

Justice PERU

HISTORY, GOVERNMENT, AND POLITICAL CONDITIONS

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The Inca Empire and Spanish Conquest

When the Spanish landed in 1531, Peru's territory was the nucleus of the highly developed Inca civilization. Centered at Cuzco, the Incan Empire extended over a vast region from northern Ecuador to central Chile. In search of Inca wealth, the Spanish conqueror Francisco Pizarro, who arrived in the territory after the Incas had fought a debilitating civil war, conquered the weakened people. The Spanish captured the Incan capital at Cuzco by 1533, and consolidated their control by 1542. Gold and silver from the Andes enriched the conquerors, and Peru became the principal source of Spanish wealth and power in South America.

Pizarro founded Lima in 1535. The viceroyalty established at Lima in 1542 initially had jurisdiction over all of the Spanish colonies in South America. By the time of the wars of independence (1820-24), Lima had become one of the most distinguished and aristocratic colonial capitals and the chief Spanish stronghold in the Americas (along with Mexico City).

Independence

Peru's independence movement was led by Jose de San Martin of Argentina and Simon Bolivar of Venezuela. San Martin proclaimed Peruvian independence from Spain on July 28, 1821. Emancipation was completed in December 1824, when Venezuelan General Antonio Jose de Sucre defeated the Spanish troops at Ayacucho, ending Spanish rule in South America. Spain subsequently made futile attempts to regain its former colonies, but in 1879 it finally recognized Peru's independence.

After independence, Peru and its neighbors engaged in intermittent territorial disputes. Chile's victory over Peru and Bolivia in the War of the Pacific (1879-83) resulted in a territorial settlement in which Peru ceded the department of Tarapaca and the provinces of Tacna and Arica to Chile. In 1929, Chile returned Tacna to Peru. Following a clash between Peru and Ecuador in 1941, the Rio Protocol--of which the United States is one of four guarantors (along with Argentina, Brazil and Chile)--sought to establish the boundary between the two countries. Continuing boundary disagreements led to brief armed conflicts in early 1981 and early 1995, but in 1998 the governments of Peru and Ecuador signed an historic peace treaty and demarcated the border. In late 1999, the governments of Peru and Chile likewise implemented the last outstanding article of their 1929 border agreement. Peru and Chile still dispute the sea boundary.

Contemporary History

Military Rule and Return to Democracy (1968-1980)

The military has been prominent in Peruvian history. Coups have repeatedly interrupted civilian constitutional government. The most recent period of military rule (1968-80) began when General Juan Velasco Alvarado overthrew elected President Fernando Belaunde Terry of the Popular Action Party (AP). As part of what has been called the "first phase" of the military government's nationalist pro-

gram, Velasco undertook an extensive agrarian reform program and nationalized the fishmeal industry, some petroleum and mining companies, and several banks.

Because of Velasco's economic mismanagement and deteriorating health, he was replaced in 1975 by General Francisco Morales Bermudez. Morales Bermudez tempered the authoritarian abuses of the Velasco administration and began the task of restoring the country's economy. Morales Bermudez presided over the return to civilian government under a new constitution, and in the May 1980 elections President Belaunde Terry was returned to office by an impressive plurality.

Instability in the 1980s (1982-1990)

Nagging economic problems left over from the military government persisted, worsened by an occurrence of the "El Niño" weather phenomenon in 1982-83, which caused widespread flooding in some parts of the country, severe droughts in others, and decimated the fishing industry. The fall in international commodity prices to their lowest levels since the Great Depression combined with the natural disasters to decrease production, depress wages, exacerbate unemployment, and spur inflation. The economic collapse was reflected in worsening living conditions for Peru's poor and provided a breeding ground for social and political discontent. The emergence of two terrorist groups--Sendero Luminoso (Shining Path) in rural areas in 1980, followed shortly thereafter by the Tupac Amaru Revolutionary Movement (MRTA) in Lima--sent the country further into chaos. The terrorists were financed in part from alliances with narcotraffickers, who had established a stronghold in the Peruvian Andes during this period. Peru and Bolivia became the largest coca producers in the world, accounting for roughly four-fifths of the production in South America.

Amid inflation, economic hardship, and terrorism, Alan García Pérez of the American Popular Revolutionary Alliance (APRA) won the presidential election in 1985. The transfer of the presidency from Belaunde to García on July 28, 1985, was Peru's first transfer of power from one democratically elected leader to another in 40 years.

The Fujimori Decade (1990-2000)

The García administration's economic mismanagement led to hyperinflation from 1988 to 1990. Concerned about the economy, the increasing terrorist threat from Sendero Luminoso, and allegations of official corruption, voters chose a relatively unknown mathematician-turned-politician, Alberto Fujimori, as president in 1990. Fujimori felt he had a mandate for radical change. He immediately implemented drastic economic reforms to tackle inflation (which dropped from 7,650% in 1990 to 139% in 1991), but found opposition to further drastic measures, including dealing with the growing insurgency. On April 4, 1992, Fujimori dissolved the Congress in the "auto-coup," revised the constitution, and called new congressional elections. With a more pliant Congress, Fujimori proceeded to govern unimpeded. Large segments of the judiciary, the military and the media were co-opted by Fujimori's security advisor, Vladimiro Montesinos. The government unleashed a counterattack against the insurgency that resulted in countless human right abuses and eventually quashed the Shining Path and MRTA. During this time Fujimori also privatized most state-owned companies, removed investment barriers, and significantly improved public finances.

Fujimori's constitutionally questionable decision to seek a third term, and subsequent tainted electoral victory in June 2000, brought political and economic turmoil. A bribery scandal that broke just weeks after he began his third term in July forced Fujimori to call new elections in which he would not run. Fujimori fled to Japan and resigned from office in November 2000. A caretaker government under

Valentin Paniagua presided over new presidential and congressional elections in April 2001. The newly-elected government, led by President Alejandro Toledo, took office July 28, 2001.

The Toledo Administration (2001-2006)

The Toledo government successfully consolidated Peru's return to democracy, a process that had begun under President Paniagua. Despite being a frequent target of media criticism, Toledo maintained strong commitments to freedom of the press. The government undertook initiatives to implement the recommendations of the Truth and Reconciliation Commission (TRC), which had been charged with studying the circumstances surrounding the human rights abuses and violations committed between 1980 and 2000. Criminal charges for corruption and human rights violations were brought against former President Fujimori. Fujimori was detained in Chile in November 2005 and extradited to face criminal charges in Peru in September 2007. On December 11, 2007, Fujimori was convicted of ordering an illegal search and seizure of documents and sentenced to 6 years in prison. In April 2009, Fujimori was convicted of human rights violations and sentenced to 25 years in prison. He was convicted in July and September 2009 on embezzlement and corruption charges, respectively, sentenced to 7.5 years, and ordered to pay \$10 million in civil reparations.

Under President Toledo, Peru signed a Trade Promotion Agreement with the U.S. Toledo also unveiled the construction of a road that will connect Brazil and Peru's isolated interior to the Pacific coast. Toledo's economic management led to an impressive economic boom in Peru that remains strong. Poverty reduction was uneven, however. Although poverty in some areas decreased by up to 37% during the Toledo administration, nationally it only decreased by 5.6% and nearly half of Peruvians were still living below the poverty line. In 2005 the government implemented "Juntos," a program to double the income of people living in extreme poverty.

The García Administration

On June 4, 2006, APRA candidate Alan García Pérez was elected to the presidency by 52.5% of the voters in his runoff with Ollanta Humala, who ran under the Union for Peru party banner, with the support of his Peruvian Nationalist Party. APRA also won 36 congressional seats and controls the largest voting bloc. After a disappointing presidential term from 1985 to 1990, García returned to the presidency with promises to improve Peru's social condition, balancing economic stability with increased social spending. During his term, García has overseen a robust macroeconomic performance, including strong GDP growth and declining poverty levels (39.3% of Peruvians were "poor", including 13.7% "extremely poor" in 2007). Since the onset of the international financial crisis in late 2008, prices have begun to drop and García's popularity, which had dipped, has begun to recover. Internationally, García has sought to energize Peru's international relations and economic interaction with the world and to present Peru's democratic and pro-free trade path as a model for the region. He successfully hosted two international summits in 2008, the European Union-Latin America and Caribbean summit and the Asia-Pacific Economic Cooperation (APEC) leaders' summit. The U.S.-Peru Trade Promotion Agreement (PTPA) went into effect in February 2009. Peru has signed trade deals with Canada, Singapore, and China, and has begun trade negotiations with Korea, Japan, the European Union, and others.