based democracy which

limited the powers of the President. In 1925 a new constitution re-established a strong executive, mandated separation of church and state and promulgated social-security legislation and a labor code. The twentieth century has been one of social and economic transition. The nation has sought to industrialize and to carry out various social reforms. The problems it has faced include periodic inflation and economic dislocation caused by the world depression of the 30's, decline of nitrate exports due to the development of synthetics, and fluctuations in world copper and nitrate prices.

On September 4, 1970, Senator Salvador Allende, heading a leftist coalition, won a plurality of votes in a three-way contest and was named President by the Chilean congress. After almost three years of government, President Allende and the "Unidad Popular" (Popular Unity) coalition, formed mainly by Communists, Socialists, the Christian Left and Radicals, were overthrown by a military coup on September 11, 1973.

After the coup, a military government, led by General Augusto Pinochet as president and a military junta composed by commanders-in-chief of the armed forces and the national police as the legislative body, governed the country.

A new constitution was approved by a plebiscite on September 11, 1980, and General Pinochet was appointed President of the Republic for an eight-year term. In a plebiscite on October 5, 1988, Chileans voted to call elections. These took place on December 14, 1989, when Patricio Aylwin received an absolute majority of votes for the presidency.

President Aylwin and his administration were inaugurated in Valparaíso on March 11, 1990. President Aylwin will serve a four

year term. The constitution calls for future presidents to serve for eight years.

The economy: The country has successfully completed the transition from an import substitution to an open, trade-oriented economy. This transformation has been complemented by sound fiscal and monetary policies, and an exchange rate policy designed to make exports profitable and imports expensive. The result has been Latin America's best economic performance during the difficult decade of the 1980's. Following a sharp recession in 1982-1983, Chile's recovery has been characterized by sustained and rapid growth, low inflation, employment and wage gains, and progress in repaying its massive foreign debt.

Since 1984 the Chilean economy has grown at over 6 percent annually in real, inflation-adjusted terms, and there is every reason to believe that Chile can continue to grow at the 5-7 percent rate experienced over the last several years. The incoming government has committed itself to maintaining the market-oriented, export-led economic model which has given Chile such good growth in recent years. Foreign investors are quite bullish on Chile, as evidenced by the enormous new investments in mining and forestry projects (almost \$6 billion in a \$22 billion economy).

More recently, Chile has started to find markets for its manufactured goods to supplement existing exports of copper, other minerals, fruit, fish, and forestry products. Foreign debt levels have dropped from \$21.5 billion in 1985 to \$17.5 billion at the end of 1989 through Chile's innovative use of debt swaps. While Chile's economic prospects are excellent, there are risks of external shocks. A fall in copper prices would have an adverse impact on Chile's balance of payments. Likewise, a

reduction in the rate of growth of the economies of the industrialized countries would hurt both the price and volume of Chile's exports. Nonetheless, the efficiency of Chile's various industries suggests that Chile's exports would be the last to be affected and among the first to recover from external economic shocks.

The outgoing government's efforts to restructure the economy also exacted social costs. Welfare spending was cut, especially for health and education. The incoming government has pledged to increase social spending. As a first priority, it wants to raise the minimum wage and old age pensions. It then will focus on health, education, and housing priorities. This increased attention to social welfare, for which there is a broad national consensus, will not be brought about as quickly as most Chileans would like, if the new government remains committed to fiscal responsibility. The 1990 budget will have a small deficit, following a small surplus in 1989, largely due to tax cuts over the last few years that have provided an incentive to investment. The new government will have limited leeway in reassigning funds, and most revenues from a tax increase will not be realized until 1991.

President-elect Aylwin's economic advisors have pointed to massive deficit spending as a key factor underlying economic problems in neighboring countries, also recently returned to democracy. The President-elect has repeatedly underscored the need to avoid such deficit spending. Adherence to this principal will help assure that Chile reaches its full potential over the next several years, but will make it difficult to satisfy special interest demands.

Newspapers and Magazines: With a literacy rate of 96.5 percent and a population of 12.9 million, Chile has approximately 40 newspapers in circulation, from nationally distributed dailies to small-town tabloids. In Santiago there are nine major newspapers with a combined daily circulation of approximately 580,000. Outside of the capital, the combined circulation of local and national dailies is approximately 420,000. The major newsweeklies and other magazines published in Santiago have an estimated total circulation of 260,000.

Radio: Radio in Chile reaches more people in more places than any other medium. Almost all Chilean stations operate commercially and six have network affiliations for a total of 303 broadcast stations nationwide, with 23 AM and 25 FM stations in Santiago alone. There are 17 million radio sets in Chile, or about 1.5 radios per Chilean citizen.

Television: There are an estimated 3.5 million television sets in Chile. Daily viewership is estimated at seven to eight million. In the past, only universities and the state-owned National Television Network could operate television stations in the country. However, several new private stations will be starting operations in the near future.

Cinema and Video: There are about 100 commercial cinemas in Chile, with a seating capacity of approximately 90,000. There are 57 movie theatres in Santiago alone. Some excellent films and documentaries have been produced at several cultural institutes in Chile. Home video has become well established in Chile, with hundreds of outlets available throughout the country and VCRs available at prices roughly comparable to those in the U.S.

Overview of Culture: The Chilean intellectual and artistic communities have been noted for their sophistication and internationally recognized quality. In the twentieth century, Chile produced poets Gabriela Mistral and Pablo Neruda, pianist Claudio Arrau, artist Roberto Matta, novelist Jose Donoso - all world-class figures. The fast-paced political openings of the past two years have been complemented by expanding freedom of expression.

Chile has continued to produce great writers. There has been profound intellectual debate about the role of writers in Chile during the military years, and this theme will long continue to be analyzed and discussed as Chileans interpret their history. The arts communities, not given substantial support by the military government, may look to the new government for help. Increased support, however, is more likely to take the form of recognition and endorsement, as the government deals first with more pressing social demands.

In Santiago are found the National Museum of Fine Arts, Museum of Folk Art, Museum of Colonial Art (San Francisco Church), Museum of Contemporary Art, Museum of Pre-columbian Art, and Museum of National History.

Education: Education is an important topic on the agenda of the new Chilean government. President Aylwin has promised to direct more resources to education, improve quality, provide equal access, and dignify and improve the teaching profession. Primary education in Chile is compulsory, and all primary and secondary state-supported education is free. Secondary education includes schools which are completely financed by the government, those which have been privatized and receive state subsidies, and those which are

completely private. There are 20 state universities, 14 private universities, 41 professional institutes, and 133 technical training centers.

There were some 230,000 students enrolled in institutions of higher education in 1989, 120,000 of whom were enrolled in universities. The Catholic University of Chile, the University of Chile, the University of Concepcion, the University of Santiago, and the Catholic University of Valparaíso were the institutions which attracted the greatest number of students.

The Chilean-U.S. Cultural Institutes:

Chilean-U.S. Cultural Institutes are autonomous Chilean organizations dedicated to English teaching and the presentation of U.S. cultural programs. They are located in Arica, Chuquicamata, Antofagasta, Santiago, Valparaíso, Viña del Mar, Concepción, Talca, Temuco, Osorno and Chillán.

Academic, Cultural, and Professional Exchange: U.S. Government support for academic, cultural, and professional exchange between our two countries has increased significantly in recent years. The Fulbright program budget has more than doubled in the past six years to almost \$800,000. Through scholarships, professional visits, and artistic performances, the U.S. Government (primarily USIS and AID) sent some 130 Chilean citizens to the United States in 1989 for visits of a few weeks to a full year. In turn, the Embassy supported visits to Chile by more than 50 American scholars and specialists for substantive contacts with Chilean professionals and the general public.

Principal political parties:PARTIDO DEMOCRATA CRISTIANO (PDC)

President: Andrés Zaldivar

Founded: 1957

Telephone: 338416, 333081, 333082

Address: Carmen 8

PARTIDO RENOVACION NACIONAL (RN)

President: Sergio Onofre Jarpa

Founded: 1987

Telephones: 2239416, 2239426, 2238399

Address: Antonio Varas 454

PARTIDO POR LA DEMOCRACIA (PPD)

President: Erich Schnake Silva

Founded: 1987

Telephone: 330296, 381896, 392389

Address: Padre Luis de Valdivia 333

UNION DEMOCRATA INDEPENDIENTE (UDI)

President: Julio Dittborn

Founded: 1983

Telephone: 2325952, 2325953

Address: Suecia 286

PARTIDO RADICAL (PR)

President: Ricardo Navarrete

Founded: 1863

Telephone: 779903

Address: Londres 57

PARTIDO SOCIALISTA (PS)

Secretary General: Jorge Arrate

Founded: 1990

Telephone: 338490, 396152

Address: Agustinas 853, oficina 1015

PARTIDO COMUNISTA DE CHILE (PCCH)

Secretary General:

Volodia Teitelboim

Founded: 1922

U.S. Development Cooperation: The Agency for International Development (AID) reopened a small office in mid-1988, after having phased out of Chile in 1981. The new office is part of AID's program for Advanced Developing Countries (APDC's) and is staffed with an AID Representative, a U.S. personal services contractor and five Chilean personnel. Its activities included civic education, administration of justice, and a center for congressional studies. Private sector efforts to address social concerns also are supported as are grants for scientific research by Chilean universities. In FY 1989, the total funding for Chile from these different AID sources amounted to approximately 2.3 million dollars. In addition, AID has provided a guarantee for a 5.0 million loan from a U.S. bank to finance low income housing projects carried out by Chilean housing cooperatives and other private sector entities.

The U.S. Embassy and its offices: The U.S. Embassy occupies the fifth to the ninth floors at Agustinas 1343, on the side street across from the Hotel Carrera. Telephones: (562) 710-133, 721-192 Telex: 240-062

FAX: (562) 699-1141

USIS FAX: (562) 699-0784

Chilean mailing address:
Embajada de los Estados Unidos
Casilla 27-D
Santiago, Chile

U.S. mailing address:
U.S. Embassy Santiago
APO Miami, FL 34033

Hours are 8:30 a.m. to 5:00 p.m., Monday through Friday. After hours and on weekends a Marine Guard is on duty, and an Embassy duty officer is always on call.

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United States Information Service
(USIS): Agustinas 1343 Telephones:
710 133, 721 192, 698 3952

Agency for International Development
(AID) Merced 230 Telephones:
710133, 721192

U.S. Consulate Merced 230
Telephones: 710133. 721192

Inter American Geodetic Survey
Nueva Santa Isabel No. 1640
Telephone: 696 8979

Fulbright Commission Victoria
Subercaseaux 41, fourth floor
Telephone: 330 379, 380580.

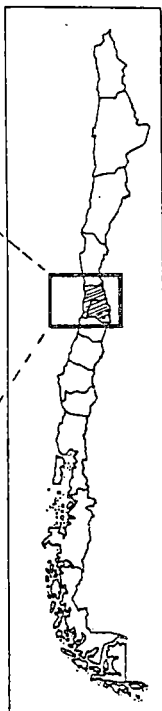
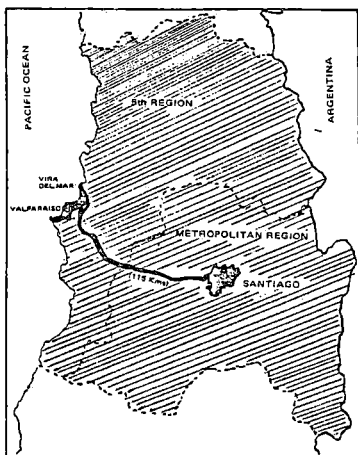
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Cultura (Binational Center)
Moneda 1467 Telephone: 6963215,
(Library) 698 1175

Partial listing of Embassy officers
Title, name, telephone extension

Ambassador,	
Charles A. Gillespie, Jr.	240
Deputy Chief of Mission	
David N. Greenlee	241
Public Affairs Counselor	
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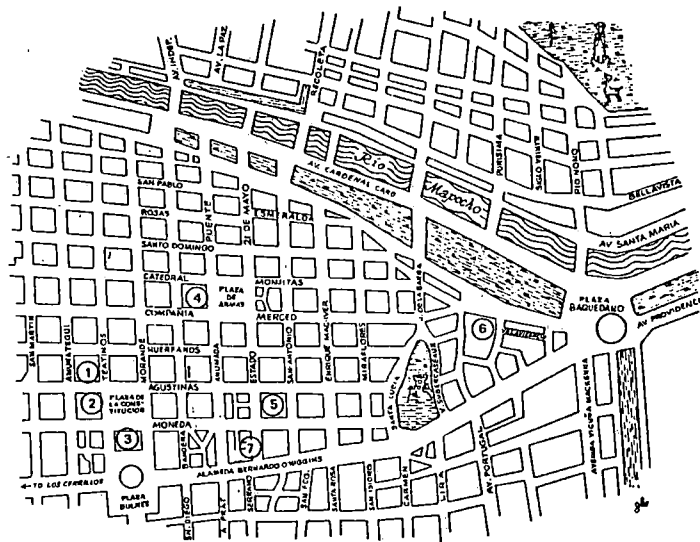
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	Lawrence H. Liptak	257
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	Robert H. Curtis	218
	Press Attache	
	Stan Shepard 698-3952 direct	227
	Assistant Press Attache	
	Sonja Sweek 698-3952 direct	238

SANTIAGO AND VALPARAISO THEIR LOCATION IN CHILE



DOWNTOWN SANTIAGO

- 1 U.S. EMBASSY
- 2 HOTEL CARRERA
- 3 LA MONEDA
(PRESIDENTIAL PALACE)
- 4 METROPOLITAN CATHEDRAL
- 5 MUNICIPAL THEATER
- 6 U.S. CONSULATE
- 7 HOTEL EL CONQUISTADOR



MAP OF VALPARAISO
LOCATION OF THE CONGRESS

