Washington pressures Fujimori to align Peru with US war drive against China

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Less than two weeks into Keiko Fujimori's presidency, the Trump administration is aggressively pressuring her government to side with Washington's campaign to roll back the hemispheric influence of its global rival, China. A series of openly pro-US appointments to key government posts points to Lima's compliance with this agenda.

Take new economy minister Elmer Cuba, a consultant and former central bank director who, as Bloomberg News noted, has taught at Peruvian universities and served as a consultant to the World Bank, the Inter-American Development Bank and the International Labour Organization.

Introducing Cuba, Fujimori said he arrives with a clear mission: to restore stability, confidence and growth to the economy, which she claims to have inherited "in abandonment."

Yet a rather different picture emerges from Central Reserve Bank President Julio Velarde, who has just announced he will remain at the helm until 2031—news warmly welcomed by foreign investors. Bloomberg described one of the minister's tasks as ensuring macroeconomic continuity in what it called one of Latin America's most stable economies.

The description of the economy as "stable" is invariably shaped by what it portends for the bondholder, not the worker.

Velarde announced that by the end of June, inflation had breached the 3 percent ceiling. A BBVA study put year-on-year inflation at 4.1 percent by the end of July. With El Niño threatening fishing and farming, the basic family basket is expected to climb further, hitting workers and the poor the hardest.

Compounding this, the five-month US war against Iran has driven the price of diesel in Lima up by 27 percent, and in the regions far from the capital by 32.4 percent. Regular gasoline rose 18.5 percent. The diesel spike drives up food costs directly.

Fujimori could not have made Washington happier than with her appointment of Carlos Espá as foreign minister, sworn in on August 2. Espá spent 15 years (2008–2023) in senior posts inside the US embassy in Peru and is deeply committed to Trump's "Shield of the Americas" policy. He is fully equipped to work hand-in-glove with Ambassador Bernie Navarro to weave a web of diplomatic and political influence.

At his official presentation ceremony, Espá announced that his priority would be to make the fight against crime a central focus of Peruvian foreign policy, and confirmed the government's willingness to join the Shield of the Americas, Trump's initiative to coordinate US security operations with those of right-wing regimes across the hemisphere.

Paying lip service to Fujimori's stated aim of working with both China and the United States—Peru's two largest commercial and investment partners—Espá added that he envisioned a dynamic relationship with China, describing it as the country's main trading partner and an important source of investment.

Yet Espá has made no secret of his hostility to Chinese-Peruvian economic ties. Chinese companies, he told *El Comercio* in January, treat Peru as their "backyard" and exploit the country's institutional weakness. "Their main export is corruption," he said. He also attacked China's ambassador, Song Yang, over an article defending Beijing's policy on illegal fishing, calling the ambassador's conduct insolent and reprehensible. Asked about those remarks since taking office, he told local media the campaign is over and the focus now is on future relations.

This contradiction is not personal but structural. China accounts for 36 percent of Peru's foreign trade against 14 percent for the United States, and Chinese direct investment of some $30 billion dwarfs the $6.7 billion from the US. Washington, however, is now exploiting the Peruvian ruling elite's dependence on it politically and militarily to demand that Lima choose between the US or China on key economic questions.

Bloomberg fiercely attacks China's presence in Peru, reporting that extortion gangs are circling the Chancay megaport, built by Chinese company COSCO, and that the facility has drawn US scrutiny and become a flashpoint in the Washington-Beijing rivalry.

Washington has designated Peru a Major Non-NATO Ally, finalized a Lockheed Martin F-16 fighter jet deal, and is modernizing the Callao naval base some 73 kilometers south of Chancay.

The "Shield of the Americas": Operation Condor 2.0

The Shield of the Americas, the US-led alliance of right-wing Latin American regimes, draws on a bloody precedent—and it has nothing to do with fighting drug trafficking. It is intended as an instrument for countering by force both China's growing economic influence in Latin America and the imminent prospect of revolutionary struggles by the working class.

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It aligns exactly with Fujimori's call for the military to occupy the streets in case of "emergency"—a code word for unrest among Peruvian workers, students and the oppressed rural masses—and with her proposed construction of five mega-prisons. The real aim is to suppress the rising struggle of the working class across the continent. Like workers everywhere, South America's masses have been driven into deep immiseration by the US-Israeli war in the Middle East, and by the widening inequality that is the hallmark of a decaying capitalist system.

In order to achieve this, she is falling back on what she has always done best: imitating her father, dictator Alberto Fujimori (1990–2000), who died on September 11, 2024, while serving a lengthy sentence for crimes against humanity and corruption. She has repeatedly spoken of wanting to emulate—even vindicate—him through her presidency.

She has already asked the legislature to grant her extraordinary powers, ostensibly to fight corruption. This pretext is belied by the fact that she has surrounded herself with figures facing open investigations. Fifteen of the 19 cabinet nominees have active fiscal investigations, judicial records or criminal complaints—starting with Premier Luis Galarreta, under investigation for money laundering, criminal organization and abuse of authority.

Within days, she appointed Brig. Gen. Hugo Antonio Cornejo Valdivia (ret.), who served as Alberto Fujimori's aide-de-camp, as head of the DINI—the National Intelligence Directorate—a central post in the repressive apparatus, tasked with working alongside the armed forces and police to suppress the emerging mass movement. Cornejo also headed the DINI during Francisco Sagasti's bourgeois-technocratic transition government, completing the circle: this is a joint project of the national bourgeoisie lined up behind Fujimori.

Then there is the appointment of Gen. César Astudillo (ret.) as minister of the interior. The former commanding general of the Peruvian Armed Forces will be in charge of internal repression. He is well known to the Pentagon, having attended training courses at the infamous School of the Americas in Panama, as well as at Fort Benning, Ga., and the US Army War College. Like most of his fellow cabinet members, Astudillo was implicated in a major corruption scandal, the so-called "gasolinazo" operation, involving elements within the military illicitly selling off Army fuel supplies at a substantial mark-up, pocketing the proceeds. In 2022, prosecutors sought to have the general and others implicated in the scheme and its coverup held under preventive detention for 36 months, but ultimately the case was dropped.

The March 2026 Shield of the Americas summit laid bare how the multiple fronts of imperialist violence in Latin America, together with the war against Iran, form interconnected parts of a single strategy for global domination and, more specifically, of the US buildup for war against China. Trump opened his address to the assembled Latin American heads of state with a boastful report on the destruction of Iran, claiming 42 naval vessels destroyed in three days. He then turned to "narcoterrorism" in Latin America, promising that Washington would fire missiles "right into the living room" of cartel figures.

The role of Peru's nominal "left"

That this project advances so openly is a measure of the political vacuum created by the total discrediting of the so-called "left," including the Together for Peru party of presidential candidate Roberto Sánchez and Verónika Mendoza's New Peru. These are bourgeois parties that fear a revolutionary upsurge more than anything else. Their message to capitalism is a plea for meager concessions—a few more misery-wage jobs and pauper's subsidies—lest the class struggle spin out of its control.

Add to this the discredited union confederations—the Stalinist CGTP, the Maoist SUTEP and the social-democratic CUT. These organizations function not as instruments of working-class struggle but as transmission belts for bourgeois policy, strangling every genuine fight from below.

Thoroughly disillusioned by disastrous "left" governments and candidates of the so-called Pink Tide, which served the interests of big capital rather than those of the masses, workers abandoned them, paving the way for the ascension of the far right.

It must be recalled that in the 1970s and 1980s—and in Brazil starting from 1964—South America was plunged into bloody dictatorships instigated by the CIA. US Secretary of State Henry Kissinger summed up US policy on June 27, 1970, declaring:

> I don't see why we need to stand by and watch a country go communist due to the irresponsibility of its own people. The issues are much too important for the Chilean voters to be left to decide for themselves.

Kissinger's words expressed US imperialism's unvarnished contempt for the democratic rights of the South American masses—then and now. The same logic drives Washington today: the masses cannot be permitted to determine their own fate.

This repugnant figure played a central role in creating Operation Condor, established in November 1975 in Santiago by the military dictatorships of Argentina, Bolivia, Chile, Paraguay and Uruguay—later joined by Brazil, Peru and Ecuador—with full CIA backing. The "Shield of the Americas" is Condor reborn.

The danger of the continent falling back into ruthless military rule is real. It can only be countered by building revolutionary parties across the Americas, sections of the International Committee of the Fourth International.

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