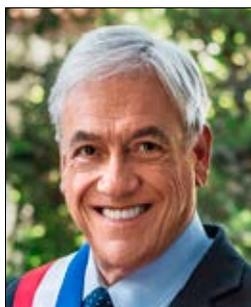


# Chile on the path to development

By **H.E. SEBASTIÁN PIÑERA ECHENIQUE**

PRESIDENT OF THE REPUBLIC OF CHILE



**SEBASTIÁN PIÑERA** was elected president of Chile in December 2017 and he took office in March 2018. Piñera previously served as Chile's president from 2010 until 2014. Piñera graduated from the Pontifical Catholic University of Chile in 1971 and later studied at Harvard University, where he graduated with a PhD in economics. He has spent over 30 years in politics, since first being elected as senator in 1990. Previously, he was an entrepreneur and has also worked for the Inter-American Development Bank, the World Bank and the Economic Commission for Latin America and the Caribbean.

A new world order emerges as we approach the end of this decade. Born from a revolution which, unlike the previous ones, presents more challenges and opportunities than any other. This new order – rather different from the one our parents knew – offers possibilities of material and spiritual progress for billions of people on the planet. Opportunities that, only a few years ago, were impossible to imagine

This is the revolution of knowledge, technology and information. The deepest, in both magnitude and scope, that mankind has known. A revolution that will be very generous with those states that want to embrace it, but indifferent and even cruel, with those that simply ignore it or let it pass.

Yet, the opportunities brought by this revolution come with risks and challenges that far exceed the ability of governments to act individually. The threats and dangers of modern society, such as terrorism, drug trafficking and organised crime, do not recognise any borders or jurisdictions.

No nation can be called to face this challenge alone or beyond its possibilities, which is why the community of nations as a whole has the largest responsibility of all, in pledging that the benefits of this revolution will not favour some at the expense of others, but reach effectively every corner of the planet

Therefore, the burden is placed upon us, the community of nations, to decide whether this revolution becomes a factor of unity and progress or a new source of rupture. The question is whether the second half of the 21st Century will be a bridge that shortens the distances connecting developed and emerging nations or, on the contrary, a wall that furthers the distance between the world of the wealthy from that of the poor.

Our first responsibility as Heads of State or Government is to seize this revolution while it is still knocking gently at our doors. In the case of emerging nations, such as Latin American states, this poses the additional – and unique – responsibility to vindicate our past and, above all, our future.

Because the truth is that Latin America has everything to overcome poverty and achieve development: extensive and fertile territories, abundant natural resources, two sister languages. And, most importantly, a thriving and giving people that

have proven to be capable of overcoming any obstacle that nature presents to us. Likewise, we did not face the wars that devastated Europe in the 20th Century, nor the ethnic or religious conflicts that affect other regions of the world today.

However, once and again, we were late to the industrial revolutions. This explains why we continue to be an underdeveloped continent, profoundly unequal and where a third of our population lives in conditions of poverty.

Chile was in fact the poorest colony of the Spanish Crown. A territory isolated by natural boundaries, such as the Cordillera de Los Andes to the East, the Atacama desert to the North, millenary ices to the South and the immense Pacific Ocean to the West. Despite this, Chile has been able to overcome enormous obstacles and progress in many aspects, providing better living conditions for its citizens.

Chile has reached today the highest level of social, economic and human development in its history. A road that began thirty years ago, when Chileans chose freedom as their path to development. Our people conducted an exemplary transition from dictatorship towards a representative democracy. We decided to vigorously face poverty and excessive inequalities through a social market economy.

Trusting in the power of freedom is precisely what allows us to continue growing rapidly. And today we not only have one of the highest per capita incomes in Latin America, but also one of the lowest rates of poverty in our region. This has been possible due to the strength and determination of the Chilean people and the contribution of the democratic political sectors, who chose the common good before their partisan interests.

Chile concluded its first transition three decades ago, by restoring democracy and ensuring full respect for human rights. A new era began, attributable to a generation that was able to forge broad agreements and secure social peace as the foundations for Chile's future progress.

That first transition, that furnished us with stability and a strong institutional framework, is now part of our history. Today we are in the verge of a second transition: to consolidate the progress made so far and transform Chile into the first fully developed country that defeats poverty in Latin America

What does it take to become a developed country in the 21st Century? It is not only about economic growth or reaching a certain level of income per capita. Our conception of development is much broader, for it must be integral, inclusive and sustainable

Integral, because development must encompass all aspects of our life. It requires simultaneous progress in all spheres of life, such as education, health, culture, sports and democracy. Without neglecting that economic growth is a necessary condition for it, it must go much further than that.

Inclusive, because development must encompass the entire population and all regions of our territory. A State cannot reach development if a significant part of its population or its territory is not able to participate in the generation of growth. That is why we must insist on equal opportunities and decentralisation, which are key elements towards achieving inclusion as a pathway to progress, with less inequality and a more cohesive society.

Sustainable, because development would be an illusion if it could not be projected towards future generations. And this requires, without doubt, taking care of our environment and wonderful nature.

And so, what are we doing in Chile to achieve this integral, inclusive and sustainable development?

Although we inherited an economy that was growing very weakly, with large fiscal imbalances and public debt, today we are amending the course, correcting errors, attending emergencies and at the same time, cementing our capacity to achieve integral development and defeat poverty. Indeed, this is how we have set off again the engines of growth: investment, innovation, entrepreneurship and technology.

And the results speak for themselves. Our country grew by 4.8 per cent during the first semester: above the world, the OECD average and the Latin American average. Furthermore, we estimate that investment will grow around 6 per cent during 2018 and we will undergo a recovery in productivity, which reached 2.6 per cent in the last quarter.

But much more important than economic figures is our mission to transform Chile into a developed country, without poverty, with greater equality of opportunities, more social mobility, greater justice and more solidarity. This is the mission that motivates us to work with faith and optimism every day. 

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