The Author

Dr. Ronald Bruce St John, a graduate of Knox College and the University of Denver, specializes in the political economy and foreign policy of Third World states. He first visited Bolivia, Chile, and Peru in 1968 and has been a regular commentator on Andean affairs since that time. His recent publications include *The Foreign Policy of Peru* (Lynne Rienner, 1992) and "Boundaries, Trade and Seaports: Power Politics in the Atacama Desert," Program in Latin American Studies Occasional Paper Series No. 28, University of Massachusetts at Amherst, 1992.

The opinions and comments contained herein are those of the author and are not necessarily to be construed as those of the International Boundaries Research Unit.
Contents

1. Introduction ............................................. 1
2. Early Claims ........................................... 1
3. Andean Rivalries ........................................ 4
4. Growing Economic Concerns ....................... 7
5. Deepening Conflict ..................................... 10
6. The War of the Pacific ................................ 12
7. Postwar Policies ....................................... 14
8. The Tacna and Arica Settlement .................... 18
9. The Bolivia-Chile Negotiations ..................... 19
10. Prospects ............................................. 25

References .................................................. 27

List of Figures

Figure 1: The Audiencia of Charcas, 1810 .......................... 3
Figure 2: Early Claims in the Atacama .............................. 5
Figure 3: The Treaty of Mutual Benefits, 1866 .................... 9
Figure 4: The Aftermath of the War of the Pacific ............... 15
Figure 5: Chilean proposal, 1975 .................................. 23
Figure 6: Peruvian Proposal, 1976 ............................... 23
The Bolivia-Chile-Peru Dispute in the Atacama Desert

Ronald Bruce St John

1. Introduction

The Atacama Desert, situated on the central-west coast of South America, is one of the more remote and inhospitable areas in the world. In spite of its location this arid, sparsely inhabited region occupies a unique place in the contemporary pantheon of outstanding boundary and territorial disputes. In a continent awash with territorial controversy the dispute in the Atacama Desert, which reflects the conflicting geopolitical ambitions of Bolivia, Chile, and Peru, stands apart as one of the most involved and intractable. It began before two of the disputants won their independence from Spain, and it is still active today although the salient issues have changed considerably over the last century.

A number of interrelated concerns combine to distinguish the Atacama Desert dispute from neighbouring territorial questions. Post-independence Bolivian politicians almost immediately characterised the issue as a question of national survival. Faced with a highly disadvantageous geopolitical position, the Bolivian government placed improved access to the Pacific coast at the very top of its early foreign policy agenda. With the discovery of, first, guano and later, nitrate deposits, the actual or potential wealth of the region subsequently influenced the diplomatic claims of the governments of both Chile and Peru. Consequently, the dispute soon involved a wide range of interrelated territorial, economic, and political issues which defied energetic, creative attempts at settlement. Over time the controversy reached beyond the original three protagonists to repeatedly involve other regional powers, including the governments of Argentina, Brazil, and the United States.

2. Early Claims

At the outset of the nineteenth century the Spanish colonial government still controlled the Pacific coast of South America. It divided the region into two administrative entities, the Viceroyalty of New Grenada and the Viceroyalty of Peru. Independence ended Spanish domination and shattered the boundaries of its former colonial territories. The Viceroyalty of New Grenada splintered into the independent states of Venezuela, Colombia, and Ecuador while Bolivia, Chile, and Peru emerged from the ashes of the former Viceroyalty of Peru. The case of Alto Peru, as Bolivia was known in the colonial period, was especially complicated. At first a part of the Viceroyalty of Peru, Alto Peru in 1776 was incorporated into the newly organised Viceroyalty of Río de la Plata (Escobar Cusicanqui, I, 1982: 105-120). In 1810, the Spanish government transferred jurisdiction over Alto Peru from a newly independent Buenos Aires back to a still loyal Peru, with the latter retaining control until both Peru and Alto Peru were liberated by forces loyal to Simón Bolívar (Burr, 1967: 24).

---

1 The author gratefully acknowledges the support provided for this research project by the highly professional staff at the Hunt Library, Carnegie Mellon University, especially Gerri Kruglak and Elizabeth Zambelli.
During the struggle for independence, the governments of Bolivia, Chile, and Peru joined other Latin American states in accepting the doctrine of *uti possidetis de jure* in 1810 as a guideline for establishing the boundaries of newly independent states. *Uti possidetis* was generally understood to say that each new state was entitled to the territory formerly under the jurisdiction of the colonial administrative area from which it was formed (Checa Drouet, 1936: 137-138). The doctrine of *uti possidetis* was of questionable validity under nineteenth century international law and it proved extremely difficult to apply in practice. In addition, the language employed by the Spanish crown to make territorial changes was frequently imprecise and unclear. Consequently, confusing and sometimes contradictory legal bases were often the only foundation for significant reforms to the Spanish colonial system (St John, 1977a: 323-324).

Given the circumstances, it is hardly surprising that the exact borders of the newly-proclaimed republics of Bolivia, Chile, and Peru were immediately a subject of acrimonious dispute. The Spanish government had made little effort to carefully delimit the boundaries of its colonial possessions since most of them lay in remote and sparsely inhabited areas which were of minimal importance to the Crown. With the establishment of independent republics, boundary issues assumed a new importance as they now involved questions of territorial possession which did not exist when the entire area belonged to Spain (García Bedoya, 1981: 50). At the same time, the wars of independence generated or accentuated personal and regional jealousies and these rivalries hardened as states fought for political and economic advantage. Separatist sentiment in the south of Peru, and to a lesser degree in northern Bolivia and northern Chile, added another element of discord to an already inflammatory situation (Herrera Alarcón, 1961: 13-250).

In the Atacama region, the Bolivian government in 1825 claimed some 560 kilometres of the remote Pacific coast of central South America. Bolivia argued that Spanish colonial maps placed the southern limits of the Audiencia of Charcas, an administrative sub-division of the Viceroyalty of Peru, variously along the Salado River or the Copiapó River to the south (Figure 1). Under the doctrine of *uti possidetis de jure*, the Bolivian government contended that it was entitled to similar frontiers. However, it later proved difficult to fix their exact location with even the course of the rivers in question (Espinosa Moraga, 1965: 21-27). In the early years of the dispute, the Chilean government did not advocate a specific boundary line. Its 1833 constitution simply claimed a territory extending from the Atacama Desert to Cape Horn without attempting to define exactly where in the Atacama its northern boundary commenced. In the face of such ambiguities the mouth of the Salado River appears to have been the most commonly accepted southern boundary for Bolivia, while the most realistic limit of effective Chilean settlement was the valley of the Copiapó River.

To the north, the frontier between Bolivia and Peru was more extensive and varied. The desert boundary was generally accepted to be the Loa River although the Peruvian government had laid claim to the coast as far south as Tocopilla (Figure 2). The Loa River was the only permanent stream to cross the Atacama Desert in nearly 800 kilometres and thus offered the additional advantage of being a potentially useful interior boundary between the two neighbours (Ulloa Sotomayor, 1941: 239-241). In short, Bolivia at independence claimed

---

2 Some Chilean scholars, including Francisco Encina, have argued that the Audiencia of Charcas never exercised jurisdiction over the Pacific coast; however, since the Intendancy of Potosí extended through the Atacama Desert to the Pacific Ocean, this line of reasoning must be rejected (Encina, 1963: 9-15)
Figure 1: The Audiencia of Charcas, 1810
a broad desert corridor between the Loa River and the Salado River with Peru and Chile making conflicting, overlapping claims to the north and south. At the time, more precise boundary definitions were judged both unnecessary and impossible due to the prevailing ignorance of the actual terrain (Fifer, 1972: 32-36).

The territorial claims of the Republic of Bolivia were greatly complicated from independence as the Liberator Bolívar had initially designated Cobija, as Boliviar's Pacific seaport. Cobija, a small port in the area between the Loa and Salado Rivers, was historically a minor customs control point for the Potosi silver trade. The Bolivian government almost immediately judged Cobija to be inadequate as Bolivia's principal port due to its distance from both the altiplano and traditional routes of commerce running through Peruvian territory to the port of Arica. In the belief that an alternate port facility was essential to the economic development of Bolivia and perhaps even to its survival as a viable economic unit, influential Bolivians quickly initiated the first of numerous attempts to secure the transfer to Bolivia of the Peruvian-owned port at Arica (Encina, 1963: 18-21).

Their diplomatic efforts promised early results when the Peruvian government on 15 November, 1826, ceded to Bolivia the Pacific littoral south of the Sama Valley from the 18th to the 21st parallels, including the port at Arica. The two governments at the same time concluded a treaty affirming a Bolivian Federation, but the Peruvian congress later refused to ratify either agreement thus frustrating this early Bolivian attempt to secure Arica (Wagner de Reyna, I, 1964: 72). While Bolivians continued to seek either the annexation of Arica or political union with Peru, Peruvian rejection of the 1826 pacts was a watershed event in the Atacama Desert dispute as it proved to be the only time the Peruvian government ever agreed to give Arica to Bolivia.

3. Andean Rivalries

The territorial disputes in the Atacama Desert were temporarily submerged after 1826 in the sea of power rivalries which swelled up over the possible union of Bolivia and Peru. A variety of attempts to create a Peru-Bolivia confederation encompassed some fifteen years of negotiations and armed conflict which only ended with the decisive defeat of Peruvian forces at Ingavi in 1841 (Basadre, I, 1968: 205-206). Internal opposition in Bolivia and Peru to the Peru-Bolivia Confederation created by Santa Cruz in 1836 centred on a mix of ethnic, social, economic and regional considerations. Lima and the north of Peru feared they might lose their hegemony over the nation while the mining-bureaucratic oligarchy of Chuquisaca and southern Bolivia feared they might lose their hegemony over Bolivia.

At the same time, Peruvians in Arequipa and the southern highlands were much attracted to the sort of decentralised confederation that Santa Cruz had in mind. In Bolivia, Santa Cruz received his greatest support from the La Paz area as commercially-minded Paeños stood to gain unencumbered access to the Peruvian port of Arica through confederation. For similar reasons, Bolivians in the Tarija and Santa Cruz regions opposed the plan because they feared it

---

Foreign consular reports suggest that the bulk of Bolivian trade as late as the 1850's flowed through Arica with only a small amount passing through Cobija. On this important point, observers like Herbert Klein have tended to exaggerate the volume of Bolivian trade handled by Cobija (Klein, 1969: 4).
Figure 2: Early Claims in the Atacama
would focus commercial interest exclusively on Pacific ports and thus impede trade with Argentina and Brazil (Pike: 1977: 121-122).

The Chilean government led external opposition to the Peru-Bolivia Confederation. Chilean grievances were complex, long-standing, and deep-seated. During the colonial period, haughty Limeños had looked down on their parochial neighbours to the south. The colonial economic system concentrated Pacific coast trade on Lima-Callao and, in effect, discriminated against Chile in favour of Peru. During the struggle for independence the Chilean government, at considerable cost, sent an army under San Martín to fight for Peru's liberation. According to Chilean accounts, the Peruvian government showed its ingratitude by treating Chilean soldiers and sailors shabbily and by refusing to compensate the Chilean government for the expense of its troops (Encina, II, 1956: 895-900). The treaty which covered war costs, together with a one million peso loan made by Chile to Peru after San Martín's departure, were pigeonholed by successive Peruvian governments, none of which attempted to fulfil the nation's obligations (Burr, 1967: 22-24).

Following the collapse of the Peru-Bolivia Confederation in 1839, the Peruvian government, obsessed with the thought that an exiled Santa Cruz might regain power in Bolivia and reconstitute the Confederation, moved to dominate its southern neighbour (Crespo, 1979: 347-348). Using the June 1841 revolution in Bolivia as a pretext, the Peruvian government declared war in July and invaded Bolivia in early October, occupying La Paz at the end of the month. After negotiations broke down, Bolivian forces soundly defeated the Peruvian invaders in November 1841 after a short but intense battle. The military victory of Bolivia was of considerable long-term significance to the Atacama Desert dispute as it ended Peruvian dreams of the annexation of the Department of La Paz, thus defining the southeastern frontier of Peru, and assuring the independence of the Republic of Bolivia (Parkerson, 1979: 347).

In early December 1841, a Bolivian force occupied Tacna. Shortly thereafter a Bolivian column seized the port of Arica. One week later, an army commanded by the president of Bolivia crossed the Desaguadero River and marched towards Puno. Opposed to a Bolivia-Peru war, for fear it would result in Santa Cruz's return to power, the unexpected Peruvian attack on Bolivia took the Chilean government by surprise. When the Bolivian government then invaded Peru and seemed about to demand the port of Arica as the price for peace, Chile instructed its diplomatic representative in Lima to seek Bolivian evacuation and a peace treaty guaranteeing the territorial status quo ante bellum (Basadre y Chocano, 1953: 119-127). The governments of Peru and Bolivia, after prolonged negotiations, eventually agreed to Chilean mediation. Peru accepted with the understanding it would not have to cede territory and that the Bolivian armed forces would withdraw from Peru as soon as a peace treaty was signed. The Chilean mediation was successful; and a peace treaty was signed at Acora on 7 June 1842. Peru lost the war but won the peace as the pact provided for Bolivian withdrawal from Peru while affirming the unalterable friendship of the former belligerents (Basadre, II, 1968: 237-245).

During its temporary occupation of Arica, the Bolivian government offered to buy the port from Peru going so far as to seek a British guarantee in the event of outside intervention. This Bolivian initiative was eventually frustrated both by the British government's refusal to provide the requested guarantee and the Peruvian government's refusal to sell. Forced to withdraw behind the Desaguadero River, the 1842 treaty did not end Bolivian aspirations for Arica but it did mark the end of any realistic probability that it would ever obtain the Peruvian seaport. In the aftermath of its failure to buy Arica, the Bolivian government again turned its attention to
the development of Cobija. Renewed efforts to expand the port were marked with limited success largely because of its limited water supply coupled with its remote location some six hundred miles from Bolivian population centres in the altiplano (Fifer, 1972: 47-48).

4. Growing Economic Concerns

As Peru and Bolivia clashed over control of the port at Arica, the broader dispute in the Atacama Desert entered a new and what was to prove decisive phase. Conflicting territorial claims along the Pacific coast became inextricably enmeshed in a heightened rivalry over control of newly discovered riches in the region. While the Chilean government initially had made vague claims to a northern frontier in the Atacama, it had never seriously challenged the Bolivian government's claim to a boundary as far south as the Salado River. Chilean indifference to the exact location of its northern boundary ended with the discovery of the commercial value which local deposits of guano, the leavings of sea birds, had as fertiliser (St John, 1977b: 45-46).

When Peruvians discovered rich deposits of guano along their coast in 1842, the Chilean government dispatched an exploratory survey into the Atacama Desert as far north as Mejillones near the 23rd parallel. The results of the survey were very encouraging; and based on them, Chile declared that its northern frontier was now the Mejillones parallel (Mathew, 1970: 112-128). It added that all guano deposits south of that parallel were Chilean property and exploitable only under concession. The Chilean declaration reasoned that deserts, like rivers, should be divided along their median line and used this rationale to justify its claim to the 23rd parallel. The Bolivian government vehemently protested the new territorial pretensions of Chile and demanded the latter recognise Bolivian sovereignty north of the Salado River along the 26th parallel (Dennis, 1931: 30-34).

The dispute between Bolivia and Chile over the ownership of the Atacama Desert dragged on after 1842. Over the next two decades, the Bolivian government sent no less than six diplomatic missions to Chile in an effort to resolve the controversy. At the same time Bolivian scholars engaged in exhaustive archival research in an effort to prove that the Bolivian legal case to the disputed areas, under the doctrine of uti possidetis de jure, was more conclusive than the existing de jure case and growing de facto case of Chile (Escobari Cusicanqui, I, 1982: 105-118; Burr, 1967: 74 and 89-90). In the interim, the Chilean government continued to exploit the rich guano deposits and, by 1847, it felt sufficiently in command of the local situation to demonstrate its de facto jurisdiction by occupying the port of Mejillones at the 23rd parallel (Fifer, 1972: 53-55)\(^4\).

Peru, in 1860, controlled some 375 kilometres of the nitrate-rich Atacama Desert including the coastal provinces of Tacna, Arica, and Tarapacá. Bolivia now claimed only the 385 kilometres which ran from its River Loa boundary with Peru south to the 25th parallel. Bolivia's southern boundary was contested by Chile, and the discovery of vast new mineral deposits in the Mejillones region again brought the controversy to a boil early in the decade. Feelings ran so high that the Bolivian National Assembly, called into session on 27 May 1863, empowered the

\(^4\) The Bolivian government also continued efforts to secure the port of Arica. On 14 October, 1845, the Bolivian ambassador to Chile presented the Chilean foreign minister with a memorandum outlining the Bolivian case for a Pacific port and requesting Chilean assistance in securing the cession of Tacna and Arica to Bolivia (Encina, 1963: 31, 40-45, and 173-174).
chief executive to declare war with Chile if an honourable settlement to the dispute could not be found (Galindo Quiroga, 1977: 42).

At this point, the so-called Spanish intervention diverted the attention of, first, Peru and later, Bolivia and Chile as the Andean republics allied to oppose Spanish aggression. Taking advantage of this moment of anti-Spanish solidarity the governments of Bolivia and Chile negotiated a treaty in 1866, often referred to as the Treaty of Mutual Benefits, in which both parties renounced a part of the territorial and mining rights they had been claiming in the Atacama Desert. The treaty placed their boundary in the region at the 24th parallel, but it also introduced a controversial condominium provision over the territory between the 23rd and 25th parallels (Figure 3). In this zone, Chilean and Bolivian interests were assured equal rights. The two governments agreed to split equally both the proceeds from the guano deposits and the tax revenues realised from the production and sale of mineral resources. The agreement also called for the Bolivian government to open up the bay and port of Mejillones and to establish a customs house there (Querejazu Calvo, 1979: 60-65).

The settlement was a generous one for Chile. Fixing the frontier at the 24th parallel advanced early Chilean claims by some three degrees. The condominium provision also favoured Chile. In effect, the Chilean government would receive half the customs due from minerals exported between the 23rd and 24th parallels while the Bolivian government would receive the same consideration between the 24th and 25th parallels. These terms were advantageous for Chile because the richest mineral deposits were north of the 24th parallel. Equally important, the terms of the treaty encouraged efficient, aggressive Chilean business interests to exploit the region. The Chileans soon poured in large quantities of capital, managerial and technical skill, and hard-working labour. In short order, they created in the Atacama Desert a mining-industrial complex which was vastly superior to anything the Bolivians could have hoped to achieve in the foreseeable future (St John, 1992a: 8-10).

In the course of the 1866 negotiations the Chilean government offered to help Bolivia appropriate the Peruvian provinces of Tacna and Arica. In return, the Bolivian government was to renounce its claim to the territory between the coastal settlements of Paposo and Mejillones or even as far north as the Loa River. While Bolivia eventually declined this offer, its terms were an accurate reflection of Chilean ambitions in the littoral. The Chilean proposal also marked a resurgence of the old argument that Arica was the natural Pacific port for Bolivia, an idea which surfaced as early as the independence era (Wagner de Reyna, 1962: 126; Querejazu Calvo, 1979: 9-12).

The terms of the 1866 treaty were strongly criticised in Bolivia, both by Bolivians opposed to President Melgarejo’s administration and by the few Bolivians knowledgeable about the littoral region. Earlier Chilean pressure for an extreme claim to the 23rd parallel coupled with its subsequent acceptance of the 24th parallel with an air of compromise appeared hypocritical to Bolivians who believed they were entitled to a border as far south as the 27th parallel (Espinosa Moraga, 1965: 96-102). In addition, the treaty permitted Chilean activity as far north as the 23rd parallel, which soon became the area of major Chilean interest because the richest guano deposits were located around Mejillones in the 23rd-24th zone (Escobari Cusicanqui, I, 1982: 129-130).

---

5 A copy of the 1866 treaty can be found in Dennis (1927: 49-50).
Figure 3: The Treaty of Mutual Benefits, 1866
5. Deepening Conflict

About the time the Treaty of Mutual Benefits was being negotiated, two Chilean prospectors discovered rich nitrate deposits in the Atacama Desert behind the future site of the port of Antofagasta. The economic and political repercussions of these deposits quickly proved much stronger than the earlier discovery of guano. The value of the nitrate holdings and soon-to-be discovered silver deposits invigorated the incipient competition for hegemony on the west coast of South America. At the same time, these new developments inflamed the territorial disagreement between Bolivia and Chile over control of the Atacama Desert. Bolivia's claim to a Pacific port, in particular, became intertwined in the growing rivalry between Chile and Peru. In consequence, it soon became impossible to conceive of a solution amenable to Bolivia which did not also involve the direct interests of its neighbours (Bonilla, 1980: 140-142; Galindo Quiroga, 1977: 47-50).

Differing interpretations of the 1866 treaty soon complicated diplomatic relations between Bolivia and Chile. The agreement did not specify by name the individual items from which Chile was to derive half the fiscal revenues under the condominium provision, and the Bolivian government tried to limit their number with predictably caustic results. In an apparent effort to avoid sharing customs receipts, the Bolivian government also sought to export minerals extracted from the shared zone through the northern port of Cobija (Burr, 1967: 118-119). A related controversy centred on a Bolivian contention that Caracoles, an immensely valuable silver deposit discovered in 1870, did not lie within the zone of condominium. With the ousting of the Melgarejo administration in 1871, the new Bolivian government hoped to revise the terms of the 1866 treaty and thus abolish the condominium aspects of the pact. When this was not forthcoming the Bolivian National Assembly declared null and void all acts of the Melgarejo administration and made it clear that the 1866 treaty was in jeopardy (Santa María, 1919: 307-309).

Faced with an overt challenge to Chilean rights in the Atacama, the new Chilean administration of President Federico Errázuriz Zañartu attempted to deal with the Bolivian threat through direct negotiations. After six months of difficult talks, representatives of Bolivia and Chile agreed on 5 December 1872 to a pact which many observers thought might prove to be a definitive settlement to the littoral dispute (Loveman, 1979: 157-158). The Lindsay-Corral Protocol gave Chile the right to appoint customs officers to work alongside their Bolivian counterparts in the condominium zone, stipulated that tax rates could not be modified unilaterally, and confirmed Bolivian acceptance of nitrates and borax as products included in the terms of the 1866 treaty (Peñaloza Cordero, IV, 1984: 145-156). The Chilean government described the agreement as nothing more than a clarification of the treaty of 1866 and claimed its rights had not increased but an influential segment of Bolivian opinion felt the agreement represented an important increase in Chilean influence in the disputed area. Consequently, considerable opposition to it arose in the Bolivian National Assembly (Querejazu Calvo, 1983: 37-43).

---

6 The port of Antofagasta was founded in 1868; and although it soon became the largest town in the Bolivian littoral, its population was always overwhelmingly Chilean. The Caracoles silver complex was also situated in Bolivian territory; but the miners, most of whom were Chilean, exchanged Chilean currency and applied Chilean law (Fifer, 1972: 57-58).
The Peruvian government, concerned the Lindsay-Corral Protocol would result in an increase in the regional influence of Chile, urged Bolivia to reject it. Afraid rejection might lead to a break in diplomatic relations with Chile, the Bolivian government refused to take this action without first concluding an alliance with Peru (St John, 1977b: 49-51). In early November 1872 the Bolivian assembly authorised the government to negotiate and ratify a Peruvian alliance without submitting it to the legislature for approval (Querejazu Calvo, 1979: 115-116). Less than two weeks later the Peruvian cabinet agreed to support Bolivia in opposing Chilean demands which Peru considered unjust and threatening to the independence of Bolivia. Negotiations began almost immediately and in early February 1873, Peru and Bolivia concluded a treaty of defensive alliance which guaranteed the independence, sovereignty, and territorial integrity of the signatories. The pact gave the party appealed to rather than the party allegedly aggrieved the right to decide if the treaty should be invoked. At the same time, it called for the conciliatory settlement of all disputes with arbitration highlighted as an often successful approach. Finally, an additional article stipulated that the treaty should remain secret as long as the contracting parties, by common accord, agreed that its publication was unnecessary7.

The 1873 treaty was widely discussed yet poorly understood. On the surface, it appeared to be nothing more than a defensive treaty of mutual assistance. Peruvians were virtually unanimous in their opinion that there was nothing in the treaty which could justifiably cause alarm to a neighbouring state. Chilean scholars and polemists, on the other hand, argued strongly that the language of the treaty did not agree with the actions of the signatories which suggested it was really an offensive instrument directed at Chile. The subsequent efforts of Peru and Bolivia to make Argentina a party to the agreement only contributed to the controversy over whether it was an offensive or a defensive instrument (St John, 1992b: 98-100).

In the autumn of 1873 representatives of Bolivia and Chile reopened talks. After a year of difficult negotiations they concluded an agreement in August 1874 which replaced the 1866 treaty. Known as the Treaty of Sucre, the pact recognised the 24th parallel as the boundary between Bolivia and Chile and, except for retention of its claim to 50% of the region's guano deposits, Chile relinquished its former rights of condominium8. While such provisions were clearly favourable to Bolivia, Chile did receive a 25 year guarantee against tax increases on Chilean commercial interests and their exported products (Peñaloza Cordero, IV, 1984: 153-156). At the time, the Bolivian government had recently negotiated a new contract with the Antofagasta Nitrate and Railroad Company which stated that no additional taxes would be levied for a period of fifteen years beginning 1 January 1874. In the latter treaty, Bolivia also agreed to establish Mejillones and Antofagasta as permanent ports on the Bolivian littoral. The Treaty of Sucre, as amended by a complementary treaty in 1875, abrogated in its entirety the 1866 Treaty of Mutual Benefits. The 1874 treaty temporarily relieved tensions on the Pacific coast of South America. While considerable friction continued to characterise Bolivian-Chilean relations, the final crisis leading to the War of the Pacific did not develop for another four years.

---

7 A copy of the 1873 treaty can be found in Lecaros Villavisencio (1983: 17-20).
8 A copy of the Treaty of Sucre can be found in Millington (1948: 154-155).
6. The War of the Pacific

The Bolivian government in 1873 had confirmed and extended the concessions of the Antofagasta Nitrate and Railroad Company, an extensive industrial complex formed at the beginning of the decade by the merger of several smaller Chilean companies. When the Bolivian National Assembly later delayed granting formal approval for those concessions, the Antofagasta Nitrate Company continued to operate unmolested under the terms of the 1873 agreement. Five years later the Bolivian National Assembly finally approved the 1873 understanding but only with the stipulation that the Antofagasta Nitrate Company must pay a higher export tax on its products than the level stipulated in the Treaty of Sucre (O'Brien, 1980: 16-17). The new tax, 10 centavos per hundred-weight on all nitrates exported by the Antofagasta Nitrate Company, was in reality only slightly higher than the rate the company previously had been paying. While the 10 centavo tax obviously conflicted with the terms of the 1874 treaty with Chile, the official stand of the Antofagasta government, a position supported by the Daza administration, was that the new assessment was an internal affair which did not affect Chile. In December 1878, the Bolivian government announced its intention to enforce the new tax and demanded that the company pay the higher rate for calendar year 1878 (Peñaloza Cordero, IV, 1984: 171-173).

In Chilean eyes, the 10 centavo tax voided the compromise reached in 1872-1874 when Chile recognised the 24th parallel in return for a Bolivian pledge to renounce new taxes for 25 years. Over the next twelve months, numerous proposals and counterproposals were made; but none slowed the inexorable march towards war. When the Daza administration cancelled the concession of the Antofagasta Company and set 14 February 1879 as the date for the sale of company assets, the Chilean government responded by ordering Colonel Emilio Sotomayor, commandant of its military college, to prepare for an occupation of the Bolivian littoral to the 23rd parallel. After the Chilean warships Cochrane and O'Higgins joined the Blanco Encalada in the bay of Antofagasta, several hundred Chilean troops landed on 14 February 1879 and occupied the port. Chilean troops also seized Mejillones and the silver mines at Caracoles and, when Bolivia reinforced its army and moved to activate the 1873 treaty with Peru, they occupied Cobiya and Tocopilla. The Calama Oasis was also seized to prevent Bolivia from moving troops to the coast from the interior (Fifer, 1972: 61-62).

Once Bolivia declared war on 14 March 1879 the Chilean government demanded from Peru a categorical denial of the existence of a Peru-Bolivia alliance. Under extreme diplomatic pressure, the Peruvian government was forced to detail the terms of the alliance to Chilean officials arguing that it was a purely defensive treaty which was not directed against Chile. Peruvian officials also emphasised that the terms of the treaty, one article of which left each signatory free to decide whether a given case required its active support on behalf of the other, left Peru free to mediate in good faith. Chile at once demanded that Peru abrogate the alliance, cease its preparations for war, and issue a declaration of neutrality. Afraid that Bolivia might quickly settle with Chile and join the latter in despoiling Peruvian nitrate deposits in Tarapacá, the Peruvian government adamantly refused to disavow its treaty with Bolivia. Convinced that further negotiations would be pointless, the Chilean government, on 5 April 1879 declared war on both Peru and Bolivia (Sater, 1986: 11-12).

Even though the 1873 treaty and the imposition of the 10 centavo tax proved to be the casus belli, there were deeper, more fundamental reasons for the outbreak of hostilities in 1879. On the one hand, there was the power, prestige, and relative stability of Chile compared to the
economic deterioration and political discontinuity which characterised both Peru and Bolivia after independence. On the other, there was the ongoing competition for economic and political hegemony in the region, complicated by a deep antipathy between Peru and Chile. In this milieu, the vagueness of the boundaries between the three states, coupled with the discovery of valuable guano and nitrate deposits in the disputed territories, combined to produce a diplomatic conundrum of insurmountable proportions (Bonilla, 1974: 119-159).

Looking to Peruvian nitrates to indemnify itself for the expense of war, the Chilean government again attempted to detach Bolivia from Peru by exploiting the former's deep-felt need for a Pacific port. The Chilean government hoped to trade Bolivian incorporation of the Peruvian provinces of Tacna and Arica for Chilean sovereignty over the littoral between the 23rd and 24th parallels, as well as the coastal region north of the Loa River. In April 1879 Bolivia received two Chilean overtures which urged it to cooperate with Santiago in despoiling the Peruvian littoral. In late May 1879 Chile formally proposed to Bolivia an agreement in which the latter would grant Chile possession of the littoral to 23 degrees south latitude. In return Chile would help Bolivia to seize enough territory from Peru to readjust its boundary and secure an easy means of communication with the Pacific. During the October 1880 Arica Conference, Chilean officials renewed their efforts to detach Bolivia from Peru when they reportedly assured their Bolivian counterparts that the May 1879 bases for peace were still available (Querejazu Calvo, 1983: 109-110 and 116-117).

The Treaty of Ancón, which was concluded in October 1883, reestablished peace along the west coast of South America. Of the fourteen articles in the treaty, nine referred to either guano or nitrates. In Article II, the Peruvian government ceded to Chile unconditionally and in perpetuity the littoral province of Tarapacá, the location of most of its valuable nitrate holdings. In Article III, it agreed to a Chilean occupation of the provinces of Tacna and Arica for ten years after which time a plebiscite was to be held to decide their permanent ownership (Figure 4). Unfortunately, the terms of the plebiscite were not detailed, an omission which contributed to abortive efforts, stretching over four decades, to conduct the plebiscite. While the signatories held differing interpretations as to the significance of the plebiscitary article, most Peruvian observers felt it effectively dashed any remaining Bolivian hopes to obtain Arica. Neither Tacna nor Arica contained guano or nitrate holdings of significant value compared to the deposits further south but the loss of Tarapacá imposed on every Peruvian government after 1883 the responsibility to regain at least Tacna and Arica. In turn, Chilean acquisition of Tarapacá effectively precluded Bolivia regaining its littoral as Chile could not be expected to give Bolivia territory which would separate Tarapacá from the rest of Chile. Under the terms of the agreement, the winner of the plebiscite was to pay the loser 10 million Chilean pesos or the equivalent in Peruvian soles.

While the Treaty of Ancón greatly benefited Chile, its terms were widely condemned in Bolivia and Peru. The victor took as spoils the single most important source of Peruvian and Bolivian wealth - the mineral rich Atacama Desert - along with Bolivian access to the Pacific Ocean. Over the next several decades, this desert wealth proved to be a critical element in the socio-economic and political development of Chile. Nevertheless, ratification of the treaty was not secured without some difficulty in Chile. The most formidable obstacle was the negative attitude of foreign governments whose citizens feared they might lose the money they had invested in Peruvian guano and nitrate loans. The question of bondholder claims remained unresolved.

9 Copies of the Treaty of Ancón and the Supplementary Protocol can be found in Peru (I, 1936: 165168).
unsettled for years but in the end it was not enough to block ratification of the Treaty of Ancón (Burr, 1967: 163-164).

The Bolivian government in December 1883 opened formal peace talks with Chile; negotiations which soon revealed a new Bolivian strategy for obtaining a seaport. Bolivian representatives throughout the talks pressured their Chilean counterparts to grant Bolivia access to the ocean either in the form of a corridor through Chilean territory or by modifying the Treaty of Ancón and ceding Bolivia the occupied provinces of Tacna and Arica. Chile refused to sacrifice its own territorial continuity by granting a corridor and pointed out that it could hardly cede Tacna and Arica since it did not own them. Chilean representatives also emphasised to their Bolivian counterparts the strength of the Peruvian sentiment attached to Tacna and Arica and advised that it was most unlikely that Peru would ever agree to their cession. When Bolivia continued to insist on the inclusion of a seaport provision in the peace treaty, Chile proposed an indefinite truce until the related issue of a plebiscite on Tacna and Arica was resolved (St John, 1977b: 54-55).

On 4 April 1884 Bolivia and Chile concluded a formal truce agreement which provided for Chilean occupation of the Bolivian littoral pending conclusion of a treaty of peace. The agreement also provided for the mutual return of sequestered Chilean and Bolivian property, and the Bolivian government agreed to pay Chile an indemnity for war-related damages. A three-member commission, consisting of a Bolivian, a Chilean, and a neutral, was established to resolve disputes over the indemnity payment. Commercial relations were restored on the basis of free trade between the two states. At Arica Bolivian customs duties were divided with 25% going to Chile, 40% going to pay the indemnity and to repay an 1867 Chilean loan to Bolivia, and the remaining 35% going to Bolivia\textsuperscript{10}. An explanatory protocol, added on 30 May 1887, detailed the distribution of customs revenues at Arica, discussed the operation of the arbitration commission, and provided for the maintenance of communication lines between Tacna and Potosí.

7. Postwar Policies

After 1884, Chilean policy towards the governments of both Bolivia and Peru underwent a major reorientation. In the process, the Atacama Desert dispute assumed new dimensions and moved in fresh directions. Initially the Chilean government sought to buy both Tacna and Arica from Peru in order to turn them over to Bolivia and thus satisfy the latter's demand for a Pacific outlet as well as solidifying Chilean hegemony on the west coast of South America. When this approach failed, Chile pursued a policy of purchasing Tacna and Arica, not for subsequent transfer to Bolivia, but to remain a permanent part of Chile to serve as a buffer zone for Tarapacá (Burr, 1967: 181-183 and 190-191). As part of such a final settlement, the Chilean government hoped to conclude new economic agreements with Bolivia which would solidify Chilean political influence on its northern neighbour (Ríos Gallardo, 1959: 11-32).

\textsuperscript{10} For the text of the 1884 truce see Chile (1884: xxiv-xxviii).
Figure 4: The Aftermath of the War of the Pacific
On 18 May 1895 after several months of negotiations, representatives of Chile and Bolivia signed three related agreements. The first was a treaty of peace in which Bolivia, in exchange for Chilean assumption of certain Bolivian financial obligations, recognised Chilean sovereignty over its former littoral and over a section of the high Puna de Atacama adjacent to the littoral, which, although under Chilean occupation, had been ceded earlier by Bolivia to Argentina. The second was a treaty of commerce which combined a reciprocal trade agreement with mutual guarantees for the protection of nationals. It also included provisions for railroad construction. The third, and by far the most important agreement in terms of the Atacama Desert dispute, was a secret commitment on the part of Chile to transfer Tacna and Arica to Bolivia if it acquired those provinces through a plebiscite or direct negotiations. If Chile was unable to acquire them, it agreed to transfer to Bolivia sovereignty over the zone from the Cove of Vitor to the Valley of Camarones, an area in the southern part of the province of Arica and thus not legally a part of Chile.

In two subsequent agreements, dated 9 December 1895 and 30 April 1896, representatives of Chile and Bolivia agreed that the three treaties concluded on 18 May 1895 constituted an integral and indivisible accord. Chile also agreed with Bolivia that the cession of the Bolivian littoral to Chile would be voided if Chile did not deliver Tacna and Arica or at least the zone and port provided for in the treaty of transfer. Moreover, if the signatories failed to ratify all three of the May 1895 pacts, none of them would become operative.

Although Chile ultimately ratified only the principal treaty ceding to itself the Bolivian littoral, the three treaties detached Bolivia from a potential entente with Argentina and clearly gave it a strong interest in the Chilean acquisition of Tacna and Arica. For these reasons, influential Bolivians later argued that the 1895 accords were a serious mistake as they alienated Bolivia from Peru and thus set the stage for a final settlement which left Bolivia without an exit to the sea. Upon learning of the agreements the Peruvian government vigorously protested their terms to both signatories. Peru indicated that it would never renounce its intention to regain Tacna and Arica and vowed not to cede any part of its territory to Bolivia, Chile, or a third country. The inflexible Peruvian response, while hardly surprising, raised questions in Chile as well as Bolivia as to the wisdom and viability of the May Accords (Basadre, X, 1968: 322; Rios Gallardo, 1959: 26).

In the Billinghurst-Latorre protocol, concluded in April 1898, the Chilean government agreed with Peru that voter eligibility in a plebiscite for Tacna and Arica would be decided by the Spanish government and that the election itself would be conducted by a three-man board consisting of a Peruvian, a Chilean, and a member designated by the Spanish government. The 1898 protocol did not violate the May 1895 treaties because Bolivia could still have Tacna and Arica if Chile won the plebiscite. Nevertheless, it signalled another major shift in Chilean policy because it set the stage for the conduct of a fair plebiscite, and the Chilean government knew it could not win a fair election (St John, 1977b: 59). As the Peruvian government savoured its diplomatic victory, the Chilean government approached Bolivia on the possibility of a final peace treaty which did not include provision for a Bolivian seaport. In this manner postwar Chilean policy towards Bolivia changed from one of desiring a strong, friendly Bolivia in possession of a Pacific port to one of seeking a definitive peace settlement which recognised

11 For the text of the 1895 treaties see Barros Borgoño, 1897: 129-135.
12 For the text of the Billinghurst-Latorre protocol see Chile, 1922: 141-147.
Chilean sovereignty over the former Bolivian littoral. In compensation, the Chilean government was willing to assume certain Bolivian debts and to construct a railroad from Bolivia to a Chilean seaport through which Bolivian goods would pass duty free (Fifer, 1972: 65-66).

On 20 October 1904 Chile and Bolivia concluded a treaty of peace, friendship, and commerce. In the final settlement, Bolivia ceded to Chile in perpetuity the former Bolivian littoral, including the ports of Mejillones, Cobija, Tocopilla, and Antofagasta. In return, the Chilean government guaranteed Bolivia commercial transit rights through Chile together with facilities at selected Chilean ports, notably Arica and Antofagasta. Chile also agreed to pay Bolivia 300,000 pounds sterling and promised to build a railroad from the port of Arica to La Paz. These improved links to the sea through Chile proper and Chilean-occupied territory, together with those already in existence through Peru, largely undermined the traditional Bolivian claim to be without adequate outlets to the Pacific.

Widely criticised in Bolivia, the 1904 treaty represented a major diplomatic victory for Chile as it ended, on essentially Chilean terms, a long and troublesome deadlock. On the Tacna and Arica issue, the treaty tied Bolivian fortunes to those of Chile because Bolivia could now be assured of a long-term commercial outlet at Arica only if Chile secured permanent sovereignty over the occupied provinces. Similarly, Chilean sovereignty over Tacna and Arica was necessary to ensure the favourable demarcation between Bolivia and the two provinces promised by Chile in a secret additional agreement to the 1904 treaty. Other terms of the treaty also buttressed Chile's de jure and de facto claims to the disputed provinces. Both the treaty provision relating to the demarcation of Tacna and Arica and the Chilean commitment to build a railroad through Arica were subsequently used by Chile as evidence that it was exercising effective sovereignty over the region (Burr, 1967: 257-259).

Over much of the next two decades, the Bolivian government continued to agitate for a Pacific seaport with the ruling party pressing for an outlet through Arica. The Bolivian plenipotentiary in Lima made an informal overture to the Peruvian government in 1910 asking if it would consider resolving the Tacna and Arica question by having both Peru and Chile renounce their aspirations in favour of Bolivia. The Peruvian government refused to entertain this suggestion and informed the Bolivian representative that Peru would never consider giving Tacna and Arica to Bolivia. At the same time, Bolivian extra-legal arguments for a port weakened further with the completion in 1913 of the Arica to La Paz railway provided for in the 1904 treaty (Paz Soldán, 1920: 43-47; Encina, 1963: 263-271).

At the end of World War I the idealistic statements of United States President Woodrow Wilson concerning the dawn of a new world order encouraged the governments of both Bolivia and Peru to think the League of Nations might help them to resolve the Atacama Desert dispute. On 1 November 1920 Mariano H. Comejo, the president of the Peruvian delegation to the League, addressed a letter to the secretary-general requesting that the first League Assembly, scheduled to meet in Geneva on 15 November, consider and revise the Treaty of Ancón. The Peruvian representative demanded the return of Tacna, Arica, and Tarapacá both because the new concept of international law rejected territorial annexation by force and because the Chilean government had annulled the Treaty of Ancón by systematically violating the clauses favourable to Peru (Wagner de Reyna, I, 1964: 141-142).

---

13 A copy of the 1904 treaty can be found in Dennis (1927: 232-234).
On the same day, the Bolivian government presented a related request to the League which demanded the return of the Bolivian littoral. The Peruvian note indicated that the Peruvian government acknowledged and supported the Bolivian proposal. League action was forestalled when the secretary-general informed Peru and Bolivia that their requests had been submitted too late to be considered in 1920. On 2 December 1920 the Peruvian government formally withdrew its request but reserved the right to place the Tacna and Arica issue before the League at a later date by which time it hoped the United States would be a member. The Bolivian government resubmitted its request for a revision of the 1904 treaty in 1921, but this time the League refused to consider the question arguing that it had no power to modify a treaty (Kelchner, 1930: 103-106).

8. The Tacna and Arica Settlement

After the League of Nations refused to address the seaport issue, the Bolivian government returned to its earlier policy of active involvement in any solution to the Tacna and Arica dispute. On 21 December 1921 Bolivia invited representatives of Chile and Peru to participate in a tripartite conference made up of nations vitally interested in the grave questions of the Pacific. The Bolivian invitation, which argued that the nationality of the provinces of Tacna and Arica was not the only question which existed as the result of the War of the Pacific, expressed the essence of its diplomatic position for the next eight years when it argued that an international conference was needed to resolve all such issues (Espinosa Moraga, 1965: 343-346; Escobar Cusicanqui, I, 1982: 155-161). The Chilean government quickly declined the Bolivian invitation on the grounds that the negotiations pending between Chile and Peru concerned an international treaty concluded by those two parties and in which Bolivia had no direct interests. The Peruvian government declined shortly thereafter stating that while Bolivia's desires were legitimate it was forced to give a negative reply because of the position taken by the Chilean government (Peru, Memoria, 1921: 2-23).

The inability of the Bolivian government to involve itself in these preliminary discussions in 1921-1922 signalled the bankruptcy of its policy to regain a Pacific port through a tripartite settlement. Excluded from the early negotiations, Bolivia was also barred from the 1922 Washington Conference between Chile and Peru, the United States arbitration of the Tacna and Arica controversy, and the final bilateral settlement negotiated by Chile and Peru in 1929. Bolivia's self-proclaimed rights to a Pacific port were not seriously considered at any point after 1921 in the prolonged negotiations which eventually led in 1929 to a resolution of the Tacna and Arica dispute.

Concurrent with Bolivian efforts to involve itself in the ongoing bilateral negotiations between Peru and Chile, the Bolivian government also lobbied the United States government to use its good offices to help it obtain a Pacific outlet. With the termination of the Tacna-Arica plebiscitary proceedings in 1926, this second facet of Bolivian policy appeared more promising when the United States Secretary of State called for the cession of both Tacna and Arica to Bolivia (Memorandum of Conversation by the Chief of the Division of Latin American Affairs, 5 May, 1924, FR, 1924, I: 320-322). The Chilean government accepted this proposal conditionally stating that any such agreement would have to stipulate that the Bolivian government could never transfer all, or even a part of, Tacna and Arica to another nation (Ríos Gallardo, 1959: 228-229). The Peruvian government rejected the proposal on the grounds that it could not abandon the Peruvian citizens living in the occupied provinces. Since the Chilean
The Bolivian government had sabotaged the plebiscite provided for in the Treaty of Ancón, the Peruvian reply continued, the Peruvian government was now fully entitled to the possession of both Tacna and Arica (Peru, Memoria, 1927: xli-lvi).

After a difficult round of negotiations, representatives of Peru and Chile signed the Tacna and Arica Treaty and Additional Protocol in early June 1929. The treaty divided ownership of the former Peruvian provinces with Tacna going to Peru and Arica to Chile (Figure 5). In addition, the Chilean government agreed to grant Peru a wharf, customs office, and railway station at Arica Bay as well as to pay Peru a $6 million indemnity. On the Morro of Arica, Peru and Chile agreed to build a monument to commemorate the improvement in diplomatic relations. The most significant proviso of the additional protocol stipulated that neither Peru nor Chile could cede to a third state any of the territories over which they were granted sovereignty in the 1929 treaty without the prior agreement of the other signatory. It also provided that neither signatory could build new international railway lines across those territories without the approval of the other14.

In the aftermath of the 1929 treaty and additional protocol, the Bolivian government continued to articulate a need for improved access to the Pacific Ocean. In the spring of 1936, a Peruvian opposition party approached Bolivia with an offer to support Bolivian efforts to obtain the port of Arica in return for political and military assistance. Motivated by ideological compatibility and the belief that a new government in Peru could assist Bolivia to obtain Arica from Chile, the Bolivian government responded in August 1936 with an offer of arms and ammunition. Aware of the plot, the Peruvian government reacted quickly to forestall Bolivian support. In September 1936, Peru and Bolivia signed a nonaggression pact which prohibited intervention in the internal or external affairs of the signatories (Peru, Memoria, 1936: iv-viii; and 1937-1939: vii-viii). In the treaty, the Bolivian government traded a guarantee of free transit of goods for a declaration that it had no political or territorial problems with Peru (Ulloa Sotomayor, 1941: 277-286 and 339). In theory, this agreement ended Bolivian aspirations for a seaport at Peruvian expense and, for this reason, it was vigorously attacked in Chile where it was seen as a major diplomatic defeat (St John, 1977b: 70).

9. Bolivia-Chile Negotiations

The Bolivian government in June 1950 attempted to revive the issue when it proposed to Chile direct negotiations aimed at granting Bolivia a sovereign exit to the Pacific Ocean. The Chilean government agreed to discuss the question, but its response raised the issue of compensation and emphasised that under the terms of the 1929 treaty it was obliged to consult with Peru. Negotiations made little progress after this initial exchange. Many Bolivians opposed a related Chilean scheme which suggested that compensation for a Pacific port take the form of water from the Bolivian altiplano for use in the economic development of Tacna and Arica. Popular opposition to a settlement also developed in Chile especially in the northern part of the country. The Peruvian government, drawing support from a variety of political forces, opposed any negotiations aimed at granting Bolivia territory which had once been part of Peru. In addition, Peru was adamantly opposed to the Chilean suggestion that the waters of Lake Titicaca be used to compensate Chile for a Bolivian port. The Peruvian government had long considered those

14 A copy of the 1929 treaty and additional protocol can be found in Peru (I, 1936: 183187).
waters held in condominium by Bolivia and Peru for their exclusive use (Fernando Guachalla, 1976: 34-104; Fellmann Velarde, 1967: 81-121 and 146-148).

Less than a decade later, the Bolivian government for the first time tied its interest in an outlet to the sea to an outstanding dispute with Chile over the use of the Lauca River. The Lauca rises in the northern Chilean Andes and travels for approximately one-third of its 225 kilometre length in Chilean territory before emptying into Lake Coipasa in Bolivia. Tensions had existed between Bolivia and Chile for several years over the latter's proposed use of the river waters for irrigation and hydroelectric purposes. When Bolivia learned that Chile intended to begin an experimental diversion of water in late 1961, it again protested Chilean policy, tied the dispute to its concern for a seaport, and asked the Organization of American States (OAS) to impose sanctions on Chile (Glassner, 1970: 192-207). When the OAS Council responded asking the disputants to settle the issue peaceably among themselves, Bolivia proposed a mediation by five Latin American countries. The Chilean government rejected this proposal but indicated a willingness to submit the matter to international arbitration as long as it was clearly understood that the issues were legal and juridical as opposed to diplomatic or political. In the resulting impasse, Bolivia withdrew from the OAS Council and broke diplomatic relations with Chile (Davis, Finan and Peck, 1977: 219-220; Lagos Carmona, 1981: 116-120).

Representatives of Bolivia and Chile engaged in secret talks in 1971 which apparently were on the verge of resolving the issue when the Bolivian government was overthrown and the talks broke down (Gumucio Granier, 1985: 537-541). Three years later Brazilian President Ernesto Geisel suggested that a corridor for Bolivia through the Chilean city of Arica might be an acceptable solution to Bolivia's landlocked condition. This proposal stalled when the Peruvian government objected to the plan on the grounds that Chile could not offer Bolivia an exit to the sea through former Peruvian territories without prior Peruvian consent. The Peruvian response referred to a July 1973 Peru-Bolivia declaration in which Peru acknowledged Bolivian aspirations for a Pacific port but stipulated that they must be satisfied within the framework of existing international law. While the Peruvian government hesitated to alienate either Bolivia or Chile, Peruvian public opinion widely held that any transfer of Arica should be to Peru and not to a third party (Gordon, 1979: 324-325).

The Bolivian government in early 1975 reestablished diplomatic relations with Chile, ties which had been severed since 1962 when Chile moved unilaterally to divert the headwaters of the Lauca River. The renewal of diplomatic relations was welcomed in Santiago where the military regime of General Augusto Pinochet had been largely isolated internationally since its overthrow of Chilean President Salvador Allende (Lagos Carmona, 1981: 126-127). Later in the year the Bolivian government requested a sovereign coastline at Arica together with a piece of territory fifty kilometres long by fifteen kilometres wide further south. The Chilean government responded in December 1975 with a proposal to exchange a land-sea corridor north of Arica along the Peruvian border extending to the 200 nautical mile limit for equivalent territorial compensation in the Bolivian altiplano (Swansbrough, 1975: 124-125; Pittman, 1984: 133) (Figure 5).

The Bolivian government initially accepted the idea of an equivalent territorial exchange but it later rejected the Chilean proposal on the familiar grounds that Bolivia should not have to make territorial compensations to obtain land seized in an aggressive war (Montenegro, 1987: 69-136). In this respect, the Bolivian position in 1975 remained largely unchanged from its position in 1950 as it was still unwilling to compensate Chile for any land transfer. The
Bolivian armed forces also bristled at a Chilean provision for demilitarisation of the proposed corridor arguing that meaningful sovereignty included the right to exercise military control. Finally, the Bolivian government refused to relinquish control of the headwaters of the Lauca River (Shumavon, 1981: 184-186).

The Peruvian government, understandably alarmed that the talks centred on territory which was originally Peruvian, introduced at this point a formula which undercut the earlier Chilean initiative. The Peruvian proposal called for the creation of a zone of joint Bolivia-Chile-Peru sovereignty between the Peruvian border and the city of Arica, with Bolivia receiving a corridor feeding into this area (de la Puente Radbill, 1989: 45-53) (Figure 6). The Peruvian proposal offered the Bolivian government as much as the Chilean proposition and, at the same time, it reintroduced the question of Peruvian rights in the disputed zone. Since it called for trilateral economic development of the territory, it also reflected the renewed emphasis of the Peruvian government on Andean cooperation and integration (St John, 1992a: 28). The Peruvian initiative brought the negotiations to an abrupt halt as Chile refused to consider it, charging that the proposal introduced issues unrelated to the question at hand, infringed on Chilean sovereignty, and threatened modifications to the 1929 treaty (Escobari Cusicanqui, II, 1982: 39-53).

Throughout the month of December 1976 the governments of both Chile and Peru reaffirmed their commitment to a satisfactory arrangement for Bolivia with each suggesting that the stalemate in negotiations was largely due to the intransigence of the other. On Christmas day the Bolivian president served formal notice of the impasse when he rejected in principle Chilean demands for territorial compensation as well as the Peruvian plan for trilateral occupation. Bolivia had achieved formal recognition by both neighbours of its right to a coastal territory but no further progress on the issue was forthcoming (Morales, 1992: 177-178). After another year of unsuccessful attempts to reach a settlement, the Bolivian government in March 1978 again broke diplomatic relations with Chile and opted for a more confrontational strategy (Botelho Gosalvez, 1980: 143-144).

In May 1983, representatives from Bolivia and Peru joined other Latin American delegations in Caracas to celebrate the bicentennial of the birth of Símon Bolívar. Throughout the meeting the Bolivian delegation articulated a foreign policy based on American unity and solidarity which sought active cooperation with its South American neighbours in promoting economic development and multilateralising the littoral issue. Later in the year, the president of Colombia, in an effort to promote negotiations, suggested his country as a future site for talks between Bolivia and Chile aimed at reconsidering Bolivia's maritime problem (St John, 1984: 302; Morales, 1984: 186-187). At the Santo Domingo meeting of Latin American parliaments in the spring of 1984, the Bolivian government, in an effort to pressure Chile, supported a resolution not to extend recognition to dictatorships. In this time frame, Bolivian representatives also took their case for a seaport to the Andean bloc, the La Plata grouping of countries, the OAS, the United Nations, and the Non-aligned Movement (Morales, 1992: 178).

The Peruvian government after 1985 again explored the issue as part of a regional diplomatic initiative to encourage better relations with its neighbours. Soon after a new administration took office in Lima, the Peruvian Foreign Minister travelled to La Paz where talks focused on improved commercial relations as well as joint efforts to control the traffic in narcotics. The Peruvian government also acknowledged Bolivia's perpetual concern, sovereign access to the sea, but emphasised that it was largely a bilateral question between Bolivia and Chile.
(Couturier, 1986: 45). About the same time the Bolivian government began to move away from the multilateral strategy it had been following for several years towards a more bilateral approach. At one point, Bolivia even offered to buy outright from Chile a ten-mile strip north of Arica along the Peruvian border, a proposal which met with no enthusiasm in Santiago (Morales, 1992: 179). Peruvian President Alan García Pérez later reportedly reversed the longtime policy of the Peruvian government when he told his Bolivian counterpart that Peru was prepared to accept Chilean cession to Bolivia of land occupied by Chile after the War of the Pacific. Unfortunately, the Bolivian government was unable to take advantage of this apparent shift in policy before Alberto Keinya Fujimori replaced President García in the summer of 1990 (Ferrero Costa, 1987: 63-66).

In August 1989, the Bolivian president emphasised in his inaugural address that only a coastline could mitigate both the tremendous economical and geographical obstacles which Bolivia faced as well as what he termed the constrictive geopolitical encirclement of its powerful neighbours. He called for the application of a new twenty-first century mentality to the maritime question which combined elements of all previous bilateral, inter-American, and multilateral policies. The Bolivian government then launched an extensive diplomatic offensive in Europe, as well as throughout Latin America, to familiarise the international community with Bolivian aims. As part of this initiative the Bolivian president addressed the United Nations General Assembly in March 1990 where he reaffirmed the basic Bolivian position, arguing forcefully that Bolivia could never renounce its intent to recover its condition as a maritime nation. Thereafter, the Bolivian government, describing the issue as one of vital importance to the Bolivian nation, continued to call for the creation of a new mentality to find an innovative solution to the problem (FBIS-LAT-91-108, 5 June 1991: 4-5). Unfortunately, this hectic round of diplomatic activity, while effective in communicating the Bolivian position to a wider audience, left its relations with Chile largely unchanged (Morales, 1992: 179-180).

In early 1992 Peru and Bolivia concluded a 50-year renewable agreement which permitted the latter to set up shipping and customs operations in a duty-free port and industrial park at the Peruvian port of Ilo, located some 1,260 kilometres south of Lima and 460 kilometres west of La Paz. The Peruvian government also ceded to Bolivia a tourist zone for 99 years along with 5 kilometres of Ilo coastline. The coastal strip was immediately baptised 'Bolivia Mar'.

In turn, Peru received similar facilities at Puerto Suarez on the Paraguay River at the border with Brazil to promote Peruvian trade with Argentina, Brazil, and Paraguay. This bilateral pact also involved a loan from the Inter-American Development Bank for infrastructure development at Ilo port as well as to upgrade or construct roadways linking the port to Bolivian territory. Both governments hailed the Ilo agreement as an historic step which would greatly benefit regional development. At the same time, the Bolivian government was quick to point out that the event marked only the first step in Bolivian determination to recover its full rights to the sea (FBIS-LAT-92-017, 27 January 1992: 33-35). The Peruvian government, in turn, emphasised the need, while respecting existing international agreements, to seek creative, pragmatic solutions to difficult problems (FBIS-LAT-92-018, 28 January 1992: 14).
Figure 5: Chilean Proposal, 1975

Figure 6: Peruvian Proposal, 1976
At year end, the foreign ministers of Bolivia and Peru concluded a series of additional agreements intended to promote the economic development and better use of the free zone and port at Ilo. The Peruvian government agreed to provide incentives to develop Ilo port and to accept bids to grant concessions for a period of no more than 60 years. Peru also agreed to issue the necessary documents for Bolivian companies to implement development programmes within 30 days while Bolivia agreed to accept bids to develop the Ilo free zone and the tourist zone at Bolivia Mar beach. Additional agreements created a binational organisation to develop the Titicaca system and formed the Bolivian-Peruvian Cultural Institute to promote the cultural expression of both countries in the areas of art, literature, and science (FBIS-LAT-92-240, 14 December 1992: 58).

At the same time, the Peruvian government continued its dialogue with the Chilean government aimed at a full implementation of the terms of the 1929 treaty and additional protocol (Mercado Jarrín, 1988: 150-153). Discussion here centred on Article 5 of the treaty which called for Chile to construct at Arica for Peru a landing stage for steamships, a customs office and a terminal station for the Tacna railway as well as to provide Peru free access to these facilities. Article 2 of the additional protocol called for Peru to receive "the most complete freedom of transit for persons, goods and arms to Peruvian territory and from Peruvian territory through Chilean territory" once the port facilities granted under Article 5 of the treaty had been constructed (Brousset Barrios, 1989: 97-109). In a convention concluded earlier by Chile and Peru in the mid-1980's, the former agreed to turn over to the latter the dock it had constructed for Peru in Arica as well as granting to Peru the right to use the Tacna-Arica railroad. However, the question of complete freedom of transit on the railway to the pier proved troublesome and, six years later, Peruvians were still contending that the 1929 agreements had not been honoured in full (FBIS-LAT-92-171, 2 September 1992: 36-37). Consequently, the governments of Chile and Peru agreed in January 1993 to resume talks aimed at concluding all pending issues related to the 1929 pacts (FBIS-LAT-93-006, 11 January 1993: 30). These negotiations were fruitful as representatives of Chile and Peru signed an agreement in May 1993 which indicated that they had resolved the last disagreements affecting the 1929 treaty and additional protocol.

The Bolivian government, on the other hand, was unable to achieve any substantial progress in its talks with Chile. In early February 1993 the Chilean government announced that President Patricio Aylwin had instructed his foreign minister to resolve all existing border disputes before the end of his term in December of that year. While reference was made to the need to consult Bolivia concerning negotiations between Chile and Peru, the Chilean government stated that there were no outstanding problems between Chile and Bolivia, adding that its objective was to improve and promote current ties (FBIS-LAT-93-022, 4 February 1993: 17-18). One week later the Chilean government suspended commercial discussions with Bolivia after high-ranking Bolivian military officers opposed the talks on the grounds that Bolivia should not subordinate its lofty national maritime interests to the signing of a commercial agreement with Chile. The Bolivian government had earlier won a vote of confidence from the Bolivian congress to negotiate a supplementary economic agreement and, if possible, to resume diplomatic relations with Chile. A bilateral commercial agreement covering a list of 100 products had been scheduled to be signed in early April 1993 (FBIS-LAT-93-029, 16 February 1993: 29).
10. Prospects

The character and content of the Atacama Desert dispute changed considerably over time and this evolution impacted negatively on attempts at resolution. At the outset, it was chiefly a boundary question not unlike the myriad of other such issues pending throughout Latin America. Like their neighbours, the governments of Bolivia, Chile, and Peru initially invoked the doctrine of \textit{uti possidetis de jure} as a guideline for determining their borders in the disputed areas. They later abandoned this approach when they realised that its generalities were of little practical value in drawing lines in the remote, unexplored Atacama region. After 1842, when guano, sodium nitrate, and other minerals were discovered in the contested zone, questions of regional hegemony and economic development vastly complicated the boundary issues and, in the process, clearly separated them from similar problems elsewhere in Latin America. In consequence, all three disputants eventually abandoned as unsustainable their \textit{de jure} claims and focused increasingly on the \textit{de facto} arguments of possession, occupation, and development. In the aftermath of the War of the Pacific, the Chilean government sought to consolidate its hold on the region while Bolivia and Peru strived to regain both former territories and lost national honour. After Chile concluded peace treaties with Bolivia and Peru, trade and other economic concerns became decidedly secondary to geopolitical considerations in the region.

The tripartite nature of the dispute is one aspect which has remained constant throughout its long history. Any Pacific alternative to Cobija acceptable to the Bolivian government after 1824 necessarily involved the rights and interests of both Chile and Peru. It took the latter two governments well over four decades to resolve formally the War of the Pacific. When a settlement was finally reached, Bolivian interests and desires were completely ignored. Despite this fact, the additional protocol to the 1929 treaty accurately mirrored the tripartite nature of the dispute as it stipulated that both Chile and Peru had to approve any transfer to a third party of the territory allocated in the treaty. In retrospect, the exclusion of Bolivia from the negotiations leading to the Tacna and Arica settlement proved most unfortunate as that pact clearly represented an opportunity lost to reach a comprehensive, permanent solution which satisfied all parties to the dispute.

Throughout the course of the controversy the Bolivian government generally contended that the Peruvian port of Arica was the natural outlet for Bolivia. As early as 1825, Bolivian officials sought to substitute Arica for Cobija and the Bolivian government repeatedly emphasised thereafter that it would not be satisfied with less. Ironically, Bolivia generally sought to obtain Arica through a policy of cooperation with Peru as opposed to Chile. The one exception to this approach was the relatively short period following the War of the Pacific when Bolivia turned to Chile for assistance in obtaining a Pacific outlet in return for its cession of the Bolivian littoral. The Bolivian policy of attachment to Peru was notably unsuccessful as the Peruvian government, after the treaty of 1826, never accepted the principle of Arica for Bolivia.

Based on the negotiations which have taken place over the last three decades, the most likely solution to Bolivian ambitions for a port on the Pacific appears to be a transfer of territory on or near the current border between Chile and Peru. This could take the form of a sovereign Bolivian outlet close to the borderline but through the Peruvian province of Tacna. Alternatively, Bolivia could receive a sovereign outlet close to the borderline but through the Chilean province of Arica. A third option is for Chile and Peru jointly to offer Bolivia a sovereign outlet to the sea on the border established in 1929 and involving territory from both
Tacna and Arica. Given the terms of the additional protocol to the 1929 agreement, any of these solutions would necessitate the concurrence of the governments of Bolivia, Chile, and Peru because neither Chile nor Peru can cede to a third state any of the territories over which they were granted sovereignty in the 1929 treaty without the prior consent of the other signatory to the agreement. Any of these solutions would also likely require the Bolivian government to retreat from its long-held position that it should not have to make territorial or other concessions in order to obtain a sovereign outlet to the sea.
References

Government and Other Documents


Chile, Ministerio de Relaciones Exteriores (1924) Tacna-Arica Arbitration: The Appendix to the Counter-Case of the Republic of Chile Submitted to the President of the United States as Arbitrator, Washington: n.p.

Chile, Ministerio de Relaciones Exteriores y Colonización (1884) Memoria al congreso nacional de 1884, Santiago: n.p.


Peru, Ministerio de Relaciones Exteriores (1924) Arbitraje entre el Perú y Chile, Réplica del Perú en el litigio que emanado de la Cuestión del Pacífico se sigue ante el Presidente de los Estados Unidos de America como Arbitro, Lima: T. Scheuch.

Peru, Ministerio de Relaciones Exteriores (1925) Arbitraje entre el Peru y Chile, Alegato del Perú presentado al arbitro, el Presidente de los Estados Unidos sobre la Cuestion del Pacifico, Lima: T. Scheuch.

Peru, Ministerio de Relaciones Exteriores (1936) Tratados, convenciones y acuerdos vigentes entre el Peru y otros Estados, 2 vols, Lima: Imprenta Torres Aguirre.


Unpublished Materials


Books, Monographs, and Articles


Basadre, J. (1948) Chile, Perú y Bolivia independientes, Barcelona: Salvat Editores, S.A.


Checa Drouet, B. (1936) La Doctrina Americana del Uti Possidetis de 1810, Lima: Librería e Imprenta Gil, S.A.


Dennis, W.J. (1931) Tacna and Arica: An Account of the Chile-Peru Boundary Dispute and of the Arbitrations by the United States, New Haven: Yale University Press.


