

MESOAMERICA

Volume 24, Number 3, March 2005



PANAMA

New Worries for Darién Region

The Darién region is once again in the spotlight concerning a new project that would connect Panama with Colombia. The electrical integration project between the two countries has environmentalists fearing for the thousands of plant and animal species, some of which can only be found there. The region is also the site of the largest national park in Central America.

The electrical grid between Panama and Colombia would run 500-600 kms and cost between \$172 and \$221 million. The project will provide advantages for the integration of the electricity markets in Central America and the Andean region. In Aug '04, Colombia's state-run electrical integration agency, ISA, and its Panamanian counterpart, ETESA (Empresa de Transmisión Eléctrica S.A.), presented updates of energy studies showing that the electrical integration of the two countries is technically feasible. The Cerramatoso substation, in the northern Colombian region of Córdoba, would be linked with the Panama II substation, allowing transmission of 300 megawatts of electricity from Colombia to Panama, and 200 megawatts in the other direction.

There is major controversy over one of the four potential routes for the project, which passes right through the Darién region, because electrical transmission lines and towers for the project would be erected, which would pose a serious threat to the biodiversity found there. An alternative route would bypass the Darién region altogether, in which case the towers would be erected farther to the north, along Colombia's Gulf of Urabá, in the Caribbean Sea. The towers would be built on land in two of the proposed routes, and the other two would combine land and underwater stretches. Panama and Colombia have until the middle of '05 to decide. Colombian Mining and Energy Minister Luis Mejia says the aim is for interconnectivity to be achieved by '08.

The Darién region has four principal groups of inhabitants: the Embera-Wounaan and Kuna indigenous peoples, Afro-Colombians and Afro-Panamanians. Many who support protecting the region believe that the people living there have not been informed about the electrical integration project, which would considerably disrupt their lives. In the case of the indigenous groups, it would also force them into the modern world, something they have previously had no desire to enter. Recently, the region has experienced numerous incursions of armed guerrilla groups and drug traffickers from Colombia.

The Darién National Park, which was established in '80, covers 597,000 hectares. It extends from the Panama Canal to the eastern borders, and runs along Colombia's Pacific coast to northern Ecuador.

Bocas Still Feeling Impact from January Rain

The western province of Bocas del Toro continues to suffer from damages caused by the heavy rain that pounded the area in early Jan. The community of Guabito, where it rained for 18 consecutive hours, was hit the hardest, resulting in the death of 10 people. Damages in the province are estimated at more than \$400 million. Local authorities reported that "this has been the worst flooding in the province of Bocas del Toro since '70."

The heavy rain led to the overflowing of the Changuinola, Cricamola and Sixaola rivers, which affected the area's supply of potable water and caused the latrines in the most hard-hit areas to overflow, further contaminating the water sources there. Close to 6,000 hectares of banana plantations in the Caribbean zone of Costa Rica and Panama were devastated by the flooding. The damage is believed to be much worse on the Costa Rican side, where four banana plantations have stopped production and declared bankruptcy. As a result of the closing of some banana plantations on the Costa Rican border, between 600 and 1,000 Panamanian laborers who crossed the border daily to work are now without jobs.

The Ngobe-Buglé indigenous people, who make up approximately 60% of Panama's total indigenous population, have always lived in the area that was flooded, and many of them were employed on the banana plantations. Since the flooding, the Panamanian government has noticed a mass migration of the indigenous group to the capital and other large urban areas, seeking work.

The communities in the watershed area of Veraguas continue to feel the effects from the rain that hit the area in Jan. The towns of Calovébora and Rio Luis were hit the hardest and inundated on 9 and 10 Jan.

Many residents of the province saw their livelihoods destroyed by the rains and flooding. The majority of the farmers and ranchers depend on the animals they raise in order to make a living. The rains destroyed 75% of the area's production, which included the loss of crops, animals and infrastructure. The residents are now left wondering how, and if, they will be ever to get back all that they have lost.

In the period following the rains, the region was cut off from the outside world, because many of the roads were inaccessible. The communities made repeated cries for help to the government immediately following the inundations, but the government took little action. It was not until 38 days later that a government official visited the region of Veraguas. Outside help arrived by helicopter, taking in 500 bags of food for the residents. One medical doctor who visited the region and examined the residents concluded that, at that time, there was no evidence of any epidemics in the area.

Many of the residents are still upset and angry about how long it took the government to do something about the situation. Many of the residents who have lived in the Veraguas region all their lives said that the Jan rains were some of the worst they had ever experienced.

Bocas del Toro province has always been a major source of revenue for the country, driven by its banana exports as well as its growing tourism industry. Experts believe that the road to recovery for the region will be a lengthy process.

Loan for Panama Canal Watershed Approved

In early Feb, the Inter-American Development Bank approved a \$19.8 million loan for community development in the Panama Canal Watershed. This is a 20-year loan, with a five and a half year grace period and a variable interest rate. Its supporters hope that the project will finally force the government to respond to the communities' demands for basic services, which they have been demanding for years. The total cost of the project will be \$35 million; the remaining \$15.2 million will come from Panamanian resources.

In the western region of the watershed, currently about 6,000 people are living in poverty, with little or no access to basic services. The project is primarily going to be focused on the 2,131-sq. km. western region, in order to promote much needed development. The purpose of the project is to stimulate the active participation of local communities and agencies, so that they may benefit in the long run.

Resources will be made available to the community to finance the activities that residents feel are the most needed. The funds will go to support projects on an as-needed basis, some of which would include basic infrastructure such as roads, natural resource protection, schools and health clinics. The Torrijos administration also hopes to establish a foundation for a future sustainable development program for the Panama Canal Watershed.

Moscoso Unleashes New Storm of Controversy

Former Panamanian President Mireya Moscoso ('99-'04) is finding herself in the headlines once again by officially accepting a position in the Central American Parliament (PARLACEN). Her decision to take the post, which she had previously said she would not do, is being seen as a deplorable act by many of her critics.

Moscoso joined PARLACEN only a one week after Attorney General Ana Gómez announced the re-opening of an investigation relating to donations made by the Taiwanese government to a private foundation, Mar del Sur, for the construction of two hospitals. Moscoso is accused of playing a questionable role in the handling of these donations. Last year Moscoso became embroiled in a scandal concerning the misuse of \$23.1 million from her presidential discretionary fund, which she used to purchase fine clothes, jewelry, liquor and gifts (Vol. 23, No. 11).

Many feel that Moscoso has found a way around being prosecuted for her "questionable activities" by accepting the position in PARLACEN, which may entitle her to diplomatic immunity.

—*Julia Tulba*