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1.2 CURRENT GOVERNMENT AND POLITICAL CONTEXT

Chile is reaping the fruits of a process of economic reforms initiated in the mid 1970s, that has now been consolidated and legitimized in democracy. The political consensus about the need to maintain and strengthen the model of free-market economics is a crucial guarantee against policy reversals in the future. In the past, sharp policy swings had hampered Chile's economic development.

Chile's return to democracy was initiated with the election of a transitional government led by President Patricio Aylwin and completed with the successful December 11, 1993 elections, giving current President, Eduardo Frei, 58% of the vote.