

**NOTES FOR THE TOAST OFFERED BY H.E. RICARDO LAGOS,
PRESIDENT OF THE REPUBLIC OF CHILE,
AT THE RECEPTION OFFERED BY
THE RT. HON. THE LORD MAYOR OF THE CITY OF LONDON
ALDERMAN GAVYN ARTHUR**

London, 14th. July, 2003

I AM.

~~My wife and myself are~~ greatly honoured to be guests at this centre of world class excellence of the financial services offered to companies.

I would like to express my sincere thanks to the Lord Mayor, Alderman Gavyn Arthur for his acknowledgement to my country and to thank you all for your presence here tonight.

We are linked by the great universal values that Great Britain has traditionally embodied: the greatest of them, freedom; the finest, literature.

The fact that British narrative is at present the most vigorous and innovative in contemporary Europe speaks very well indeed of the United Kingdom.

The open and cosmopolitan nature of this country -enriched by its colonial heritage- is reflected in authors such as Hanif Kureishi, Kazuo Ishiguro and Zadie Smith, who are as British as Martin Amis, Antonia Byatt, Julian Barnes or Ian McEwan.

British influence played an important role in forging the political and social ideas of the individuals who led our country to independence.

This was proved by the years that the young Bernardo O'Higgins dedicated to his education in Richmond and the long sojourn of Andrés Bello in London before he settled in Chile.

Bernardo O'Higgins -who led Chile in its struggle for independence- in a decision marked by foresight, gave orders for the first national loan to be requested from England. The amount of the loan was for one million pounds sterling. This fact gave rise to a close and fruitful relationship that has remained unaltered to this day.

Great Britain initially found good students and subsequently good partners among Chileans. After having been one of the poorest corners of the Spanish colonial empire, Chile became one of the most thriving economies in South America.

In 1827, the newspaper *El Indicador* wrote that "... ***the English...thanks to their eminent services in the sacred struggle for our independence, have earned the unquestionable right to the eternal gratitude and esteem of all Americans.***

If we analyse our bilateral economic relations we can see that there is still ample room to broaden and diversify economic relations between both our countries.

The United Kingdom is the second market for Chilean exports and the fifth in terms of imports to Chile.

Investments from the United Kingdom rank second among investment flows from the European Union to Chile.

Chile and the United Kingdom now have a new framework and a powerful tool to strengthen their mutual relations: the Association Agreement between Chile and the European Union and its Member States is a global agreement by nature that is subject to further development.

The European Union is Chile's main trade partner, the first market for its exports, the first source of foreign investment and the most important source of international cooperation.

Trade-related and economic aspects of the Agreement entered into force on 1st. February 2003.

Furthermore, the Agreement strengthens and increases the opportunities and guarantees offered by the Investment Promotion and Protection Agreement signed between Chile and the United Kingdom –which has been in force since 1997- and the benefits derived from the Double Taxation Agreement that we signed at the time.

We share with the United Kingdom the view of a world with open doors, where interaction between nations and the enrichment of their mutual identities can be experienced fully and in harmony

We seek to break the antinomy between the integrated and the excluded, and extend respect for democracy and human rights on a world-wide level.

We aspire to a world where global markets can co-exist with rules and institutions that make world society more equitable and easier to govern.

How can we do this?

(Final 1)

By resorting to the common sense that the British and the Chileans share with many other nations. As Samuel Butler aptly put it: ***If we attend continually and promptly to the little that we can do, we shall before long be surprised to find how little remains that we cannot do***

(Final 2)

By working hard, there never was another way.

Because as Francis Bacon put it five hundred years ago, here in London:
A wise man will make more opportunities than he finds

God bless the Queen. God bless the British people.

A toast for Lord Mayor.