

18.1 Overview

Chile has traditionally been labeled as a mining country. During the XIX century it was the world's largest copper producer. Early in the XX century it became the largest nitrate producer of the world. As of 1992, Chile is the world's largest producer and exporter of copper (32% of total world exports), potassium nitrate and sodium nitrate. The country is also the largest world producer of vanadium, lithium, bismuth and molybdenum; the fifth largest producer of borax; the seventh largest producer of selenium; the eighth largest producer of silver, and the ninth largest producer of gold.

18. MINING

The mining sector's contribution to GDP was 6.6% in 1992 (see Table 1 in the Statistical Appendix). But the importance of this sector goes beyond its contribution, as the share of mining products in total exports was 34% on that year. Copper exports represented 82% of this total. Copper mining has been widely in the hands of the state for the last twenty years. Among the corporations, Codelco (Codelco de Chile) represented 57% of total copper exports in 1992. However, the development of new private mines (of which Codelco is the largest) has led to a significant decline in the state's share in copper mining.

In the last years the mining sector has attracted a major share of foreign investment. In the period January-October 1993, the mining sector attracted the largest amount of the almost US\$2 billion of