

A Strong Democratic System

An Interview with
His Excellency Juan Gabriel Valdés Soublette, Ambassador of Chile to the U.S.

EDITORS' NOTE Juan Gabriel Valdés became ambassador of Chile to the United States in May of 2014. Ambassador Valdés previously served as Chile's Minister of Foreign Affairs, its Permanent Representative to the United Nations, during which time he was a member of the Security Council, and Ambassador to Argentina. In 2004, Ambassador Valdés was appointed Special Representative of the Secretary-General of the United Nations



H.E. Juan Gabriel Valdés

and head of the U.N. Stabilization Mission in Haiti (MINUSTAH), where he served until 2006. In 2007, he organized and served as the Director of Chile's public diplomacy program for President Michelle Bachelet's government and, in 2010, he was sent to Bolivia as representative of the Presidency of UNASUR, the association of South American Countries. Having begun his professional career in 1972 as a researcher for the Political Science Institute at Universidad Católica de Chile, Ambassador Valdés spent most of Chile's military regime in exile in the United States and Mexico. During this time, he worked for a number of think tanks and universities. In 1985, he worked as a consultant at the Economic Commission for Latin America. Between 1990 and 1994, Ambassador Valdés served as the first Ambassador of Chile's new democratic regime to Spain. He subsequently became head of the international division of the Ministry of Finances, assuming the role of lead negotiator for the accession of Chile to the North American Free Trade Agreement. In 1996, he was appointed Director for International Economic Relations in the Chilean Foreign Ministry. Ambassador Valdés is a consultant at the Economic Commission for Latin America of the United Nations, where he coordinates the Project of International Relations for Latin America. Ambassador Valdés holds a Ph.D. in political science from Princeton University and a master's degree in political and Latin American studies from Essex University in Great Britain. His undergraduate studies were at the Law School of the Universidad Católica de Chile.

How important is political stability for attracting business to Chile?

Stability is not only based on strong institutions but also on a common conception of the way in which the country should operate. It has been the main element in creating the

fast-growing economy we had in the 1990s. We were also able to successfully weather the economic instability of the past decade. Our stability has been an essential point in our success.

A key factor in this stability has been a commitment to economic stability and the fact that we have had high standards in terms of policy management and the central bank – we have a proper framework for regulation of the financial system.

We have always agreed and will continue to follow an open foreign trade-oriented economy. We are extremely dependent on foreign trade. Exports and imports represent more or less 50 percent of our GDP.

Is it well understood globally that Chile has increasing production and stable growth, and is there an effective awareness of the opportunities that Chile provides?

In reference to the trade agreements initiated at the beginning of the 1990s with Canada, Mexico, the rest of Latin America, the U.S., and then China, it's clear Latin America is following in our path, which is why we are part of the Pacific Alliance. The best way to participate in the process of globalization is inserting ourselves into the system. We try to establish rules so that our economies can participate and grow in a world market. Chile has been at the forefront of this process of economic management during this period.

During this government, we have introduced some structural changes precisely because we believe that the type of model we have developed over the past 30 years has to be reinforced. We have to give a boost to productivity and we have to improve our access to social services for a more inclusive society.

We cannot simply rest on the successes we have had in the past. We have to trust foreign education and we also need to change our levels to increase our productivity.

How critical is the partnership between Chile and the U.S.?

Over the past 10 years, we have had a very high-quality relationship with a remarkable level of cooperation and integration. Chile wants to continue with this excellent relationship with whoever is in the White House and particularly with this new government.

We understand that our relationship has been based on mutual trust and on common

values. We have built a strong democratic system, learning lessons from a long period that was extremely painful to our country and society.

We stand extremely firm in the defense of human rights. We also believe in free trade because that is an important part of our own development.

These values have been fully shared with the U.S. over the past 20 years and this led to the signing of the free trade agreement 12 years ago, which has tripled our trade, doubled our exports to the U.S., and increased imports from the U.S. fourfold.

It has also increased American investments in Chile with the U.S. continuing to be the most important investor in Chile and the second trade partner of Chile.

It's also important in political terms. We share the same vision for Latin America and the way in which the stability has been defended in the region. We share the same vision for the Pacific area, which is why we support them and why we signed the concept of TPP and participated in those negotiations.

We also share concern with the U.S. about the preservation of species and conservation. We are participating with the U.S. on a very important initiative with the National Science Foundation that is not well known as an investment in what will become the most important observatory in the world over the next 20 years.

Our association with the U.S. is in all domains: science and economics, and also in political terms.

What excited you about public service and how important is it that young people today understand and appreciate the value that public service can offer?

We are going through a difficult time in history and the reaction to the elite has meant a reaction to the government as an institution and as a public service.

This is something that has to be debated and has to be analyzed. I believe that is an essential part of the world in which we're leading. Progress cannot be achieved without cooperation between the private and public sectors.

This is difficult, but there is a need for universities and intellectual centers to underline the importance of public service and of having an understanding of the changes the world is confronting, and the need to manage them with values, principles, and consensual objectives. This is more important now than it has ever been. ●