

## **“Peruvian foreign policy in the 21st Century: An academic view”**

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I would like to begin by thanking Ambassador Liliana De Olarte de Torres-Muga and the Academia Diplomática del Perú Javier Pérez de Cuéllar for hosting this event. I've been a student of Peruvian foreign policy since 1968 when I spent a year in Lima researching a doctoral dissertation on the subject, and it is always exciting for me to return to Peru to see old friends and colleagues.

Since my last visit, the Academy in 2011 was named after Ambassador Pérez de Cuéllar, Peruvian diplomat, Fifth UN Secretary General, and a man I have known over the years and who embodies the finest attributes of Peru, Peruvians, and Peruvian diplomacy. I know all of you join me in wishing him the very best on his 94<sup>th</sup> birthday this Sunday, January 19.

Over the last two centuries, the direction, content, and tone of Peruvian foreign policy has changed dramatically. To appreciate fully the enormity of recent shifts in Peruvian foreign policy, I want to begin with a brief review of its evolution after independence was declared in July 1821.

### **In the beginning**

The first two decades after independence were a time of considerable internal strife, bordering on civil war, in which Peruvian caudillos battled to determine the future of the state. In this confused and shifting milieu, successive administrations struggled to define the frontiers of Peru, not in the narrow sense of planting boundary markers, but in the broader sense of determining whether Peru would be divided, federate with Bolivia, or stand alone. It was not until the first half of the 1840s that Peru finally attained a more or less defined territory and government.

The election of President Ramón Castilla (1845-1851, 1855-1860) in April 1845 proved a milestone in the development of Peruvian foreign policy. Prior to his administration, Peru was a weak, divided state with only vague, limited ambitions. Under Castilla, Peru acquired for the first time the degree of internal peace, centralized and efficient state organization, adequate and reliable public funding, and emerging sense of national unity necessary for the formulation, articulation, and execution of an active foreign policy.

A high priority for President Castilla was a thorough reorganization of the consular and diplomatic services to improve their efficiency and effectiveness. On 31 July 1846, he signed draft legislation, known as decree 90, reorganizing the consular and diplomatic corps and outlining job classifications as well as remuneration and retirement practices. Ratified by congress in 1853, it was the first diplomatic law worthy of the name in Peru or elsewhere in Latin America, and it would become the longest-standing diplomatic legislation in Peru. Additional legislation, notably decree 553 which detailed the duties of the minister of foreign relations, later strengthened the structure outlined in the 1853 law.

President Castilla influenced the formation and execution of Peruvian foreign policy for a period longer than any other nineteenth century chief executive. During his tenure, Peru experienced for the first time a government that outlined a foreign policy at the outset of its term

and then worked to achieve its stated objectives. The increased professionalism of the diplomatic corps, together with the improved structure of the Ministry of Foreign Relations, enabled Peru to support a wider range of foreign policy goals. Peruvian foreign policy became increasingly coherent and comprehensive, and Peru assumed a leadership role in continental affairs.

In a natural extension of Castilla's efforts to enhance the foreign policy machinery of the state, President Manuel Pardo Lavalle (1872-1876) in August 1872 authorized the creation of a consultative commission at the Ministry of Foreign Relations. Composed of past foreign ministers, congressional experts on foreign policy, former diplomats, eminent scholars, and international lawyers, the first Consultative Commission of Foreign Relations was named on 31 August 1872, and a second was named in June 1886 during the first administration of President Andrés Avelino Cáceres Dorregaray (1886-1890, 1894-1895).

From the middle of the nineteenth century to the end of World War II, territorial issues dominated Peruvian foreign policy. In addition to the final disposition of the Peruvian provinces of Tacna and Arica, occupied by Chile during the War of the Pacific (1879-1883), Peruvian diplomacy struggled to resolve complicated, often interrelated, boundary disputes with Bolivia, Brazil, Colombia, and Ecuador.

During his first administration, President Augusto B. Leguía Salcedo (1908-1912, 1919-1930) negotiated settlements to the disputes with Bolivia and Brazil. During his second administration, he negotiated the 1922 Salomón-Lozano Treaty with Colombia, granting the latter frontage on the Amazon River in return for ceding to Peru territory south of the Putumayo River which Colombia had received from Ecuador in 1916. In 1929, President Leguía also concluded an agreement with Chile that divided the two occupied Peruvian provinces with Tacna going to Peru and Arica remaining with Chile. The fulfillment of the provisions of the 1929 Tacna Arica Treaty and Additional Protocol would remain a subject of debate for the remainder of the century.

### **Tentative steps in new directions**

After World War II, Peru resumed the leadership role in continental affairs that it had largely abandoned in the nineteenth century, demonstrated a growing interest in Latin American economic cooperation, and participated in multilateral conferences on maritime fishing and mineral resources. It was also a founding member of a number of international bodies, including the United Nations (UN), Organization of American States (OAS), and Latin American Free Trade Association (LAFTA). These steps toward an increasingly multilateral approach to foreign affairs paralleled a decline in the power and prestige of the United States in Peru.

Peru also continued its efforts to improve the professionalism of the diplomatic corps through more stringent recruitment, better training, and improved standards for advancement. President Oscar R. Benavides (1933-1939) reconstituted the Consultative Commission of Foreign Relations which had ceased to function during the administration of President Eduardo López de Romaña (1899-1903). There after, this small group of foreign policy specialists regularly contributed advice on key foreign policy issues, like the Leticia dispute in 1932-1934, the 1942 Rio Protocol, and the 1998 Brasilia Accords. In 1999, the commission played a role in the negotiation of a package of agreements executing the 1929 Tacna and Arica Treaty and Additional Protocol, ending the prolonged controversy with Chile.

The 1941 Organic Foreign Relations Bill and the 1944 Review of the Peruvian International Law Society collectively advanced a plan for educating Peruvian diplomats,

ultimately leading to the establishment in 1955 of the Diplomatic Academy of Peru. One of the first such bodies in Latin America, the Academy developed into a premier educational institution with a strong faculty and a demanding curriculum, eventually earning university status in 2005. Over time, it became the sole avenue for entry into the diplomatic service, turning out successive generations of intelligent, well-trained, and enthusiastic young diplomats.

In conjunction with the growing strength and increased capability of the diplomatic corps, Peruvian foreign policy after 1962 moved in new directions. Peruvian diplomats addressed unfamiliar issues, adopted fresh approaches, and solidified new ties. Over the next three decades, successive administrations diversified arms transfers, expanded trade links, advocated a radical reorganization of the inter-American economic and political system, and pressed for enhanced subregional economic cooperation.

Peru was a founding member of the subregional trade bloc known as the Andean Group in 1969, and it signed the multilateral Treaty for Amazonian Cooperation in 1978. In 1974, Peru signed the Declaration of Ayacucho, a precursor to later Peruvian efforts to encourage arms control and disarmament. Peru was also a founding member of the Andean Reserve Fund in 1980 as well as the 1988 Latin American Reserve Fund.

In 1981, Peru adhered to the 1959 Antarctic Treaty, and in 1983, the Peruvian National Antarctic Commission and the Peruvian Institute for Antarctic Studies were founded. Thereafter, Peru increased diplomatic efforts in support of a multitude of claims in the Antarctic. In 1986, an otherwise unproductive disarmament initiative led to the creation in Lima of the UN Regional Center for Peace, Disarmament, and Development in Latin America and the Caribbean.

Both the second administration of President Fernando Belaunde Terry (1980-1985) and the first administration of President Alan García Pérez (1985-1990) searched for a more positive relationship with the United States, but the conflicting demands of Peruvian nationalism and the need for U.S. support to achieve key foreign policy goals left little room for improvement. In an 11 July 1983 interview with President Belaunde, he complained to me that the "United States is far from Peru and doesn't understand what it means to have democracy in Peru." In an interview on the same day with the U.S. Ambassador to Peru, Frank V. Ortiz, he voiced a similar feeling, saying the "bloom is off the rose" when it comes to United States-Peruvian relations.

Economically, Peru clashed with the United States over the level of economic aid provided by the latter and its imposition of countervailing tariffs on Peruvian textiles. Politically, the harsh methods used by Peru to stem a growing wave of terrorism created a storm of protest from U.S. human rights groups. Diplomatically, Peru criticized U.S. support for the United Kingdom in the 1982 Malvinas (Falklands) War and the U.S. intervention in Grenada in 1983, and the United States criticized Peruvian support for the Contadora Support group, which advocated a negotiated peace in Central America.

In my 11 July 1983 interview with President Belaunde, he described the U.S. position on the Malvinas dispute as "anachronistic" and showing "blindness" as to the future of the hemisphere. Inheriting a number of unresolved and contentious issues from the Belaunde administration, President García's opposition to U.S. policy in Central America put him in direct conflict with the Ronald Reagan administration (1981-1989). The Peruvian response to narco-trafficking and terrorist activities won limited praise from the United States; however, the García administration's confrontational style and activist foreign policy left bilateral relations strained as the 1980s ended.

### **Setting the stage**

As the Cold War wound down, Peruvian diplomacy remained focused on many of the issues it had dealt with since the end of World War II. At the same time, Peruvian national interests had begun to evolve and expand, and successive administrations, beginning with President Alberto Fujimori (1990-2000), redefined Peruvian statecraft in pursuit of new goals and policies. Peru strengthened ties to the international economy and increased its participation in regional and international organizations. It also nurtured key bilateral relationships, especially those with its Andean neighbors and the United States. In the process, President Fujimori enjoyed more success in advancing the core goals of Peruvian foreign policy than any other administration in the second half of the twentieth century.

**Alberto Fujimori (1990-2000).** The Fujimori administration negotiated trade agreements with Colombia, Ecuador, and Venezuela, and in support of Bolivia's perennial quest for a seaport, it offered the latter an industrial park and duty-free port on the Pacific Ocean at Ilo in return for similar facilities at Puerto Suarez on the Paraguay River. In October 1998, President Fujimori negotiated the Brasilia Accords with Ecuador, ending the longest standing boundary dispute in the Americas. In December 1999, Peru resolved with Chile the outstanding issues from the 1929 Tacna and Arica Treaty and Additional Protocol, ending another protracted foreign policy issue. In August 1992, the Fujimori administration suspended Peruvian cooperation with the Andean Group, but by 1998, it had returned to full participation.

In August 1991, Peru joined Chile and Mexico in renewing calls for active membership in the Pacific Economic Cooperation Council, a goal which all three states later achieved, and it became a full member of the Asia-Pacific Economic Cooperation (APEC) forum in November 1998. Eager to cement bilateral relations with Japan, President Fujimori in 1999 completed his tenth visit to Japan, marking the one hundredth anniversary of the first wave of Japanese emigration to Peru. The Fujimori administration also advocated the integration of Peru and other Latin American states into the North American Free Trade Agreement (NAFTA) as part of a strategy to create an economic grouping of developing countries.

Recognizing the need for U.S. support to restore the international standing of Peru after the contentious policies of the García administration, President Fujimori concentrated initially on the related issues of drug production and narco-trafficking, the policy areas of most interest to Washington. Later, the dialogue expanded to include other policy areas of mutual interest, like debt, democracy and human rights, development, and defense issues.

By the end of the 1990s, Peru enjoyed the most positive relationship with the United States since the second Leguía administration (1919-1930). At the time, many observers in and out of Peru considered Peru to be the unconditional ally of the United States, but as Ambassador José de la Puente Radbill later commented to me, "it would be better to be an ally of the United States with conditions."

**Alejandro Celestino Toledo Manrique (2001-2006).** Building on the successes of the Fujimori administration, the Toledo administration pursued nine interrelated foreign policy goals which I will summarize here but have discussed more fully in my latest book on Peru, *Toledo's Peru: Vision and Reality* (2010).

First, it promoted democracy and human rights, often tying a second policy goal, the struggle against poverty, to the promotion of democracy. In September 2001, the OAS General Assembly adopted an important Peruvian initiative, the Inter-American Democratic Charter, grounded in principles found in the OAS Charter as well as subsequent OAS proclamations,

notably the American Declaration on the Rights and Duties of Man and the American Convention on Human Rights.

Previous governments had generally supported both human rights and democracy, but as Foreign Minister José Manuel Rodríguez Cuadros (2003-2005), later stressed in a 14 March 2008 interview, Toledo's emphasis on "social diplomacy" reflected both personal persuasion and a reaction to the policies of the Fujimori administration.

Third, Toledo encouraged a reduction in regional arms spending, arguing the money saved would be better spent on education, health, and social welfare programs. His emphasis on arms control was reminiscent of the earlier initiative of the García administration with the important difference that Toledo said he would use any money saved to reduce poverty while García had aimed to reduce Peru's external debt. Both arms reduction initiatives were also similar in their general absence of success in large part because a country the size of Peru lacked the resources necessary to achieve them.

Fourth, the administration worked to broaden bilateral relations with neighboring states, emphasizing economic development in the border lands. In the wake of the 1998 Brasilia Accords, relations with Ecuador focused on executing their provisions, principally borderland development, while dialogue with Colombia mostly centered on the related issues of terrorism and narco-trafficking. In a major foreign policy success, President Toledo met with Brazilian President Luiz Inácio Lula da Silva in 2003 and concluded a strategic alliance. The agreement provided for increased economic cooperation within the context of the Initiative for Integration of Regional Infrastructure in South America (IIRSA). The two parties also agreed to promote bilateral trade and investment, and Brazil granted Peru access to two electronic surveillance systems it had developed to track illicit activities in the Amazon Basin. A strategic relationship with Brazil had been under consideration for many years; however, policy developments like the creation of Common Market of the South (MERCOSUR) and Peruvian membership in APEC, in addition to the vision and determination of President Toledo, led to its conclusion at this time.

Peruvian relations with Bolivia were generally positive in the early years of the Toledo administration but deteriorated after Bolivian President Juan Evo Morales Ayma was inaugurated in January 2006. President Morales moved Bolivian domestic and foreign policy in new directions which were often antithetical to the policies of President Toledo. Bilateral relations with Venezuela were also strained as the personalities, philosophies, and policies of President Toledo and Venezuelan President Hugo Chávez Frías could not have been more different. In addition to the implementation of the 1999 agreement, Peru's main policy concerns with Chile were the Chile-Peru maritime boundary and Chilean arms purchases which threatened to provoke a regional arms race. The Toledo administration failed to achieve a Chilean commitment to regional disarmament or to resolve the maritime dispute, but that failure was as much due to Chilean intransigence as it was to any deficiency in Peruvian diplomacy.

Fifth, the Toledo administration continued the familiar Peruvian emphasis on expanded integration with subregional, regional, and extra-regional bodies, from the Andean Community (CAN) to the OAS to the UN. As Foreign Minister Oscar Maúrtua de Romaña (2005-2006) emphasized in an 18 April 2006 interview, "the main target of the foreign policy of President Toledo has been leading a strong process of integration...he's leading the process...it was born in Cusco...we have sustainable reasons to do that." In January 2004, an Extraordinary Summit of the Americas adopted a Peruvian proposal, the Declaration of Nuevo Leon, saying no American state should be a refuge for corruption, a proposal aimed in part at the Fujimori administration but which has a certain resonance in the wake of the Toledo and García

administrations. Later in the year, Peru hosted the Third Summit of South American Presidents which saw the creation of the South American Community of Nations, later known as the Union of South American Nations (UNASUR). In 2005, Peru was elected to a two-year term on the UN Security Council.

Sixth, the Toledo administration targeted stronger relations with the major industrialized states and the Asia-Pacific region. In a 19 April 2006 interview, President Toledo emphasized that his “first task was to reinsert Peru into the world and the international community.” In the case of the People’s Republic of China (PRC), he added jokingly, “I’m not overly ambitious, I just want 5 percent of the China market.” Relations with the EU and the United States centered on pragmatic efforts to increase aid, investment, and trade through the promotion of democracy and human rights, together with cooperation in the fight against narco-trafficking and terrorism.

In March 2002, President Bush became the first sitting U.S. president to visit Peru, and over the next four years, Peruvian relations with the United States moved from strength to strength. In February 2003, the Peace Corps returned to Peru after a 28-year hiatus, and in 2006, the Toledo administration succeeded in concluding a free trade agreement (FTA) with the United States. Even as it maintained a positive working relationship with Washington, the Toledo administration challenged core elements of U.S. policy, an indication of the maturity and professionalism of Peruvian statecraft.

Peru opposed the U.S. invasion and occupation of Iraq, pushed for a regional approach to combat drug trafficking, and advocated UN Security Council reform. In a 9 May 2003 interview, Foreign Minister Allan Wagner Tizón (2002-2003) termed the United Nations a “fractured system” in need of reform in areas like the development agenda and the collective security system. In an interview with President Toledo later on the same day, Toledo deplored the U.S. failure to gain UN Security Council approval for its invasion of Iraq, arguing “we need to have rules in the guidance of international behavior.” Peru also accepted the jurisdiction of the International Criminal Court (ICC), turning aside U.S. entreaties to conclude a bilateral immunity agreement shielding U.S. citizens from prosecution.

Several factors contributed to the success of Peruvian diplomacy, including the strong personal relationship which developed between presidents Bush and Toledo. As Toledo joked after his first visit to the White House in 2001, “Mira, todo indio necesita su cowboy” (Look, every Indian needs his cowboy). In addition, the Bush administration embraced the Peruvian approach to the promotion of democracy, human rights, and free trade in a region in which populist, socialist regimes were offering alternatives unacceptable to Washington.

The seventh goal of the Toledo administration called for the Ministry of Foreign Affairs to become more effective in promoting the domestic economy abroad, and the eighth encouraged it to do a better job of serving the some 3 million Peruvians living overseas. Initiatives in these two areas marked a renewed concern for the lives of Peruvians at home and abroad, and they also displayed a deeper recognition of the growing interdependence of domestic and foreign policies in the new century. Finally, the Toledo administration promised to reform personnel practices at the Ministry of Foreign Affairs, a goal driven by the scandalous treatment of diplomats in the Fujimori years.

Critics of the foreign policy of the Toledo administration argued with good reason that its initiatives sometimes lacked substance and purpose. There was a tendency to advance broad themes, like democracy and human rights, but then fail to reduce them to practical application. There was also a tendency to pursue themes of questionable viability, like reduced arms

expenditures and multilateral disarmament, which were admirable in their own right but almost certainly incapable of execution. These criticisms aside, the Toledo administration was notably successful in the pursuit of its sub regional, regional, and extra-regional objectives. In pursuing largely pragmatic policies that reflected both the internal and external interests of Peru in a wide variety of international gatherings, it demonstrated a profound understanding of the growing interconnection of domestic and foreign policies in the new century.

### **More old than new**

The foreign policies of the second administration of President Alan García Pérez (2006-2011) and the first half of the administration of President Ollanta Humala Tasso (2011 - ) blended the old with the new, but taken as a whole, they largely mirrored the policies of the Toledo administration. Signaling the direction of Peruvian foreign policy in his second term, President García in a back-handed complement to the Toledo administration told the *Miami Herald* journalist, Andres Oppenheimer, in June 2006 that “Peru’s foreign policy has not been the most misguided part of Toledo’s government. So we must continue with [current policies] in issues such as opening up the world market and drawing investments in a framework of democracy.”

**Alan Gabriel Ludwig García Pérez (2006-2011).** In an early August 2006 interview with *Caretas*, newly-appointed Foreign Minister José Antonio García Belaunde (2006-2011) was mildly critical of Toledo’s foreign policy, yet proceeded to outline a set of goals little changed from it. Support for market-friendly economic policies replaced the emphasis on socialism in the first García administration, and subsequent visits by President García to the White House contrasted with his earlier policy of confrontation with the United States. After questioning the free trade agreement with the United States during the election campaign, President García embraced the agreement. President García never developed the close personal relationship with President Bush enjoyed by his predecessor, a relationship President Toledo once described to me as “akin to skin,” but García’s four visits to the White House were an accomplishment for someone who was in effect *persona non grata* in Washington by the end of his first term.

In the course of the election campaign, García pledged to give priority to bilateral relations with neighboring states, and in so doing, his administration largely followed the approach of its predecessor. With Ecuador, the focus remained on the implementation of the 1998 Brasilia Accords with an emphasis on the development of the borderlands. Progress continued even after President Rafael Correa’s election, despite Correa’s tendency to support Bolivia and Venezuela in sub regional and regional issues. In May 2011, Peru and Ecuador fixed their maritime boundary, strengthening the Peruvian position in its dispute with Chile.

In the case of Chile, the García administration finalized a commercial accord which had been largely negotiated during the Toledo administration, and it secured the extradition from Chile of President Fujimori, a policy holdover from the previous government. García also supported Toledo’s decision to take the maritime dispute with Chile to the International Court of Justice (ICJ), a judicial process expected to conclude on 27 January 2014. President García also advocated reduced arms purchases in the region in general and in Chile in particular, a policy he had championed during his first term and one later adopted by the Toledo administration. That said, President García later in his second term agreed to a significant rearmament of the Peruvian armed forces, compromising his position on this issue.

With Brazil, the García administration worked to strengthen the strategic relationship concluded by the Toledo administration. In February 2008, President García was the first head of state to visit Brazil following President Lula’s election to a second term, and in the course of

his visit, agreements were signed covering technical cooperation, health, education, biotechnology, energy-mining, and Amazon security. Later, commercial and other accords were also concluded. In the case of Colombia, bilateral relations continued to center on border issues related to questions of national defense and security. As evidence mounted that Colombian guerrilla units engaged in the illicit drug trade were operating on both sides of the Colombia-Peru border, the García administration promoted economic development in the frontier zone. In July 2008, presidents García, Lula, and Uribe concluded a tripartite memorandum of understanding aimed at combating narco-trafficking in the Amazon region.

When it came to Bolivia and Venezuela, the García administration faced many of the same problems encountered by its predecessor. In the course of the presidential election campaign, García traded barbs with Hugo Chávez after the latter termed García “a swine, gambler, and a thief” and characterized García and Toledo as “two alligators from the same swamp.” Harshly critical of presidents Morales and Chávez during the presidential campaign, García reached out to them after his election in an attempt to calm the rhetoric. At the same time, he cast his administration, with its emphasis on democracy and free markets, as the antithesis to Bolivia and Venezuela, arguing in Washington that a bilateral free trade pact was necessary to thwart the threat of “Andean Fundamentalism.”

With Bolivia, divisive issues included a Bolivian agreement with Venezuela for the latter to fund military bases along the Bolivia-Peru border and Bolivia’s reluctance to accept the modifications to the CAN agreement required for Peru to implement its FTA with the United States. With Venezuela, there was ongoing concern over the activities and goals of the Venezuelan-funded Bolivian Alternative for the Americas (ALBA) and periodic complaints that Venezuela continued to meddle in the domestic affairs of Peru. Management of ongoing tensions proved a difficult balancing act for President García and made a permanent reconciliation with either Bolivia or Venezuela very difficult.

Elsewhere, the García administration continued the participatory policies of the Fujimori and Toledo administrations in a wide variety of regional and international organizations like the OAS and UN. In May 2008, Peru hosted the Fifth Summit of the Heads of State and Government of Latin America, the Caribbean, and the European Union (ALC-UE), and six months later, it hosted the Sixteenth APEC Summit. The García administration also continued the efforts of the Toledo administration to increase trade with China and to attract Chinese investment to Peru as well as its earlier efforts to broaden commercial relations with Japan and South Korea, concluding an FTA with South Korea in March 2011. The García administration also negotiated FTAs with China and Singapore in addition to Canada and the European Union. In April 2011, Peru joined Chile, Colombia, and Mexico in creating the Pacific Alliance, a trade bloc with some features of integration, allied with Trans-Pacific Partnership (TPP).

The García administration also promoted wider relations with the Arab World. Peru sent its first ever ambassador to Qatar, recognized the Palestinian State as sovereign and independent, and opened trade talks with the six Arab Gulf states. It also hosted the Third Summit of South American-Arab Countries (APSA), a meeting delayed by the Arab Spring but eventually convened in Lima in October 2012. In a controversial statement, President García termed the killing of Osama bin Laden the first miracle of Pope John Paul II whose formal beatification on 1 May 2011 occurred one day before the death of the man responsible for the 9/11 attacks.

Where President Toledo was generally viewed as an internationalist but not so good on domestic policy, President García in his second administration was considered strongest on



domestic concerns. In line with his emphasis on thrift in government, the Ministry of Foreign Affairs announced soon after his inauguration that it would close six embassies, a small but symbolic rejection of Toledo's policy of promoting a wider, more visible international role for Peru. Ironically, President García was later criticized for not traveling abroad enough.

**Ollanta Moisés Humala Tasso (2011- ).** The foreign policy of the Ollanta Humala administration has resembled the foreign policies of the Toledo and García administrations in many ways. President-elect Humala's first stop in a week-long tour of South America was Brazil where he met with President Dilma Vana Rousseff, reaffirming their strategic relationship. In addition, the Humala administration quickly threw its support behind the ongoing process at the ICJ aimed at resolving the maritime dispute with Chile. Peruvian and Ecuadorian representatives continued to meet regularly in an effort to implement fully all aspects of the Brasilia Accords, including wider borderland development, improved border security, accelerated demining, and reduced transnational crime.

In September 2012, Foreign Minister Rafael Roncagliolo de Orbegoso (2011-201) repeated calls made by earlier administrations in support of UN reforms, calling for the world body to better reflect the realities of the twenty-first century. Relations with the Middle East also continued to expand with a state visit by the Emir of Qatar in February 2013 followed by the inauguration of the Peruvian embassy in Saudi Arabia in March.

Finally, Peru in late December 2013 launched its 22<sup>nd</sup> scientific expedition to the Antarctic, continuing a policy interest dating back to the second Belaunde Terry administration.

Humala as a presidential candidate had been highly critical of United States policies; nevertheless, President Obama reached out to President-elect Humala in the course of the latter's June 2011 informal visit to the White House. Thereafter, the Humala administration softened its tone toward the United States, expressing a desire to improve cooperation in areas such as combating drug-related crime and terrorism. At the same time, it pursued increasingly friendly policies toward big business and multinational corporations.

In October 2012, the United States and Peru announced that they would update a 1952 bilateral defense agreement to reflect current threats and new laws, and in June 2013, President Humala made an official visit to the White House. Following their meeting in the Oval Office, President Obama declared Peru to be one of the "strongest and most trustworthy partners in the hemisphere," emphasizing cooperation in strengthening counter-narcotics efforts, finalizing the TPP, and deepening educational exchange programs and business development initiatives.

In his remarks, President Humala described the Obama administration as "an open environment in which we can build on all the strategic areas so as to strengthen our bonds." *Caretas* aptly titled its article on Humala's visit to the White House, "El Nuevo Consenso" (the new consensus). In November 2013, Foreign Minister Eva Rivas (2013- ) characterized bilateral relations with the United States as being at "un nivel muy alto" (a very high level), a comment welcomed by an Obama administration which views Peru as an increasingly important economic trading partner in South America.

At the same time, Humala's foreign policy evidenced differences in approach and emphasis. In a quick visit to La Paz in late June 2011, President-elect Humala invited President Morales to consider bilateral integration in which the two countries would unite into a confederation reminiscent of the ill-fated Peru-Bolivia Confederation (1836-1839).

The following week, to mark the registration of the Peru-Ecuador maritime treaty at the United Nations, Humala visited Ecuador where he again declared himself in favor of regional integration. President Humala made a state visit to Venezuela in January 2012, signing new agreements on trade, energy, education, migratory regulation, social programs, and the economy, and although UNASUR was unable to reach a consensus on the election of President Nicolás Maduro Moros, Humala attended his inauguration in Caracas in April 2013.

On the perennial issue of a sovereign Bolivian port on the Pacific, Peru maintained its long-time position that Bolivia had the right to make claims to what it considered to be historic rights; however, Peru continued to view the Bolivian demand for a Pacific seaport to be a bilateral issue between Bolivia and Chile.

As for Argentinian claims to the Malvinas (Falklands), President Humala in February 2012 sent a letter to Argentinian President Cristina Elisabet Fernández de Kirchner expressing Peru's solidarity and support for what he term the "legitimate rights of Argentina's sovereignty," reflecting a Peruvian position dating back to the second Belaunde Terry administration when Peru supported Argentina in its 1982 war with Britain.

In March 2012, Peruvian support for Argentina led to a diplomatic spat with the United Kingdom when Peru cancelled a routine visit of a British frigate to Callao. In February 2013, Peru, Bolivia, and Brazil signed a tripartite agreement to fight organized crime and drug trafficking in their border areas.

The Humala administration was aggressive in pursuing trade agreements around the world; however, its actions here were more an affirmation of the policies of the Toledo and García administrations than a radical departure from them. Even though Chile felt it had effectively positioned itself as the commercial nexus between Asia, Latin America, and the United States, Humala administration officials took to referring to Peru as "Latin America's Asian Gateway."

An FTA with South Korea, concluded at the end of the García administration, took effect 1 August 2011, and in November 2011, the two states signed a new air services agreement. On 1 March 2012, Peru's FTA with Japan, negotiated during the García administration, became effective, and in mid-December 2012, the Peruvian congress approved an FTA with the EU, meaning Peru now had similar agreements with every major economy in the world from China to Japan to the United States. Moreover, according to the Minister of Foreign Trade and Tourism, Magali Silva Velarde-Álvarez, Peru in 2014 also expected progress in negotiating FTAs with El Salvador, India, Indonesia, Russia, and Turkey.

Peru is home to the largest ethnic Chinese population in Latin America, and Peru established diplomatic relations with the People's Republic of China in November 1971, the second South American state to do so. At the November 2011 APEC meeting in Honolulu, Humala met with Chinese President Hu Jintao, and the two pledged to work together to advance their strategic partnership. In the course of a February 2013 visit to China, Foreign Minister Roncagliolo announced that Peru and China had agreed to quadruple the number of scholarships available to Peruvian students to study in China, especially in the areas of science and technology. By this time, bilateral trade had more than doubled since the Peru-China FTA took effect in 2010. In April 2013, President Humala visited China where he met with President Xi Jinping and promoted Peruvian exports and encouraged Chinese investment in Peru.

In questioning the efforts of the Toledo and García administrations to curb arms spending in Latin America, Humala in a May 2009 article in *La República* argued that Peru should equip its armed forces on the basis of a clear doctrine of national defense and not as a function of what Chile was doing.

Once in office, President Humala supported a major upgrade of the military capabilities of the Peruvian armed forces, including the purchase of 20KT-1 aircraft from South Korea, 24 MI-171 helicopters from Russia, and two C-27J tactical airlifters from Italy. Peru also signed a contract with Russia to upgrade its fleet of MIG-29 Fulcrum fighters, and the Ministry of Defense expressed an interest in buying 700 Kamaz trucks and 100 T-90S tanks.

### **Concluding observations**

Let me conclude with some thoughts on the past, present, and future of Peruvian foreign policy. As with most states, stable governments, secure societies, strong economies, and appropriate military strength have been challenges for Peru from time to time. In this context, an editorial in the 27 July 2006 issue of *El Comercio* which noted that Peru for the first time in decades would have a change of government without a serious economic or political crisis, may prove a harbinger of things to come.

As Peru has addressed shortcomings in its political economy in recent years, it has widened the scope of its foreign policy, expanding ties to international organizations and the international economy. In the process, the focus of Peruvian foreign policy has evolved from one centered largely on bilateral issues and relationships, notably the resolution of multiple boundary issues, to one impacting on a variety of regional and international issues.

**Ministry of Foreign Affairs.** In a chapter entitled “Peru: A Model for Latin American Diplomacy and Statecraft” found in the *Routledge Handbook of Diplomacy and Statecraft* (2012), I argue that the Republic of Peru, having achieved independence from Spain, quickly distinguished itself in terms of the professionalism of its diplomacy and statecraft. In pursuit of the national interests of the country, Peruvian politicians and diplomats regularly employed economic, military, and political means, the traditional attributes of power; however, it was the professionalism of its diplomatic service which often separated Peruvian diplomacy and statecraft from that of neighboring states.

Concerted efforts to improve the effectiveness of the diplomatic corps began after independence, increased in the mid-nineteenth century, and continue to the present time. On more than one occasion, the executive branch has attempted to politicize the Ministry of Foreign Affairs, with the Fujimori administration being the most recent example, but for the most part, the chief executives of Peru have looked to the professionals in the Ministry of Foreign Affairs to guide the external relations of the state.

Looking to the future, Peru needs to build on this rich tradition of sound diplomacy and creative statecraft, developing the strengths and capacities of the Ministry of Foreign Affairs and the people who work there while being careful to avoid any changes, legal or otherwise, that could compromise their integrity and effectiveness. This is doubly important today when Peru is increasingly active in a plethora of international organizations, and as a consequence, has begun to suffer from what I have described elsewhere as “summit overload.” Membership in a growing number of economic and political groupings, most of which hold regular meetings and annual summits, puts a severe strain on the limited capacity of a country the size of Peru to staff them.

**United States of America.** I have long highlighted the asymmetrical nature of the total relationship between Peru and the United States, one in which the two states generally viewed each other from totally different perspectives. The United States, for much of the last century, loomed large on the Peruvian horizon, and bilateral relations were a dominant concern of virtually every administration from Leguía to Fujimori. Economically as well as politically, decisions made in Washington and New York could have and often did have a major impact on central elements of Peruvian internal and external policy. Viewed from the flip-side, the perspective was totally different. The U.S. government and people, throughout this period, generally viewed Peru as a remote and unimportant country whose relationship with the United States seldom had any significant impact on their domestic or foreign policies. Consequently, what was good for Peru was not only not necessarily good for the United States, but it was often of little or no interest to the United States.

Today, we are witnessing a fundamental change in this traditional relationship. The United States appears to be withdrawing from the world or at the very least from significant parts of it. Exhausted by two long wars, Americans are wary of new foreign engagements – especially military ones. At the same time, the Obama administration has accelerated a process begun in the early 1960s under John F. Kennedy, centralizing foreign policy decision making in the National Security Council in the White House, marginalizing the State Department. President Obama is comfortable giving visionary talks that proclaim lofty goals, but his administration has too often been poor at execution with its failure to promote democracy in the Middle East as a prime example.

The Obama administration has also been poor at explaining its foreign policy, with Syria and South Sudan two more recent examples. Part of the problem here is the centralization of foreign policy formulation and execution in the National Security Council which often lacks the resources to get the job done. A related problem is the proliferation of U.S. government agencies involved in foreign policy. For much of the last century, the Departments of State and Defense, together with the Central Intelligence Agency, monopolized U.S.-Latin American relations, but today, the Departments of Treasury, Homeland Security, and Justice, together with the Drug Enforcement Administration, to name a few, also have considerable involvement in the region. The focus on drugs and terrorism at the expense of other issues has also undermined U.S. influence in Latin America.

In short, the United States today finds its hard and soft power over-taxed; consequently, it has fewer resources to commit to the Western Hemisphere. Latin Americans frequently observe that the U.S. presence, diplomatically, economically, and militarily, is not as dominant as it was in earlier times, but what they fail to realize is that Africans, Asians, and Europeans often are saying the same thing. Since the turn of the century, the U.S. footprint throughout the world is lighter, less distinct, and less forceful. I will leave it to you to decide whether this is a good or bad thing. My point is that it marks a significant change in the global environment that Peruvian foreign policy must recognize and address.

**People's Republic of China.** It is common today for pundits to depict a rapidly declining Europe and United States, together with an emerging Chinese powerhouse able to master technological innovation and poised to gain global leadership. I would argue this viewpoint has some merit but is far too simplistic. That said, a more multicultural and multipolar world clearly presents exciting opportunities for Latin America in general and Peru in particular.

To capitalize on this opportunity, Peru among other things needs to conserve its earnings from high commodity prices in sovereign wealth funds, diversify its exports to include modern goods

and services, develop its human capital through education and training, and modernize its physical infrastructure in order to enhance its competitiveness. Peru should also consider forming a bloc with other Latin American states to negotiate a grand bargain with China in order to integrate Latin American economies into Chinese industrial value chains and to obtain more access to Chinese capital and technology.

**Pragmatism dominant.** Finally, I want to explore briefly a theme I developed in a recently published book entitled *Latin American Foreign Policies: Between Ideology and Pragmatism* (2011). In a chapter entitled “Ideology and Pragmatism in the Foreign Policy of Peru,” I argue that pragmatism since independence has largely prevailed over ideology in the content and expression of Peruvian foreign policy. Issues of sovereignty, continental solidarity, regionalism, territorial integrity, and economic independence were central to the foreign policy of Peru from the beginning, and they have remained prominent in the contemporary era.

The Fujimori, Toledo, García, and Humala administrations have been active participants in international and regional organizations, such as the UN and the OAS, as they have worked through subregional bodies, like CAN, to promote cooperation and development. Territorial issues also stretched into the present century as successive administrations sought to resolve outstanding issues related to the 1929 Tacna and Arica Treaty and Additional Protocol with Chile, the 1998 Brasilia Accords with Ecuador, and the soon to be resolved maritime dispute with Chile. This is not to say that ideology did not play a role from time to time; however, while ideology occasionally influenced pragmatism, the former seldom overshadowed the latter.

As to the factors which have influenced this mix of pragmatism and ideology, the professionalism of the Peruvian diplomatic corps has been one of the most influential. A second important influence has been the central place of territorial issues in the foreign policy of Peru since independence. Essentially pragmatic in form and content, these issues were subject to rhetoric on occasion but not to ideology in resolution. In more recent times, the selective rejection of neo-liberalism and the consequent ideological divide in Andean America that presently separates Bolivia, Ecuador, and Venezuela from Chile, Colombia, and Peru has heightened the tension between pragmatism and ideology. Nevertheless, the mounting complexity and increasing fragmentation of the global environment would appear in the Peruvian case to support the continuation of pragmatism over ideology in most instances with no sharp breaks anticipated between past, present, and future.

In closing, I want to thank all of you for coming tonight. It is a real pleasure to see so many friends and colleagues as well as to make some new acquaintances.

Ronald Bruce St John

Lima, Peru

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