

# Economical and political situation in peru

[Government](#), [Corruption](#)



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## **Corruption and Confusion in the Government**

Today Peru is going through a drastic change in government following years of corruption and confusion. The government has been investigating three of the former presidents. This has all climaxed as the current president, Martín Vizcarra, used a power given to him in their constitution to dissolve the current congress and call for a new election. The president claimed that corruption ran deep in congress, and this is why he chose to dissolve it. He also said that they were working against his efforts to pass new reforms and attempt to clean the corruption from the government. The government in Peru has been a power struggle since it won its independence. This independence was shaky at best, as the government and economy were still ruled by a Spanish elite. Since then they have fought battles with neighboring countries, and their government has been changed multiple times. The government has had multiple restarts, including both military and democratic in its relatively short lifespan. The constitutional framework for the Peruvian government is inherently flawed and has been for a long time.

This can be attributed to the Spanish ruling over them for so long and implementing systems that put power in the hands of people who should not have it.

## **Economic Boom**

Peru today has a population of around 31 million, 60. 2% of that population being Mestizo, or someone of European and Native American heritage. Peru's economy is reliant on the nation's exports. Peru is considered to be one of the world's leading fishing countries and also exports silver and copper. Despite the multiple exports, the country's economy is still struggling from the near constant changing of political systems and powers. In one attempt to repair the economy, a military government in the 1960s sought to nationalize different industries. This created numerous other economic issues however, such as high rates of inflation, crushing governmental debt, and strained relationships with some of Peru's stronger allies and trading partners. This massive failure lead to newer forms of government in the 1990s to release some control to private businesses, causing an economic boom. This boom continues to go on today with the economy minister in Peru saying that she sees economic growth this year at three percent. She also said that the economy was staying solid despite the turmoil in Peru today. Seeing this is really exciting. Their economy has not done very well in the past, so every boom is an opportunity to improve the country.

## **The Spanish Influence and Not Knowing What to Do**

Before the influence of the Spanish, people who lived in Peru were independent from different groups because of the rough terrain. The Country

was united a few times by Native American tribes, one of which was the Inca. The Incan empire was huge, spanning from Ecuador to Chile. Although it was somewhat unified under a common culture, the people of Peru were still spread out across the country and lived in many small villages. These villages were called ayllus by the Incan people. Once the Spanish arrived they tried to unify the villages even more with the establishment of new towns meant to connect the surviving rural communities. They also established port cities that lead could lead directly to Spain from the new world, such as Lima and Trujillo. Both of these cities remain as bustling cultural centers today. Spain also created towns centered around the resources that they were collecting from Peruvian mines, and around lush agricultural land. The rural farming land was divided into encomiendas for the rich Spanish settlers. These encomiendas would continue to evolve, and never really go away until land reforms were passed during the 20th century. This system way engrained into the lives of everyone in the country, and thus took years to get out. The country has had a constant struggle with modernization and development since it won its independence from Spain on July 28, 1821. One problem keeping them from the modernization of their agriculture and transportation is the wide range of natural disasters the country is exposed to. Due to the different climates and terrain, it is possible for the people of Peru to experience landslides and earthquakes, among others.

The Spanish invaders took over Peru's society. They brought their new culture and in places it meshed with the old Peruvian culture. Mostly, however, the Spanish culture was adapted, and the old ways were forgotten.

The Spanish language is now predominantly spoken in Peru, along with the Roman Catholic religion. Almost no one is able to speak the old native language. It has faded out across centuries and with the oppression of it. This also happened with the native religions. Nearly four-fifths of the population today is Roman Catholic. There are also more prominent castes amongst the people, with Spanish-born people at the top. The wealthiest in Peru were the mestizos and those of a Spanish bloodline. They lived near the coast and had control of most of the money in Peru. It was common during the early days of Spanish control for people of Spanish descent to have the power of the government. They also controlled the industries like mining and agriculture. Mestizos who could speak Spanish made up the wealthier middle class in society. They could hold professional jobs but couldn't advance far in the government. The lowest class was occupied by the Native Americans. They lived in poverty, and their descendants still do today. They had no say in the governing of their country. This has a lasting impact on the government in Peru, and they are still dealing with the consequences today. The lower class were never given the opportunity to learn how to rule, and their voices were never heard. One can see this being an issue all over the world and throughout history. Once the lower class had finally stood their ground and managed to get a little control, they were lost as to what to do with it. This leads to faulty governments and riots flooding the streets, and then the process starts all over again.

## **After Gaining Independence**

When Peru was finally able to gain its independence from Spain in 1821 military leaders, called caudillos, wanted to take control of the country. They

were able to take control fairly easy, due to the country not being used to governing itself. The tradition was for someone else to rule them, so many in Peru didn't want the power they now had. Peru adopted a liberal constitution in 1828, but the victory was short-lived. Soon after General Gamarra was able to illegally take control of the government. As Peru was figuring out how to govern itself, Spain returned in 1864 to retake Peru. They sent out a naval fleet to take back the land they had once owned. This resulted in a war which drained Peru of almost all money they had. Eventually in 1869 Spain withdrew their forces and recognized Peru's independence. This was the first time Spain recognized that Peru was a free country. Shortly after this a new political party was created to reform the government of Peru. They referred to themselves as the Civilian Party and wanted to fund costly railway projects. The party represented an oligarchy type government. These new projects only made Peru's financial situation worsen. In an attempt to fix the worsening debt, the Civilian Party took a deal with The Peruvian Corporation. This plan helped the economic situation in Peru, but was hated by the people who lived there. Because of the hatred for the plan, a new party was able to rise. The Democratic Party was able to win the election in 1895. This party wanted to restore elections into the hands of the people. Shortly after their reign, the spokesman for the Civilians Party took over the presidency. This man's name was Augusto Bernardino Leguía y Salcedo. Leguía wanted to put a new constitution into place in 1920. A big component of this constitution was Article 58, which was put into place to protect Native American lands from being taken. Native Americans have always been taken advantage of, so the government doing something in their favor was an important event.

In 1962, no candidates running for president were able to win the one-third vote they needed to be elected. The congress was meant to make the decision, but the military took over the government. A year later, a new election was planned to take place, and Belaúnde's party was allowed to win. Despite the junta allowing Belaúnde to win the election, they then forced him to resign from office. A junta is defined as a military government who took control by force. Once he was disposed, the junta began to take away liberties and arresting other politicians. They also began to take control of the countries economy by centralizing the Industry in three ways. The first was the Agrarian Law. This gave them control of agricultural business in Peru. After this they introduced the Mining Law, centralizing the mining industries. Lastly they implemented the Industrial Law. This granted the junta control of industries and public services. They accomplished this by referring to it as " Peruvianization." This resulted in an economic boom but was relatively short lived. A change in copper pricing and fish exporting resulted in a crash in the economy.

This economic downturn resulted in a new form of government that wanted to reimplement a constitution. An elected Constitutional Assembly came together in 1978 to create a new and improved constitution. The constitution was signed on July 12, 1979. When this was put into place the new president began to make changes in that country. One major change that was made was the return of newspapers to private ownership. In 1992 the military played a role in a self-administered coup and congress was dissolved. A new lawmaking body was then elected, and they created a new constitution in 1993. This is the one they are following to this day. Neoliberal policies began

to emerge from the new government. They began to privatize mines and agriculture that were previously government owned. They also had private utility companies. In 2001 there was a groundbreaking election in which the first Quechua president was elected. His ethnicity made the public favor him, but because of the state of the government around him his public favor faded as his presidency went on.

## **Conclusion**

All these problems that have come out of Peru are a necessary battle. Once they are able to find their footing and what works for them, they will be prosperous. Every country has its dark days and times of unrest. Even in the United States people will take to the streets to protest. It happens all over the world, and though it is not good, it is a necessary step to get to something better. Peru will make a better constitution, become fair for all of its citizens, and make a place for themselves in the world's economy, but these things all take time and effort. Struggling and making it through adversity is a step in the right direction, even if it seems like the destination is centuries away. Spain left them bleeding with nothing to help them, but they have persevered and will continue to until they make it where they need to go.