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Chile: An Overview

Chile, located along the Pacific coast of South America (**Figure 1**), traditionally has been a close U.S. partner in Latin America. The 119th Congress may assess U.S. economic and security ties with Chile, including the impact of U.S. tariffs, collaboration on critical minerals trade, and efforts to combat transnational crime, among other issues.

Figure 1. Chile at a Glance



Sources: CRS Visualization; Chile's Instituto Nacional de Estadísticas; International Monetary Fund; and Trade Data Monitor.

Political and Economic Environment

Chile's democratic tradition dates to the 19th century, but the country experienced 17 years of authoritarian rule after General Augusto Pinochet led a 1973 military coup that deposed the democratically elected socialist government of President Salvador Allende (1970-1973). More than 3,200 people were killed or "disappeared," and some 37,000 people were imprisoned and/or tortured during the Pinochet dictatorship. Chile restored democratic governance in 1990, following a 1988 plebiscite.

Center-left and center-right coalitions dominated Chilean politics for three decades following the transition. Both coalitions prioritized political stability and economic growth, eschewing ambitious structural reforms in favor of consensus-based politics, market-oriented economic policies, and incremental social change. Living standards improved significantly between 1990 and 2022, with real gross domestic product (GDP) per capita growing by 154% and the poverty rate falling from 68.5% to 6.5%. Nevertheless, most *Latinobarómetro* polls since the mid-1990s have shown a majority of Chileans to be dissatisfied with how democracy works in Chile. This dissatisfaction appears to stem, in part, from continued economic and social inequality amid a steady decline in Chile's economic growth rate and has contributed to repeated electoral swings and mass protests over the past 15 years.

Boric Administration

President Gabriel Boric, a left-wing former student leader and legislator, is nearing the end of his four-year term. He took office in March 2022 pledging to address Chile's socioeconomic disparities, which had received renewed attention in the aftermath of mass protests in 2019 and the COVID-19 pandemic. Boric had planned to advance

portions of his agenda through a constitutional reform process launched in 2020, but Chileans voted to reject a Boric-backed constitutional rewrite in September 2022 as well as a subsequent, more conservative draft in December 2023. Although Boric's leftist and center-left allies lack majorities in both chambers of the Chilean congress, he has won legislative support for some policy changes. These include measures to increase government mining royalties, raise the minimum wage, reduce the work week from 45 to 40 hours, and modify the pension system.

Polls suggest that Chileans have grown more concerned about security and immigration over the past four years. Although Chile remains among the safest countries in Latin America, homicides have increased over the past decade, driven, in part, by organized crime. For example, *Tren de Aragua* (TdA), a U.S.-designated Foreign Terrorist Organization of Venezuelan origin, reportedly has expanded into Chile and sought to control illicit markets such as migrant smuggling and human and drug trafficking. Some Chileans have linked rising crime rates to increased irregular migration. The Chilean government estimates that Chile's unauthorized migrant population increased from about 10,400 in 2019 to 337,000 in 2023, with Venezuelans accounting for 75% of the total.

Chile's economy has experienced modest growth under Boric. Annual GDP growth averaged 1.8% between 2022 and 2024, amid the government's withdrawal of pandemic-era stimulus measures, elevated inflation, and domestic and international uncertainty. Chile's central bank projects 2.4% GDP growth in 2025 as the expansionary effects of higher copper prices and increased investment are partially offset by the effects of U.S. tariffs and geopolitical tensions on Chile's open, export-oriented economy.

2025 Elections

On December 14, 2025, José Antonio Kast of the right-wing Republican Party defeated Jeannette Jara of the left-wing Communist Party, 58%-42% in a presidential runoff election. Kast campaigned on taking a harder line approach to combatting crime and illegal immigration as well as reducing taxes, regulations, and government spending, among other policy changes. In a shift from his prior campaigns, Kast generally avoided discussion of his social conservatism and support for Pinochet. Jara served as labor minister in the Boric administration and struggled to distance herself from the unpopular incumbent, who had a 57% disapproval rating in early December 2025.

Chileans also elected the entire Chamber of Deputies and nearly half of the Senate by proportional representation in legislative elections held concurrently with the first-round presidential vote on November 16, 2025. The right-wing and center-right political coalitions that backed Kast in the

runoff are expected to hold a combined 76 of 155 seats in the Chamber of Deputies and 25 of 50 seats in the Senate. The new legislators and president are scheduled to take office on March 11, 2026.

U.S.-Chile Relations

Although the U.S. government helped create the conditions for the 1973 military coup in Chile, Congress imposed restrictions on arms sales and military assistance to the Pinochet dictatorship (e.g., P.L. 94-329, §406), and the U.S. government advocated for the restoration of democracy during the 1980s. Since Chile's 1990 political transition, the United States and Chile have maintained close economic and security ties. The second Trump Administration has expressed interest in ongoing bilateral collaboration on law enforcement matters as well as emerging commercial opportunities in Chile related to critical minerals and other sectors, but has had a sometimes-tense relationship with the Boric administration. In a call on December 15, 2025, Secretary of State Marco Rubio and President-elect Kast "expressed their readiness to deepen cooperation and strengthen the U.S.-Chile partnership."

Trade Relations

In 2024, total U.S.-Chilean trade in goods and services amounted to more than \$48 billion, according to the U.S. Bureau of Economic Analysis. Bilateral trade in goods totaled \$35 billion, including \$18.6 billion in U.S. exports to Chile and \$16.5 billion in U.S. imports from Chile. Bilateral services trade reached nearly \$13 billion, including \$8.1 billion in U.S. exports to Chile and \$4.9 billion in U.S. imports from Chile.

Under the U.S.-Chile Free Trade Agreement (FTA; P.L. 108-77), which entered into force in 2004, nearly all U.S.-Chile goods trade is to be duty free. Since April 2025, however, President Trump has imposed a 10% tariff on imports from Chile under the International Emergency Economic Powers Act of 1977 (IEEPA; 50 U.S.C. §§1701 et seq.), citing a purported lack of reciprocity in trade relations. The Chilean government reportedly has been negotiating with the Trump Administration to address its concerns about U.S. tariffs. Some top U.S. imports from Chile—including refined copper cathodes—are exempt from the IEEPA tariffs as well as other tariffs imposed under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862, as amended).

Congress may assess how the U.S.-Chile FTA and the Trump Administration's tariffs have affected bilateral trade and the U.S. and Chilean economies. Such assessments could inform congressional decisions regarding potential measures to codify, terminate, or modify the tariffs. Congress also could establish negotiating objectives for U.S. trade discussions with the Chilean government.

Critical Minerals Cooperation

As of 2024, Chile was the world's largest producer of copper and second largest producer of lithium, according to the U.S. Geological Survey. Chile is also a top source for U.S. imports of both minerals and could become a supplier of other critical minerals, such as cobalt.

Some U.S. policymakers have characterized Chile as a "key partner" for developing secure critical mineral supply

chains and reducing U.S. dependence on the People's Republic of China. The future of bilateral critical minerals trade is uncertain amid shifting U.S. trade and energy policies, including the FY2025 reconciliation law's (P.L. 119-21) repeal of a consumer tax credit for electric vehicles that stood to benefit Chile. Chilean policy is also in flux as the Boric administration implements a national lithium strategy that seeks to expand the Chilean government's role in strategic projects and attract private investment.

Several bills have been introduced in the 119th Congress that could influence U.S.-Chilean cooperation on critical minerals. Some of these bills (e.g., H.R. 4391, S. 2550, S. 2839) would authorize the executive branch to engage in international negotiations with the aim of establishing a coalition or alliance of countries that collaborate on critical mineral supply chains. The DFC Modernization and Reauthorization Act of 2025 (S. 1071, Division H, Title LXXXVII) would authorize the U.S. International Development Finance Corporation, under certain circumstances, to support projects in countries like Chile that the World Bank classifies as high income.

Security Cooperation

The U.S. and Chilean governments have engaged regularly on defense matters. Such engagement has included annual bilateral meetings to discuss key defense priorities as well as joint exercises between U.S. and Chilean armed forces intended to strengthen their capabilities and increase interoperability. In FY2023, U.S. International Military Education and Training aid to Chile totaled \$408,000.

The U.S. and Chilean governments also collaborate on law enforcement matters. Recent bilateral efforts have focused on countering "South American Theft Groups" that have engaged in sophisticated burglaries across the United States. These groups reportedly include some Chilean nationals who entered the United States under the U.S. Visa Waiver Program, which allows individuals who meet certain requirements to travel to the United States for tourism or business for up to 90 days without a visa. The U.S. and Chilean governments also have cooperated on efforts to combat TdA. In September 2025, for example, the United States extradited three alleged TdA members to Chile, one of whom allegedly participated in the 2024 assassination of a Venezuelan dissident in Chile.

Congress oversees bilateral security ties and appropriates security assistance funding. During the FY2026 appropriations process, Congress could consider whether to appropriate military and/or law enforcement assistance specifically for Chile or to leave such allocation decisions to the executive branch. The National Security, Department of State, and Related Programs Appropriations Act, 2026 (H.R. 4779/H.Rept. 119-217), would not appropriate any assistance specifically for Chile. The bill would provide \$13 million for International Narcotics Control and Law Enforcement activities in South America's Southern Cone, however, which could benefit Chile.

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