

# ***MESOAMERICA***

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## **PANAMA**

### **President Bush Supports Panama Canal Modernization**

During US President George W. Bush's brief visit (19 hours) to the Republic of Panama on 6-7 Nov, he told Panamanian President Martin Torrijos that he supports Torrijos' plan to modernize the Panama Canal, which will cost an estimated \$8-10 billion.

After meeting with Torrijos, Bush visited the Miraflores Locks on the Pacific side of the Canal, where he got the grand tour and played around in the control room before flying back to the US. President Bush's stop in Panama took place after his participation in the IV Summit of the Americas on 4-5 Nov in Mar de Plata, Argentina.

The Panama Canal was built between 1904 and 1914 by the US government and operated by the Panama Canal Company until 31 Dec '99, when the Panama Canal Zone was turned over to the government of Panama as specified in the Torrijos-Carter Treaty of '77. Today, an average of 14,000 ships pass through the Canal yearly, which represents about 5% of worldwide maritime commerce. However, the world's largest ships cannot navigate the Panama Canal because its antiquated system of locks is too small.

### **Presidents Bush and Torrijos Discuss Free Trade Pact**

The two presidents, meeting on 7 Nov at President Torrijos' office at Palacio de las Garzas in Panama City, discussed the importance of continuing bilateral negotiations regarding a Free Trade Agreement (FTA). There have been eight rounds of negotiations so far, which began during the administration of President Mireya Moscoso ('99-'04) but were discontinued a few months ago due to a difference of opinion regarding the inclusion of some products that are considered sensitive. Also, there have been numerous public protests in Panama's major cities against the US-Panama FTA, especially from the agricultural sector.

Panama is not part of DR-CAFTA because that pact was negotiated between the US government and five Central American countries, plus the Dominican Republic, that were already part of an existing trade bloc.

### **Presidents Bush and Torrijos Discuss Firing Range Cleanup**

During the years that the US government controlled the Panama Canal Zone ('04-'99), the US maintained numerous military installations for the protection of the Canal and for training military personnel. It utilized several firing ranges in the Canal Zone and on small islands off the Pacific Coast of Panama, where all kinds of weapons were tested, especially during and after World War II.

The cleanup, or lack thereof, of these firing ranges by the US government has become a serious issue affecting US-Panamanian relations. President Torrijos brought up this subject in his discussions with President Bush on 7 Nov in Panama City. Although the official State Department response to questions about further cleanup of the firing ranges has been that the US military “did as much as was feasible” prior to its withdrawal from the Canal Zone in '99, under the terms specified in the Torrijos-Carter Treaty. However, President Bush stated that, although both nations acknowledge that there is a disagreement about this issue, he agreed that both governments should continue talking and looking for a possible solution to the problem. President Torrijos later told reporters that “our two governments are not always in agreement about things.”

### **Thousands of Panamanians Protest Against Bush's Visit**

Although many Panamanians were mildly upset over the inconvenience of having to walk to work or school or to do their shopping because of street closures and traffic jams that resulted from the strong security measures used to protect President Bush and his entourage during their brief visit to Panama City in Nov, thousands of other citizens were outraged by Bush's presence in Panama.

Especially angry were a group of residents of El Chorrillo neighborhood in downtown Panama City, which suffered the disastrous affects of US bombs that were dropped on and near the General Headquarters of the Panamanian Defense Forces during the US military invasion in Dec '89. An estimated 4,500 people experienced the damage or destruction of their homes, as well as the loss of loved ones and friends, due to the US invasion, which was erroneously code-named “Operation Just Cause.”

The operation involved 27,684 US troops and more than 300 aircraft—including the AC-130 aerial gunship, OA-37B observation and attack aircraft, and the F-117A stealth aircraft and AH-64 Apache helicopter; both of the latter were used for the first time in combat operations.

There has been considerable controversy about the number of Panamanian civilian casualties resulting from the invasion. At the low end, the US Southern Command estimated that number at 200. A US-based independent Commission of Inquiry, headed by former US Attorney General Ramsey Clark, estimated at more than 3,000 the number of Panamanian civilian casualties. However, there is no known accounting by either side as to how many civilian deaths were directly attributable to military actions.

Héctor Avila, one of the protestors, stated: “Although since ’90 there has been a demand before the Inter-American Commission on Human Rights for more than \$240 million to compensate those who suffered damages due to US military action here, we have yet to receive any response from those who committed this injustice.”

The US military invasion of Panama was allegedly justified because of the need to restore democracy, protect the Canal and capture Gen. Manuel Noriega, the country’s virtual dictator, who was accused of drug trafficking by the US government during the administration of President George H. W. Bush (see Vol. 9, No. 1). In Jan ’90, Noriega was captured and shipped off to Florida for trial in a US Federal Court, where he was convicted on eight counts of drug trafficking, racketeering and money laundering in ’92, and sentenced to 40 years in a federal prison.

There were protests against Bush’s visit in Panama City, Colón, David and elsewhere on 7 Nov, where some protesters burned the US flag and shouted insults at President Bush who they called “a terrorist” due to US military action in Iraq, which they characterized as genocide. In the western province of Chiriquí, protestors gathered in the City of David in front of a McDonalds restaurant, which they considered to be a symbol of “US economic imperialism in Panama.”

### **US Revokes Visa of Supreme Court Judge Spadafora**

On 29 Nov, Judge Winston Spadafora, president of the Fourth Chamber of the Supreme Court, was notified by the US State Department that his US visa had been revoked because of accusations against him for corruption.

Spadafora responded by stating, “I have never been accused of corruption. I want them [the US government] to tell me what act of corruption I have committed, and I will submit to whatever trial they consider necessary.” He said that he would continue to serve as a magistrate until he is proven guilty of any act of corruption.

The US State Department based its decision on Section 212(f) of the Immigration and Nationality Act of 1952, which permits the cancellation of a visa when a person has been linked to acts of corruption. In Jan ’04, President George W. Bush authorized the use of this article to declare illegal the entry of public servants of foreign governments when there is substantial evidence that they have committed acts of corruption.

The White House document refers specifically to "corruption in the performance of public functions where that corruption has serious adverse effects on international activity of US businesses, US foreign assistance goals, the security of the US against transnational crime and terrorism, or the stability of democratic institutions and nations." The entry suspension is targeted specifically at public officials, former public officials, and those who have attempted to bribe public officials.

William Ostick, a spokesman for the US Embassy in Panama, told reporters that this decision had been carried out with great seriousness by the State Department and that the determination to revoke Spadafora’s visa was based on an evaluation of several months.

Responding to these accusations, Enrique De Obarrio, president of the Panamanian Association of Business Executives, called on the Panamanian National Assembly to launch an investigation of Spadafora and to request that US authorities provide evidence to support their decision to revoke Spadafora's visa based on his alleged links to corruption.

—*Clifton L. Holland*