

CA ADVISOR

OF THE DIALOGUE

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Behind the scenes in government?



Castillo took office just over six months, on Tuesday (Feb. 8). Castillo also named new cabinet ministers.

Castillo, who took office last week after just four days on the job, has denied. Castillo and Foreign Minister César Landa also named new cabinet ministers, Hernán Condori. Why is there so much cabinet instability in his administration, and what does that say about the cabinet instability in Peru? What extent does the instability in his administration suggest an early exit for Castillo himself before he can lead a controlled Congress likely to act in

Castillo is a daily columnist on political affairs in Peru. He has led several cabinets in the first six months of his tenure, a sign of a directionless government and a lack of political stability. The infiltration of mafias in all the sectors of the economy, the judiciary and the Congress—the result of the great uncertainty in a context of political crisis and the urgency of the challenge of the COVID-19 crisis is old, but it has worsened a situation that has led to a government like Pedro Castillo, who makes

TODAY'S NEWS

POLITICAL

U.S. Senators Call on Mexico To Do More to Protect Journalists

In an open letter, U.S. Senators Marco Rubio (R-Fla.) and Tim Kaine (D-Va.) said Mexico should do more to protect journalists, at least four of whom have been killed this year.

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BUSINESS

Newmont Buying Additional Stake in Peruvian Mine

U.S.-based Newmont has agreed to purchase an additional stake in Peru's Minera Yanacocha asset from Compañía de Minas Buenaventura.

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ECONOMIC

Kerry in Mexico for Talks on Energy Plans

U.S. climate envoy John Kerry is scheduled for talks today in Mexico to discuss the country's power sector plans, which have raised tensions with the United States.

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Castillo, a demonstrably inept president who has squandered every opportunity to make amends during the first half of his presidency, leaving little hope that he will improve in the future. Every day, the consensus grows in Peru that it would be good for the country if President Castillo resigned in order to end this crisis, that Congress should too, and that the country should hold new elections. The growing consensus is for everyone to go. That does not guarantee that what comes will be better, but it does ensure that we get out of a situation that does not work for the people.”

A **Cynthia McClintock, professor of political science and international affairs at The George Washington University:** “Peru’s political waters are more turbulent than ever, and Castillo’s ship is in grave danger. The cabinet appointed on Feb. 1 lasted only three days. In six months in office, Castillo will have named four prime ministers; he has made more cabinet changes in his first six months than any Peruvian president in at least 50 years. The consensus is that Castillo does not choose his ministers carefully. The prime minister named on Feb. 1, Héctor Valer, had been credibly accused of domestic abuse, among other crimes. Having been elected to Peru’s 2021 Congress for a far-right populist party, Valer was also a political opportunist. A large number of Castillo’s ministers had no meaningful experience in the sector that they were asked to lead, and a considerable number faced legal charges. Fears about Castillo’s incompetence have been heightened by his suggestion in an interview with CNN en Español that, upon a referendum, Peru could cede territory to Bolivia. Fears about Castillo’s ethics have been heightened by revelations of his irregular meetings with VIPs outside the presidential palace. In this context, Castillo will find it very difficult to recruit able ministers. The debate in Peru is turning to possible exits for Castillo. Not only Peru’s rightist parties,

but also its centrist parties, are considering impeachment, which Congress can approve on a two-thirds vote on the grounds of ‘moral incapacity.’ Castillo would be succeeded by Vice President Dina Boluarte. However, after five years of executive-legislative conflict and various short-term presidents, there is awareness that, if widely perceived as unfair or incorrect, Castillo’s exit could be a cure worse than the disease. Castillo’s approval rating is now a tad below 30 percent; if it continues to fall, the debate about his exit will intensify.”

A **Mercedes Araoz, senior professor of finance at the Universidad del Pacífico and former vice president of Peru:** “Castillo reminds us of the tale of the Emperor’s New Clothes. The president is unable to see that he himself is causing this crisis in Peru. He removed allies of Nuevo Perú from his cabinet. Ministers are now making strong accusations of corruption, and a shadow cabinet didn’t allow his former prime minister, Mirtha Vásquez, to lead government policy. He then named Prime Minister Héctor Valer, a congressman who jumped from an ultraconservative party to a leftist group led by Congressman Guillermo Bermejo, who also resigned from Peru Libre, the government party. Not only did Valer have bad political credentials, he has been accused of domestic violence. The new members of the cabinet presented neither the credentials, nor the capabilities or reputation. So, another crisis developed, and a fourth cabinet—in less than seven months—has to take shape. What Castillo apparently wanted was to generate a response from Congress denying a vote of confidence in the Valer cabinet and, as Valer said, use his silver bullet and risk Congress being dissolved. Castillo is unable to recognize his mistakes and is pointing to political rivals and the press as the causes of the crisis. Many voices beyond his usual opposition are saying it is time for President Castillo to step down. The instability is

triggering a profound damage in the governance and economy of Peru. People in the streets are shouting that the emperor has no clothes, and the emperor is not listening.”

A **Katya Rimkunas, regional deputy director for Latin America and the Caribbean at the International Republican Institute:**

“While Peruvians are familiar with political turmoil and instability, Castillo’s start is challenging their comfort levels. From the moment he won the election, many predicted the obstacles and challenges Castillo would face in governing and advancing his agenda. Despite Castillo’s Free Peru party having the largest number of seats in Congress, the long-standing hostility between the president and Congress did not dissipate after congressional elections, and there are emerging fissures from within his own coalition. If President Castillo can’t secure congressional support to move forward with his agenda, he is likely to seek support elsewhere. Last week’s cabinet reshuffle presented a mishmash of actors who could bring in new allies. Castillo removed ministers who were aligned with Verónica Mendoza and the New Peru party and brought in members who were closer to specific interest groups. But while new alliances could help Castillo, his early track record will make it difficult to recruit strong and experienced professionals

to the government. Thus, Castillo’s woes are far from gone, and threats of impeachment loom. Instability and upheaval in government distract and make it impossible for real progress to be made on any policies,



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which in turn makes Castillo’s government look like it’s improvising and unable to effectively govern. At best, Castillo can hope for a stalemate with Congress where he is not impeached but is unable to get needed legislation passed. Watch for more drama to come.”

[Editor’s note: The commentaries above were submitted to the Advisor before President Pedro Castillo named his new prime minister and cabinet on Tuesday. Additionally, the Advisor requested a commentary for this issue from Peru’s embassy in Washington but received no response.]

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.