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The Society

# Panama

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NATIONAL INTELLIGENCE SURVEY

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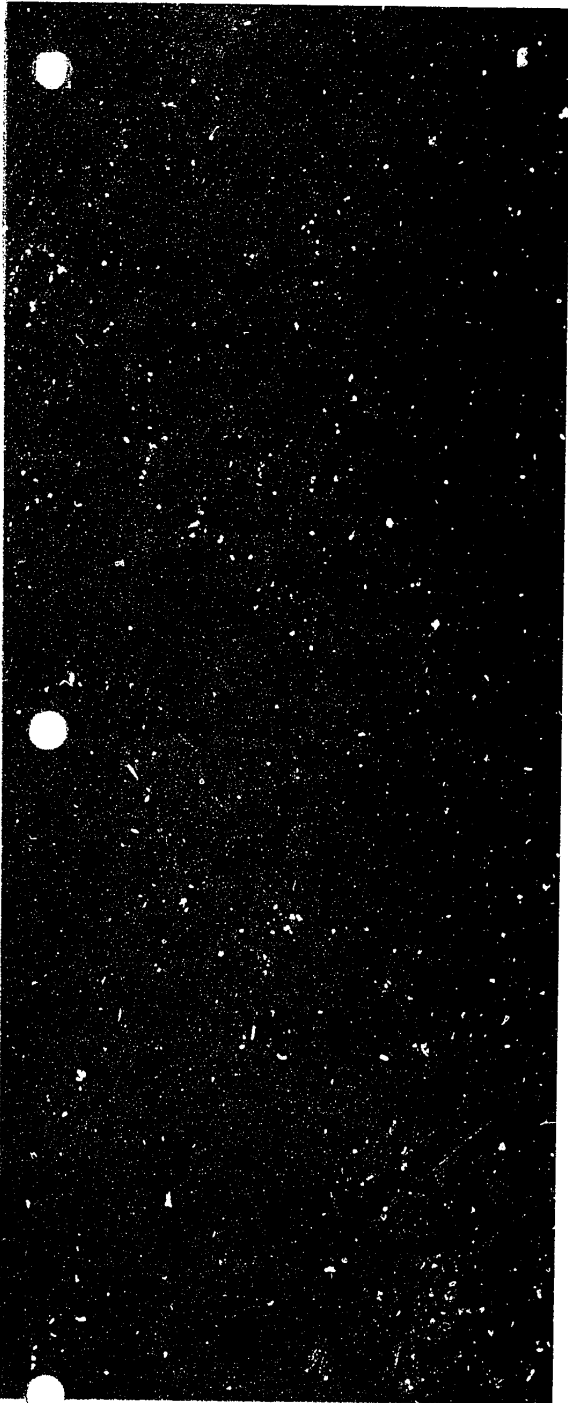
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# PANAMA

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## The Society

### A. Introduction (U/OU)

Panama, a link between two continents and a passageway between two oceans, long has been subject to the influence of diverse peoples and cultures. The social system, however, is basically the product of a Spanish colonial heritage, some four-fifths of the population sharing that common culture, language, and religion. English-speaking Negroes of West Indian origin, concentrated in the metropolitan area adjacent to the Canal Zone, constitute the largest ethnic minority. The presence of a small but economically important Chinese community, various Middle Eastern minorities, and a largely unassimilated Indian population, further contributes to cultural diversity. The influence of the United States, moreover, has been significant because of its role in bringing about Panama's independence in 1903 and in operating the canal since 1914.

Throughout the colonial period (1509-1821), Panama's fortunes paralleled the rise and decline of trade between South America and Spain. For a time, social and economic hegemony was held by the commercial interests of Panama City, the Pacific terminus of the isthmus-crossing route, and Portobelo, the Caribbean port. Gold, silver, and agricultural products from the west coast of South America were transported overland from Panama City to Portobelo, where the cargo was loaded for the Spanish fleet's annual trip between the colonies and Spain. Peak prosperity was reached early in the 17th century, when the famed Portobelo fairs attracted traders from the entire southern continent. Pirate raids, however, coupled with the relaxation of trading laws which had previously required all goods from the Spanish colonies to pass through Panama, resulted in a decline

of the isthmus' importance as a trade route. By 1740, the Portobelo fairs had ended and economic power had passed from the white commercial interests in Panama City to mestizos, mulattoes, and white landowners in the rural interior. Subsequently, the abolition of slavery and the intermittent outbreak of family wars failed to interrupt the concentration of lands in the hands of increasingly few families, a system of tenure which has been perpetuated to present times.

Spanish hegemony was replaced by that of Colombia when Panama, then a part of the Republic of Greater Colombia, gained independence in 1821. When that entity was dissolved in 1830, Panama joined the Republic of New Granada (Colombia) and for a time had substantial provincial autonomy, although resistance to domination by Bogota resulted in continual conflicts for Panama. Separatist tendencies, which had been increasing throughout the 19th century, came to a head in 1903, when Colombia rejected a canal treaty proposed by the United States. With U.S. diplomatic and military support, Panamanian leaders declared independence and subsequently gave the United States the right to act "as if it were sovereign" in a 10-mile-wide strip of territory for the purpose of constructing and operating a canal.

Until 1968, Panama's political and economic life was controlled by a small number of elite families who have resisted reforms which would impinge upon their economic interests. This intransigence all but precluded government action to contend with poverty and other social problems with a potential for political unrest. The ruling class generally was little threatened before 1968, however, in part because national leaders directed popular attention toward issues relating to the canal and the U.S. presence. The sharp contrast

between living conditions in the Canal Zone and in the republic, creeping inflation, and rising unemployment have contributed to increasing dissatisfaction, especially among residents of Panama City and Colon.<sup>1</sup>

In 1968, the National Guard, the nation's military establishment, overthrew the elite group which had dominated political and economic life since independence. The Guard installed a *de facto* Provisional Government dominated by Gen. Omar Torrijos, who dissolved all political parties, declaring his intention to remain in power as long as necessary to implement wide-reaching reforms in the social, political, and economic spheres. Since then, Torrijos has consolidated his position while forging a somewhat less personalistic and more technocratic form of government. By eliminating the traditional party structure, he has broken the political power of the oligarchy and has pledged to establish a single coalition of forces designed permanently to eliminate party politics. Significant institutional changes were initiated in 1972 with the election of a constituent assembly. The body's first official act was to draft a revised Constitution which more accurately reflects contemporary conditions. While granting broad power to Torrijos, thus legitimizing his position as the nation's strongman, the Constitution also stipulates a President and Vice-president.

Of middle class, nationalistic orientation, the Torrijos regime has taken steps to relieve the nation's economic ills while attempting to bring greater unity to the society as a prelude to promoting national development. Faced with a decline in the extraordinary rate of economic expansion that prevailed in the 1960's, the government has stimulated growth through high levels of expenditure in public works and in the social sector, particularly for health and education. It has emphasized rural development projects to stem the heavy migration from the countryside, especially to Panama City and Colon. Despite the effort to redirect government concern from urban to rural areas, however, Torrijos has favored urban workers with a progressive labor code, which has won him the support of rank and file union members. Simultaneously, he has sought to retain the support of the business community by avoiding attacks on the traditional economic power structure and encouraging investment. By appointing a leftist rector to the University of Panama and acceding to certain longstanding student demands, Torrijos has also managed to curb student discontent. The only major force in society whose support the military has

<sup>1</sup>For diacritics on place names, see the list of names at the end of the chapter.

failed to muster is the Catholic Church, chiefly because of widely believed National Guard involvement in the 1971 disappearance of a popular reformist priest.

By means of his frequent trips to isolated regions of the country, renewed emphasis on small local governing bodies, incorporation of diverse social groups in the government, and extensive use of the media as a means of furthering support for official actions, Torrijos has made strides toward engendering a sense of national identity and purpose. In addition, the government has utilized the canal issue to distract attention from unpopular domestic measures. The most severe impediments to the resolution of existing problems, however, seem to lie in the country's high rate of population growth; the continued migration to already overcrowded urban areas, exacerbating the problems of unemployment and the provision of housing and social services there; and the growing inflation, which causes severe hardships for low-income families. In the face of these problems, the government's continued credibility and success may well hinge on its ability to bring about the reforms to which it is committed.

## B. Structure and characteristics of the society (U/OU)

Panamanian society is an amalgam of various racial and cultural groups superimposed on the original Hispanic structure. Although essentially a rural mestizo society, the presence of important ethnic minorities and the overriding influence of the Canal Zone have contributed to the weakening of the Hispanic tradition and set the stage for increasing urbanization.

### 1. Ethnic groups

Panama's population is composed largely of mestizos, a term applied locally to the mixed descendants of whites, Indians, and Negroes. Although precise data are unavailable on racial or ethnic composition, it is estimated that mestizos account for some 70% of the population, Negroes 14%, whites 10%, Indians 5%, and other groups 1%. Because of their numbers and influence, mestizos, whites, and Spanish-speaking Negroes, whose traditions are largely derived from those of the original Spanish settlers, constitute the nation's main social grouping. They speak Spanish, profess Roman Catholicism, and adhere to a value system similar to that of most other Latin American societies.

The Negro component of the population includes two groups: the Spanish-speaking Negroes who are descendants of colonial slaves and the more recent



immigrants from Colombia; and the progeny of English-speaking West Indians who arrived between the mid-19th and early 20th centuries to work on the transisthmian railroad and canal. In 1940, the last census year in which data on race were gathered, over half of the population of Bocas del Toro and Colon provinces, slightly less than one-half of the population of Darien Province, and almost one-fourth of the inhabitants of Panama Province were Negroes. Those living in Darien were mainly Spanish speakers while most of the rest spoke English. Some Negroes of West Indian derivation still work on the Puerto Armuelles banana plantations in Chiriqui Province but most left Bocas del Toro when banana disease forced closure of plantations there in the 1940's. Today, most English-speaking Negroes are concentrated in the Canal Zone and in Panama City and Colon. Spanish-speaking Negroes, who do not consider themselves culturally distinct from mestizos and reject identification with the West Indians, principally inhabit rural areas of Darien and Bocas del Toro.

The Negroes of West Indian extraction do not constitute a unified social group, as their ancestors arrived from Caribbean islands with no unity of tradition; moreover, they speak different dialects and vary in educational level and cultural orientation. Social distinctions between light- and dark-skinned Negroes, however, are nonexistent, and the friction that formerly existed between immigrants from Barbados, Trinidad, and Jamaica has largely been eliminated.

At the time of their introduction it was expected that the West Indians would return home after completion of the railroad and canal, but many became involved in the service economy that attended those projects. Language, religion, and their original transient status kept them from being assimilated into the dominant cultural group. Most retained British citizenship and passed it on to their children, who also were eligible to acquire Panamanian citizenship if they chose to register before age 18. Resentment toward the naturalized English-speaking minority by members of the black Spanish-speaking minority, however, led to the revocation of the former's Panamanian citizenship for several years in the 1940's.

In contemporary society, young Negroes of West Indian extraction increasingly are being assimilated into Panamanian society. Indeed, many consider themselves Panamanian and speak both Spanish and English. At the same time, however, they are greatly influenced by contacts with U.S. culture in the Canal Zone. In the late 1960's they shared a commonality of interests with U.S. Negroes, but the extent of any political sentiments based on that relationship is not known.

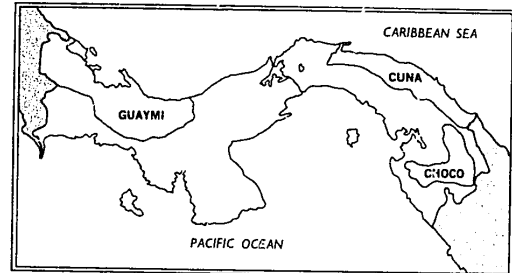


FIGURE 1. Location of principal Indian groups (U/OU)

Unassimilated Indians comprise three groups with distinct origins and cultural traditions. The Guaymi, largest of the three, is located in adjacent areas of Chiriqui, Bocas del Toro, and Veraguas provinces and is related to neighboring groups in Costa Rica (Figure 1). Many Guaymis are employed by the United Fruit Company in Chiriqui and Bocas del Toro. While those living in the more remote northern reaches of the Guaymi territory have preserved many native traditions, from a cultural standpoint most are indistinguishable from neighboring mestizo farmers.

The Cuna Indians occupy the Atlantic coastal region of San Blas Intendancy and the outlying islands of the San Blas archipelago, where they fled from Darien Province during the colonial period. Agriculture, fishing, and hunting form the basis of their economy, but some are engaged in trade along the coast and others are employed on U.S. military bases in the Canal Zone. Despite extensive contacts with other Panamanians and a high degree of bilingualism, the Cunans conserve many aspects of their traditional culture, including dress, language, music, and dance. They enjoy a large measure of autonomy at the local level and are the only Indian group which has achieved an efficient political organization.

The smallest Indian group, the Chocos, inhabit the river valleys of Darien Province, bordering on Cuna territory to the north. Thought to have emigrated from Colombia, they share some linguistic traits with the Choco Indians of that country. In Panama, the Chocos depend economically on the cultivation of bananas. Because many live in close proximity to mestizos, certain traits peculiar to their culture have been lost; nevertheless, most have preserved their native language and social and religious customs.

All three Indian groups have undergone varying degrees of social change during the 20th century as contacts with the mainstream of Panamanian society have increased. By comparison with other Indian groups in Central America, however, the assimilation of Panama's native peoples is occurring slowly.



FIGURE 2. Guaymi Indians. Typical dwelling (top); roasting coffee beans (bottom). (U/OU)

Change has been most extensive in those areas where Indians compete more effectively in the market economy. Such customs as communal land ownership, reciprocal labor exchange, the distribution of agricultural surplus to needy families, and female dominance in agriculture by and large have disappeared; on the other hand, native housing and dress styles as well as folk culture have been retained (Figure 2). Increased civic awareness in recent years, moreover, has led to demands for government aid in health, education, and social welfare. As recently as the 1950's, for instance, there were no schools in the vast Guaymi territory, a factor which helped insulate the natives from the main body of Panamanian society.

Assimilation has resulted in a decreasing Indian proportion of the total population, as shown in the following tabulation:

|      | TOTAL POPULATION | INDIANS |         |
|------|------------------|---------|---------|
|      |                  | NUMBER  | PERCENT |
| 1940 | 622,576          | 55,987  | 9.0     |
| 1950 | 805,185          | 48,654  | 6.0     |
| 1960 | 1,075,541        | 62,187  | 5.8     |
| 1970 | 1,428,082        | 73,026  | 5.1     |

The apparent decrease in the absolute number of Indians between 1940 and 1950 probably was due to

an incomplete count in the latter year. Between 1960 and 1970, the Indian population grew at a rate about half that of the total population—1.6% annually compared with 2.9%—because of their assimilation into mestizo society and their higher mortality rate.

In addition to whites, Mestizos, Negroes, and Indians, Panamanian society includes numerous small minorities who immigrated because of the country's strategic location in international trade. Most prominent among these are Chinese, East Indians, Pakistanis, North Americans, Turks, Palestinians, Lebanese, and Jews of various nationalities. Although numerically of little significance, these groups dominate retail trade, where Spanish surnames are in the minority. Each ethnic group is identified with a specific sector: the Chinese, for instance, are important in the food and hardware businesses, the Jews in apparel, and the Indians and Pakistanis in gift shops. Numbering an estimated 2,500 to 3,000 persons in 1972, Jews constituted the single largest group. About one-half of this number are Middle Eastern Jews who came to Panama in the 1960's. The Chinese community, although close-knit, includes native-born and naturalized Panamanians as well as those who retain foreign citizenship. Most Chinese immigrants came from near Canton and belong to societies having memberships that correspond to localities in China. The group includes wealthy and educated as well as poor and illiterate individuals. Conflicts between pro- and anti-Communist factions have sometimes disrupted the community.

*a. Physical characteristics*

The racially mixed Spanish-speaking population which forms the mainstream of Panamanian society combines a wide variety of white, Negro, and Indian racial traits (Figure 3). In the mestizo population, white physical traits are most conspicuous among members of the upper middle class as well as among rural residents of Peninsula de Azuero, where intermixture with Indians was limited. Negro traits are most apparent among the mestizos of the Canal Zone and the two coasts, where miscegenation between Negroes, whites, and Indians has been extensive. The Indian component is most evident among rural mestizos of Panama, Veraguas, Coclé, and Chiriqui provinces.

Racially pure Negroes, whites, and Indians are few in number and may be difficult to distinguish from persons having mixed antecedents. Individuals in the Spanish- and English-speaking Negro communities are virtually indistinguishable in appearance, both having characteristically Negroid features, although some variation may exist in skin coloration and hair texture. Panamanians of unmixed Spanish ancestry generally are taller than the mestizos and have lighter



FIGURE 3. Representative Panamanians. More than two-thirds of the population are of mixed white, Indian, and Negro descent. (U/OU)



FIGURE 4. A Cuna Indian. These people, also known as San Blas Indians, have one of the highest incidences of albinism in the world. (U/OU)

skin, eyes, and hair. Many are descended from fair-skinned groups in northern Spain. Although differing somewhat from each other in physical appearance, members of the three main Indian groups have short stocky builds, high cheekbones, straight black hair, and dark eyes (Figure 4).

*b. Language*

Spanish is the official language of Panama and its use is regarded as the hallmark of the culturally assimilated person. Because of Panama's importance in international trade, however, other languages also are widely used. English is the most important of these, mainly because of U.S. interests in the Canal Zone and the use of English by Negroes of West Indian derivation. English-language influence also is evident among Spanish speakers, who sprinkle their everyday speech with anglicisms and employ English idiomatic expressions as well as proper names and nicknames. Panamanian nationalism appears to take little account of linguistic purity. Panamanians do, however, resent the seeming indifference of U.S. personnel to learning Spanish and have welcomed the introduction of Spanish language courses in Canal Zone schools. Numerous other languages are spoken by the immigrant groups who reside in Panama, but most immigrants have learned Spanish as a second tongue.

Among the Indians, only the Chocos, who are the most influenced by mestizo culture, generally speak Spanish in addition to their native language. Fewer than one-half of the Guaymi and Cuna Indians speak Spanish, although increased cultural contacts and educational opportunities are displacing the various Indian dialects in favor of Spanish.

**2. Social structure**

*a. Class*

Social stratification differs markedly in urban and rural areas. The residents of Panama City and Colon, the only truly urban localities in the country, can be categorized as upper, middle, or lower class. The remaining two-thirds of Panama's population living outside those metropolitan areas have a predominantly two-class system, with the exception of the larger provincial capitals, such as David and Veraguas, where characteristics of both the urban and rural systems are evident. Irrespective of location, wealth and occupation are the basic determinants of social status, but such other factors as family background and education also weigh heavily. Questions of racial or ethnic background may prevent

a person from being fully accepted by the upper class, but persons of mixed antecedents can attain social prominence and the prerogatives of the class, if not full acceptance, provided they possess the other requisites.

Most Panamanians are status conscious and pursue educational or employment opportunities which might bring them higher social standing. As a group, only the landless rural peasants see themselves as inextricably bound to their status. Since World War II, the expansion of the educational system and of private and government employment, combined with increased migration to Panama City and Colon, have enhanced the opportunities for social mobility.

Constituting less than 2% of the population, the upper class is a small, closely knit group which purposefully sets itself apart from the rest of society. Unlike the elites in certain other Latin American countries, however, the Panamanian upper class has opened its ranks to new elements as they have acquired the requisite wealth and position. Few of today's elite can trace their ancestry to the colonial era, for many of the aristocratic Spanish families who dominated the social structure at that time left Panama when its importance in commercial trade declined late in the 18th century. Because of the predominance of commercial over agricultural interests, moreover, Panama did not develop a landed aristocracy similar to that elsewhere in Latin America. Those wealthy families who remained in the isthmus area, or who emigrated there from the interior when trade resumed importance after independence, invested their wealth in urban real estate and commercial enterprises. Their numbers were later increased by families who amassed fortunes during the construction of the transisthmian railroad and the canal. In contemporary times, besides managing family enterprises, men of the upper class often practice law or medicine, hold diplomatic posts, or pursue other careers which afford them ample time for leisure and cultural pursuits. By contrast to prevailing practice in some other Latin American countries, some upper class women have worked in government or business; upper class families, however, generally do not consider higher education necessary for women.

A small circle of 20 to 30 families known as the *rabiblancos* (whitetails) formerly constituted a subgroup within the elite and virtually monopolized political and economic power. Over the years, the infiltration of foreigners and persons of mixed antecedents into the ranks of the *rabiblancos* tended to weaken the group's cohesion, an erosion furthered by the 1968 coup, in which the National Guard, a former

supporter of the *rabiblancos*, assumed power and sought backing among the lower and middle classes. Although the upper class continues to place a high value on white antecedents, the consideration of other factors as criteria for social status is suggested in the Panamanian dictum, "money whitens everyone." While racially pure Negroes are not fully accepted by the elite, a degree of Negro ancestry no longer constitutes an insurmountable obstacle to upper class status. In recent years, both mestizos and wealthy non-Spanish immigrants have joined the Union Club, formerly the bastion of a few elite families of pure Spanish ancestry.

Insofar as consumption patterns and leisure activities are concerned, most upper class families emulate the upper class North American lifestyle. They live in large, often modern homes, drive late-model cars, and employ a staff of servants. Ideally, children are sent abroad, particularly to the United States, for their higher education.

The Panamanian middle class is essentially city-based, constituting about one-fifth of the urban population. A heterogeneous group in terms of education, occupation, wealth, and ethnic background, the middle class has little awareness of itself as a distinct group, preferring rather to pattern its lifestyle on that of the upper class while avoiding intimate contact with individuals of the lower class. A secondary school diploma and white-collar employment traditionally have been requisites for middle class status. The ranks of the middle class include some professionals, small businessmen, managerial and technical personnel, teachers, some office workers, and many officers. The group, however, has begun to admit some skilled blue-collar workers who earn high wages, a phenomenon which reflects the influence of attitudes prevailing in the Canal Zone, where manual laborers who achieve a level of living comparable with that of white-collar workers are generally accepted in the same social circles. The middle class is largely mestizo but includes some whites and Negroes and most European immigrants. Some Negroes of West Indian ancestry have acquired middle class status, but not without adopting the Spanish language and other Hispanic cultural traits. Within the largely lower class West Indian group, sobriety, church membership, and a stable family life, combined with secondary schooling and a white-collar occupation, can confer middle class status. Such persons as ministers, doctors, lawyers, politicians, and journalists generally have the highest standing within the middle class community.

Middle class Panamanians are at once the most politically militant and the most socially conservative element in society. In their emulation of the upper

class, they are prepared to make sacrifices for the sake of appearance. Few can afford to own a home but many rent the best possible dwellings and own household appliances and television sets. They dress rather formally and take care to observe the social formalities. Middle class parents ideally send their children to private or parochial schools and encourage their sons to attend the university and their daughters to enter teaching or nursing.

The urban lower class, consisting of some three-fourths of the population of Panama City and Colon, includes large numbers of unskilled and semiskilled laborers who lack both the education and the economic resources necessary for middle class status. Although many in this group are intermittently or totally unemployed, most work as manual laborers or service personnel. Unlike its rural counterpart, the urban lower class is highly vulnerable to fluctuations in the job market.

Like members of the middle class, to whose status they aspire, members of the lower class have little sense of cohesion or awareness of belonging to a permanent group. Many have come only recently from rural areas and feel little solidarity with either the group they left behind or the new urban environment. Racial and cultural distinctions between the mestizos, who form the bulk of the lower class, and the English-speaking Negroes, who account for most of the rest of the group, pose a further obstacle to unity. As a result, members of the lower class are less militant than those of the middle class and demonstrate considerably less dissatisfaction with their lot in life. On the other hand, they see the opportunity for upward mobility through education and strive for their children, if not for themselves, to obtain at least an elementary education and preferably a secondary school diploma. The latter provides an entry to the middle class if the graduate can obtain employment commensurate with his training.

Most urban lower class Panamanians inhabit the inner slums of Panama City and Colon and the *barriadas de emergencia* (shantytowns) on the outskirts of both cities. Their family and social lives show a high degree of disorganization, reflected in frequent abandonment of spouses and children, changes in jobs and places of residence, and heavy gambling and drinking. In recent years, community action groups in the *barriadas* have organized residents to lobby for social and economic improvements to help stabilize the community.

Rural Panamanian society is composed largely of mestizos and Indians—with a few whites and Negroes—most of whom were born in Panama, speak

Spanish, and were baptized Roman Catholic. Two broad classes are distinguished in the rural sector: those who are very poor and those who are considered to be better off. Rural dwellers often move from one status to the other several times during their lifetimes. The poorest group includes virtually all subsistence farmers living as squatters or tenants on land owned by the state or by absentee landlords. Some small towns contain subsistence farmers almost exclusively. Most subsistence farmers, however, occupy isolated homesteads, typically consisting of crude thatched-roofed huts with dirt floors.

Because few farmers understand the value of obtaining title to the land they work, their tenancy tends to be precarious and they are prepared to move on when evicted by the owner or when the land ceases to be fertile. Indeed, some prefer this arrangement, as it allows personal independence and frees them from taxation and the need to fertilize the soil or rotate crops. Members of the group are tradition-bound and reluctant to change, largely because they fear a decline in their already minimal level of living. Those living in proximity to rural towns are considered to be more fortunate than those in remote areas, but few of the subsistence farmers have any meaningful access to individuals or institutions in the higher levels of society. Relatively few rural dwellers are wage laborers, inasmuch as plantation agriculture is not practiced extensively in Panama. Those who hold jobs at banana plantations and cattle ranches have the least measure of security.

The top one-third of rural society includes more affluent small farmers living on their own land or in nearby towns and villages, and storekeepers, teachers, and other town dwellers, whose level of living generally is considerably higher than that of the farmer. The farmers of this group are distinguished from the poorer farmers by the possession of more permanent housing, some consumer goods, and more cash income. They practice a more orthodox form of Catholicism, are in touch with national political events, and generally are in a better position to improve their lot. In the older and larger towns, a kind of traditional provincial upper class can sometimes be discerned, but in most cases, such groups have been considerably weakened by the influx of new wealth deriving from commercial growth.

The two principal segments of rural society have some mutual contact through commercial activities and sometimes through marriage and *compadrazgo* (godparenthood). In general, the distinction between the poorer and the more affluent is one of degree, as all have a low level of educational attainment and

collectively are in a worse position than the average member of the urban lower class, who enjoys more access to social services.

*b. Family*

The nuclear family is the principal unit of social organization. Although the concept of family solidarity is rooted in Hispanic tradition, the influx of foreign ideas, the presence of numerous immigrants, the substantial geographical mobility in rural areas, and the inefficacy of the Roman Catholic Church in Panama all have served to weaken the traditionally close-knit Hispanic family ideal. The high rates of common-law marriages, illegitimacy, and desertion by fathers suggest that the highly valued family unity and cohesiveness exist largely in theory. In practice, Panamanians are among the most liberal people in Latin America in matters concerning dating, courtship, marriage, and family relationships. Although the group's strength undoubtedly varies from family to family, for most persons the neighborhood is a more stable unit than the nuclear family.

The exodus of many Spanish families from Panama during the 18th century accounts in part for the weakness of the Hispano-Catholic family pattern. The presence of large numbers of Negro slaves who were not allowed to form stable families, and the subsequent immigration of West Indian Negro laborers, most of whom came without families, have contributed to the disorganization which characterizes family life. This phenomenon is most evident among the rural wage laborers and in the urban lower class. Conversely, family cohesion is most evident within the upper class and in stable farming communities, where Hispanic traditions are strongest and additional informal controls on behavior are exercised by the community. The middle class attempts to emulate upper class family functions and structure but generally lacks the effective upper class network of contacts among relatives. Among upper class families, many of which are interrelated, relatives play an important supportive role and are expected to help one another in such problems as obtaining employment. Upper class families expect their children to marry within the group and see to it that they mix socially with eligible youths of proper social standing. Children are taught from an early age to respect family traditions and to make use of family connections.

*Compadrazgo*, a ritual kinship established between the parents of a child and his sponsors at baptism, confirmation, or marriage—similar to the Anglo-

Saxon tradition of godparenthood—is still important in some rural areas, where it helps cement ties between people and between families. Rural parents often ask a local store owner or businessman to sponsor their child's baptism because such persons are in a better position to render aid in time of need. Conversely, the godparent, by means of the extensive connections established through ritual kinship, enhances his prestige and increases his influence in the region. *Compadrazgo* is less important in the metropolitan areas, where it is largely symbolic.

Common-law marriages outnumber legal marriages. The authorities have attempted to remedy this situation by decreeing that all the rights and duties of legal marriage apply to couples who have lived in consensual unions for 5 years or longer. Some common-law marriages, especially those in settled farming communities, are as stable and permanent as legal marriages. In most cases, however, even when the couple has children, consensual unions are unstable. Formal marriage is seen by most lower class Panamanians as a serious, indissoluble step with legal ramifications that they would prefer to avoid. Inasmuch as illegitimacy carries no social stigma, many women have children by successive common-law husbands. The children take the name of the mother and consider themselves brothers and sisters. They often are reared by the maternal grandmother while the mother works to support the family. Domestic servants who have children out of wedlock commonly send the children to be raised by relatives in the countryside, sending them money for support.

In recent years, authorities have recognized the problems of the mother-oriented family and have encouraged unwed mothers to file child support claims. The establishment of a government institute for the promotion of family stability was authorized in the 1972 Constitution, but little information is available on its activities.

Families are somewhat small by Latin American standards, averaging 4.7 members in urban areas and 5.4 members in rural areas. Extended families living in a single household are the exception rather than the rule. Few lower or middle class families have the resources or the space to accommodate extra family members and most prefer to establish a separate household at the time of marriage.

Courtship and dating patterns in some circles approximate those in the United States. There is little chaperonage, but middle and upper class girls usually date only one boy at a time. Virginity is considered important among middle and upper class families and among residents of settled farming communities.

Negro families, particularly those of West Indian ancestry, differ from the formal Hispanic pattern in that the matriarchal family pattern predominates. The strong feeling that the children belong to the mother probably dates to the days when Negroes were slaves and family ties were almost nonexistent. Kinship ties with the mother's family are strong, and there may be no contact whatsoever with the father's relatives. The woman tends not to accept the double standard and often will leave her mate if he takes a mistress. She values independence highly and often rejects proposals of marriage which would tie her down. Among more assimilated, church-going Negroes, attitudes toward family and kin more closely resemble the Hispanic model.

Children are highly valued in all social classes and generally are pampered and reared with a minimum of discipline. Boys are given a great deal of freedom while girls are more closely guarded. Both are taught sex roles at an early age. Girls imitate their mothers in cooking, cleaning, mending, and caring for younger children; boys help in the fields or work at menial tasks in the city.

Except among the Negro population, male dominance characterizes male-female relationships at most levels of society. Middle and upper class women, however, increasingly have been less willing to accept the stereotype of the submissive, long-suffering wife and mother. Although the double standard continues and extramarital affairs are carried on more openly than in other Latin American countries, many women, especially those acquainted with U.S. customs, have rebelled against its perpetuation. Women also are beginning to change traditional attitudes which fail to censure fathers who desert their children. Increasingly, husbandless mothers are seeking legal action to obtain child support.

### 3. Social values and attitudes

The fundamental values which govern the behavior of most Panamanians are derived from those introduced by the Spanish settlers; with the passage of time, these have come to be modified by foreign influences. There is virtually no Indian contribution to the dominant white-mestizo worldview. Although their attitudes and beliefs are similar in many respects to those of other Latin Americans, Panamanians have tended to adapt their views more in response to historical change. Such flexibility has been least evident in the more isolated rural districts, while the residents of the more sophisticated metropolitan areas have absorbed many modernizing influences.

Among the central values shared by all segments of society is a belief, shared with other Latin American countries, in the essential dignity and uniqueness of the individual. Each person is thought to possess an inner worth which is in no way related to his social status. Resulting from this personalistic view is an exaggerated sense of honor which sometimes leads to an extreme sensitivity to insult and praise. People are expected to acknowledge one another's individuality through a somewhat formalized code of behavior, characterized by such acts as inquiries into the personal health and well-being of business acquaintances prior to the initiation of dealings. Employers ideally show personal interest in those who work for them, while the latter are expected to show proper deference. Far from promoting social equality, however, the belief in the uniqueness of the individual provides a rationalization for the existing hierarchy of social classes, as each person is believed to be capable of fulfilling his potential regardless of the social or economic level to which he is relegated.

Personalism also serves as a mechanism for inhibiting the growth of impersonal institutions. As suggested by the frequently used epithet *persona de confianza* (person of confidence), only certain persons, particularly family members and relatives, are considered trustworthy and, moreover, are expected to lend their support in time of need. The implications of this attitude for local community organization and development have been essentially negative, as few individuals are inclined to champion common causes and few groups have formed to promote the public interest.

The personalistic approach to problems is particularly evident in the political arena. Politics traditionally have been left to the machinations of a few elite families who compete for personal allegiance within their own group and among the middle and lower classes. Personalities, rather than parties or issues, always have predominated. Issues may be discussed, but in the end it is the politician as a person who ultimately sways the outcome.

Panamanians in general are less political than most Latin Americans. Nevertheless, they customarily respond to highly sensitive issues, notably those involving the Canal Zone. Even then, however, their response, although strongly nationalistic, is more vocal than genuinely political. Civic consciousness generally is low and evidenced only during national elections. Since politics have traditionally been the domain of the aristocracy, the population at large has remained apathetic. Opposition to the monopoly of political power by a few families generally has been limited to

minority ethnic groups and students. The middle class has agitated for reforms in the past but has received little support from the masses and has been opposed by the oligarchy. Since the assumption of power of General Torrijos, some shift in traditional political values has come about. Torrijos has ended control of the government by the aristocracy and has called for more participation in government by groups in all walks of life at the local level. Along with the courting of peasants and workers, however, he has consolidated political control in the National Guard and has institutionalized his own personal power through constitutional revisions.

Traditionally associated with the belief in individuality are certain personality ideals for men and women. *Machismo*, encompassing such characteristics as courage, daring, recklessness, physical or intellectual accomplishment, and sexual prowess, is still regarded by many Panamanians as the most important component of the male personality. Women, by contrast, ideally are submissive, sacrificing, and concerned with matters traditionally associated with the female, such as childrearing and attending to household and religious affairs. In both cases, significant changes have occurred in actual practice, particularly as women have acquired rights to education and employment and achieved greater personal independence.

Within the rural sector, a pervasive fatalistic attitude continues to affect many persons who view their situation as "within the natural order of things" and essentially unchangeable. Peasants are given to interjecting the phrase "God willing" when speaking of future plans and the concept of predestination dominates their outlook on life. They see little possibility of changing their lot through hard work and rational action, preferring to trust in luck, chance, and God's will. Consequently, they are little given to competition and often are satisfied with the meager fruits of their labor and have little incentive to produce a surplus or make a profit. In large measure related to the low level at which most peasants live, this limited viewpoint is manifested in a preference for time-tested methods over new ones which, it is believed, might bring disaster.

Some lower class urban residents share this fatalistic outlook on life, perpetually hoping for some miracle, such as the winning of a lottery, that would change their lot (Figure 5). For the most part, however, the vastly greater opportunities in the urban setting, the faster pace of living, and the keener competition largely have eliminated the passivity that is common among rural dwellers.

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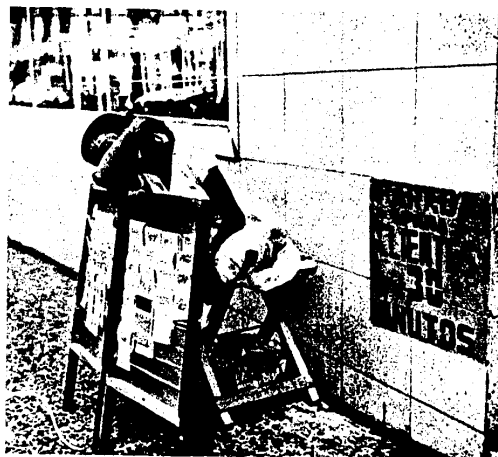


FIGURE 5. Lottery vendor. Gambling is popular in Panama. In order to prevent loitering, sign limits vendor to a 30-minute stay. (U/OU)

Many factors have begun to affect the traditional views of the peasant. The advent of the transistor radio, increased transportation facilities, and aid from government and church agencies, as well as from such outside organizations as AID, have made an impact. In addition, the military government that came to power in 1968 has stepped up efforts to involve citizens in the improvement of their own communities.

The feebleness of the Indian heritage and paucity of colonial tradition, coupled with the absence of national heroes, have impeded the formation of a national self-identity. Because of the role of the canal in maritime trade, moreover, the rural areas have tended to be neglected. Consequently, the rural people lack a sense of nationhood, some being unaware of the existence of the canal. Panamanian historians only recently have attempted to focus some attention on the hinterland, where they believe the authentic values and traditions of Panama are best preserved.

Also militating against a sense of national unity is the presence of unassimilated ethnic minorities against whom considerable discrimination has been directed. The largest such group, the Negroes of West Indian origin, is disdained by the mainstream of society. Still largely oriented toward the United Kingdom, these Negroes are accused of divided loyalty and envied for their advantage in obtaining jobs in the Canal Zone, where the ability to speak English is important. While these attitudes can be attributed largely to cultural rather than racial factors, there also is evidence of discrimination purely on the basis of race, a bias which



applies to all dark-skinned persons regardless of cultural background. Negroes rarely are found in high government posts and may be prohibited from entering certain hotels, restaurants, and residential areas. Panamanians prefer to marry light-skinned, straight-haired persons in the belief that it "improves the race." They generally refer to dark-skinned persons as *morenos* (darks), and use the word Negro condescendingly, both as an insult and as a term of endearment.

At times, discrimination has been given legal standing, as in the 1941 Constitution, which denied citizenship to Negroes of West Indian derivation. Although the 1946 and 1972 constitutions eliminated this provision, other laws prohibit the immigration of Chinese, Armenians, Arabs, and Negroes who do not speak Spanish. The present 1972 Constitution also empowers the President to deny citizenship to such persons. Both the immigration and citizenship barriers, however, may be circumvented through bribery, and are generally unenforced in any case.

Although entitled by law to government protection, Indians long have been exploited by mestizos living near their reservations and settlements. Most mestizos consider Indians backward and uncultured. As with other non-Hispanic groups, adoption of mestizo cultural traits, including usage of the Spanish language, generally guarantees acceptance by society at large.

Bias against shopkeepers of foreign origin also is common. It is widely believed that the Chinese are dishonest, and some official attempts have been made to oust them from the commercial sector. On one occasion the director of the Central Market in Panama City tried to evict all Oriental shopkeepers, but with little success. Attitudes towards peoples of other countries in general have paralleled official relations with the countries in question. Panamanians traditionally have distrusted Costa Ricans and Colombians, accusing them of harboring subversive Panamanian exiles. Attitudes toward the United States reflect bitterness over what Panamanians consider to be objectionable provisions in the treaty which established the Canal Zone. Anti-U.S. sentiment has been manifested on various occasions, resulting in demonstrations, riots, and mob attacks against facilities within the zone. The most serious of these incidents occurred in 1964 and involved the issue of whether or not the Panamanian flag would be flown within the zone; the attending violence resulted in more than a score of deaths, hundreds of injuries, and substantial property damage. Panama broke diplomatic relations with the United States and

lodged charges of aggression with the Organization of American States and the United Nations. Following the resumption of diplomatic ties several months later, the U.S. Government announced its readiness to renegotiate the 1903 Canal Zone treaty. Relations between the countries have improved since that time, but Panamanian nationalism continues to feed on the canal issue.

In addition to the question of Canal Zone sovereignty, Panamanians also have been disturbed by the longstanding custom of treating Panamanian nationals working in the zone as less than equal to U.S. citizens working there. For a long period after the completion of the canal, U.S. employees were paid in gold and Panamanians and West Indians in silver. Segregated facilities, including restrooms and water fountains, came to be designated as either "gold" or "silver." A dual basic pay scale eventually replaced the gold and silver payments. Although a uniform wage scale has prevailed since 1955, the psychological residue of unequal treatment has lingered in the minds of many Panamanians.

### C. Population (U/OU)

Panama's population, estimated at 1,570,000 on 1 July 1973, continues to grow at a fast pace, although the rate of increase has declined slightly since 1970. Immigration, one of the highest birth rates in Latin America, and a moderating death rate have caused the population to grow rapidly during the 20th century. The average annual growth rate exceeded 2.5% during every 10-year intercensal period except 1921-30, when a decline in employment opportunities forced many foreign workmen to leave Panama. Between 1911, the year of the first nationwide census, and 1970, the year of the most recent census, the population more than quadrupled (Figure 6). The relatively low median age of the population, moreover, will be conducive to the continuance of a high growth rate for the next two decades, because the large number of births since the mid-1940's will result in increasing numbers of women entering the childbearing years. Nor is there much likelihood that fertility will decline naturally in the near future, inasmuch as Panama's level of socioeconomic development has not yet reached that attained by the Western industrialized nations, where family sizes generally have diminished.

At the present rate of growth, Panama's population will approach 2 million by 1980, 3.1 million by 1995, and exceed 3.5 million by the year 2000. Panama Province alone is expected to contain more inhabitants by the end of the century than the entire country did

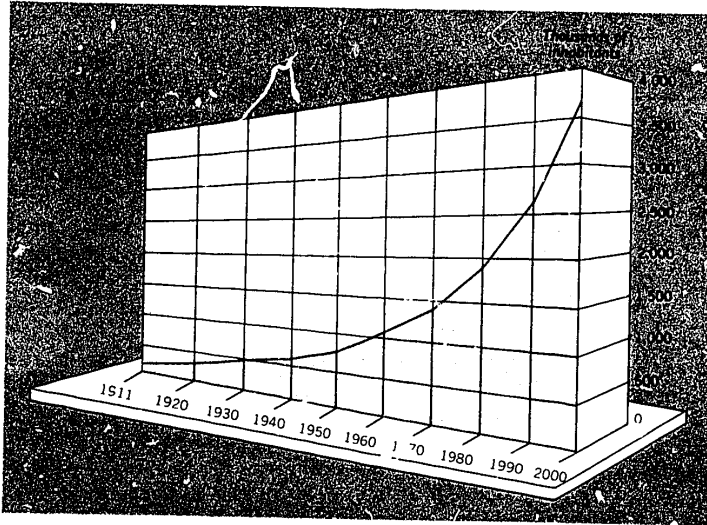


FIGURE 6. Growth of the population (U/OU)

in 1970, and it is projected that the urban portion will increase from less than half to more than two-thirds of the total population. Also important for the future economic development of the country is the expectation that the number of children under age 15 will double by 1995, placing a heavy burden on educational facilities. Natural increase has been the major component of population growth since immigration began to taper off after 1915. The rate of registered births reported by Panamanian statistical sources declined irregularly from 1925 to 1949, and then rose gradually to over 40 per 1,000 population in the early 1960's (Figure 7), more than twice that of the United States.

The mortality rate, in contrast, has been comparatively low throughout the 20th century, having been favorably affected by health and sanitation measures introduced to protect laborers during the construction of the canal. Although deaths are somewhat underreported, the general trend has been one of decreasing mortality since early in the century. By 1970 Panama had one of the lowest death rates in Latin America and, because of its low median age, a lower death rate than that of the United States. Its infant mortality rate of approximately 40 deaths under age 1 per 1,000 live births in the early 1970's was comparable with that of the more economically advanced countries of Latin America.

Since birth rates have remained at a high level while death rates have declined, Panama's average annual rate of natural increase rose from approximately 2.1%

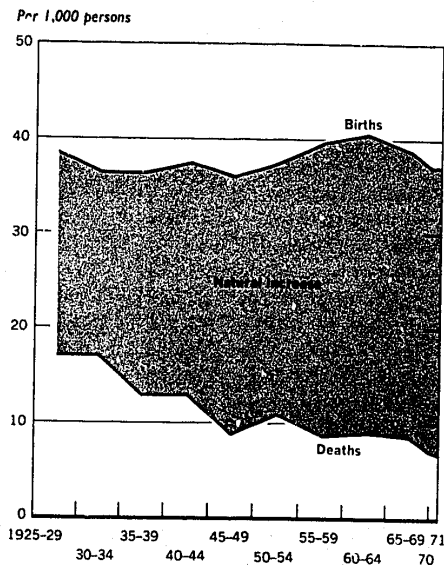


FIGURE 7. Vital rates (U/OU)

to about 3.2% during the early 1960's. After the mid-1960's, a somewhat faster decline in the birth rate than in the death rate resulted in a slight decrease in the rate of natural increase to about 3.1% per year.

Migration has had little influence upon demographic trends since the end of World War II. Although statistics on immigration are inadequate and none are available on emigration, it is believed that more people leave the country than enter it. Approximately 4% of the population, almost half of them over age 60, were listed as foreign-born in the 1960 census, the most recent for which such data are available. This represents a considerable decrease from the figure of over 10% foreign-born registered during the first four decades of the century. The largest influx of people took place during the construction of the railroad (1850-55) and the canal (1880-91 and 1904-14). Many returned to their native countries after their jobs ended, but a considerable number, mostly from the British West Indies, settled permanently. During the late 1930's and early 1940's, substantial numbers of foreign workers were introduced to construct U.S. defense installations in the Canal Zone. Some attempt was made to attract displaced European farmers to Panama after World War II, but those few who came tended to settle in urban areas.

Official demographic policy has only recently begun to reflect concern that the country's population is increasing too rapidly. Since 1968, the authorities have emphasized the improvement of rural living standards with the hope of stemming the tide of migration to Panama City and Colon. By combining dispersed villagers into larger communities and providing them with schools, health centers, water systems, electricity, and other essential services and facilities, the government hopes to attract to rural areas the private investment which heretofore has tended to be concentrated only in the cities; thus, individuals who might otherwise leave the countryside in order to improve their lot would be encouraged to stay. Attempts are being made through a modest agrarian reform program to provide legal land titles to squatters, thereby making them eligible to receive technical and financial aid available under the same program. About 50 peasant cooperatives modeled on Chilean community farms also have been established since 1970. There is, however, no official land colonization program despite the existence of adequate reserves of arable land, especially in the south. Independent colonization is, nevertheless, siphoning off some excess population from the more densely populated rural areas.

The concept that family planning assistance should be made available to those who seek it has received wide support from Panamanian officials. Among the agencies and institutions involved in population control programs are the Ministry of Health, the National Planning Office, the Social Security Fund (CSS), the University of Panama, and the Ministries of Labor, Education, and Agriculture. In 1968, a National Committee for Demographic Policy was established to coordinate the relevant work of these entities and maintain liaison with private groups working in the same field.

Under the Ministry of Health's Family Planning Program, some 40 clinics were offering family planning services in 1972. The Ministry also sponsors courses on population problems for representatives of other government agencies, holds seminars for primary school officials in order to improve instruction in hygiene and sex education, and sponsors mass media advertisements relating to family planning. The Catholic Church in Panama, while opposing artificial means of birth control, has endorsed the concept of family planning through a broad approach involving the improvement of educational, social, and economic opportunities; church and government officials have worked jointly on numerous aspects of the matter. The Panamanian Association for Family Planning, associated with the International Planned Parenthood Foundation, plays an active role in disseminating information through both public and private channels. Since its founding in 1966, the association has opened seven family planning clinics, most of which had been turned over to government management by 1973. Despite the favorable climate for family planning activities, the overall impact of the government's coordinated program thus far has been negligible and is not expected to reduce the birth rate substantially in the short run.

#### 1. Size and distribution

Panama's population numbered 1,428,082 on 10 May 1970, the date of the most recent census. By 1 July 1973, it was estimated to have increased to 1,570,000. Panama is thus the least populated Central American nation, its population amounting to slightly more than one-fifth that of Guatemala, the most populous, and almost equaling that of its northern neighbor, Costa Rica. Colombia, bordering Panama on the south, has approximately 16 times as many inhabitants.

Panama is not densely populated. At midyear 1973, its average density of 54 persons per square mile was second only to Nicaragua in Central America and was

slightly lower than that of the United States. Panama Province, with 132 persons per square mile, was by far the most densely populated major political subdivision in 1970, the other provinces ranging from a high of 77 persons per square mile in Herrera to a low of 3.5 in Darien (Figure 8). Because of the heavy concentration of population near the Canal Zone, density is greatest in those districts of Panama and Colon provinces adjacent to the zone (see inset to the General Survey Summary Map in the Country Profile chapter). Only the small district containing the town of Chitre in Herrera Province matches the high density of these districts.

Settlement patterns have changed little from precolonial days when the area along the shortest line linking the two coasts served as a transit route and attracted the majority of the region's inhabitants. When the Spanish settlers came, they established their political and economic centers at the two terminals of the route. Few persons settled elsewhere, mainly because there were no interior areas clear of forest growth suitable for large-scale farming. Thus, the distribution of Panama's population differs markedly from that of the other Central American countries, where highlands are the most heavily inhabited areas. As of the early 1970's, almost two-thirds of the country's inhabitants lived within 10 miles of the Canal Zone, mostly to the east of the corridor, in and around Panama City and Colon. The entire territory further east is sparsely inhabited, as is most of the western portion with the exception of the drier Pacific coastal areas.

In essence, therefore, the geographical distribution of the population is highly imbalanced. Panama and Colon provinces alone had almost half the nation's

population in 1970, although the combined size of the two provinces accounted only for slightly more than one-fifth of the total land area. Most of the remaining population was divided among Chiriqui, Veraguas, Cocle, Herrera, and Los Santos provinces, south of the mountain divide. The provinces of Darien and Bocas del Toro and the Intendancy of San Blas were sparsely populated.

With the exception of a trend toward greater population concentration near the Canal Zone, the distribution of the population has not changed radically during the 20th century. In the future, however, it is expected that settling will increase along the Inter American Highway, on the Pacific side of the continental divide. As the highway is extended through Darien Province, new farmlands also will be made accessible in that region.

The problems generated by rapid population growth have been accentuated by migration to the urban centers contiguous to the Canal Zone. Chiefly as the result of migration to Panama City, Panama Province grew almost twice as fast as the nation as a whole between 1960 and 1970 (Figure 9). It was followed by Bocas del Toro, which attracted many rural dwellers seeking plantation jobs. The greatest out-migration occurred from Los Santos, Darien, Herrera, and Veraguas, all of which are relatively poor agricultural areas affording few opportunities for alternate work.

Migrants to urban areas are attracted not only by greater employment opportunities but also by better health, educational, and recreational facilities. Generally, rural migrants go first to a nearby town, usually the district seat, and then proceed to Panama City or Colon. There also is considerable migration

FIGURE 8. Estimated population, area, and population density, by province, 1970 (U/OU)

| PROVINCE            | POPULATION | PERCENT OF TOTAL POPULATION | AREA   | PERCENT OF TOTAL AREA | PERSONS PER SQUARE MILE |
|---------------------|------------|-----------------------------|--------|-----------------------|-------------------------|
| Bocas del Toro..... | 43,531     | 3.0                         | 3,443  | 11.8                  | 12.6                    |
| Chiriqui.....       | 236,154    | 16.5                        | 3,381  | 11.6                  | 69.8                    |
| Cocle.....          | 118,003    | 8.3                         | 1,944  | 6.7                   | 60.7                    |
| Colon.....          | 109,605    | 7.7                         | 1,644  | 5.7                   | 66.7                    |
| Darien.....         | 22,685     | 1.6                         | 6,488  | 22.2                  | 3.5                     |
| Herrera.....        | 72,549     | 5.1                         | 937    | 3.2                   | 77.4                    |
| Los Santos.....     | 72,380     | 5.1                         | 1,493  | 5.1                   | 48.5                    |
| Panama.....         | 576,045    | 40.4                        | 4,360  | 14.9                  | 132.3                   |
| San Blas*.....      | 24,681     | 1.7                         | 1,238  | 4.2                   | 19.9                    |
| Veraguas.....       | 151,849    | 10.6                        | 4,280  | 14.6                  | 35.5                    |
| Total.....          | 1,428,082  | 100.0                       | 29,208 | 100.0                 | 48.9                    |

\*Intendancy.

between rural areas, especially among squatters who move about as the land they work becomes unproductive.

Migrants to Panama City and Colon usually go first to the inner city slums and then move to shantytowns on the outskirts of the cities as their situation improves. Such squatter settlements cluster in the northeast area of the capital in low-lying areas subject to periodic flooding. The unhealthful conditions predominating in such areas of high population density have strained the resources of public agencies.

Largely as a result of migration to urban localities, Panama's population has become increasingly urban,<sup>2</sup> as shown by the following percentages of the national population residing in such places:

|      |      |
|------|------|
| 1930 | 30.1 |
| 1940 | 33.8 |
| 1950 | 36.0 |
| 1960 | 41.5 |
| 1970 | 47.6 |

Between 1960 and 1970, the urban population grew twice as fast as the rural population. In the latter year, the provinces of Panama, Colon, Bocas del Toro, and Herrera were the most urbanized, with 79%, 52%, 35%, and 32% of their respective populations living in urban localities. All the other provinces had less than 26% urban population.

The urban population is, however, heavily concentrated in Panama City and Colon, particularly where the cities adjoin the Canal Zone. Together with the special district of San Miguelito, the town of La Chorrera, and several largely urban neighboring districts, the two cities constitute the country's only metropolitan areas; combined they accounted for 93% of Panama's urban population in 1970. The total number of urban localities in that year was 33 (Figure 10), compared with the 21 listed in the 1960 census. Only eight urban places had populations of over 10,000. The remaining 25 were small marketing centers.

Although both Panama City and Colon have grown rapidly over the past two decades, both cities are limited in their potential to accommodate further population growth. The population of Panama City, which has almost tripled in size since 1950, is geographically limited on three sides—by the Bay of Panama, the Canal Zone, and the Pacific Ocean—and

<sup>2</sup>Urban places are defined as those with 1,500 or more inhabitants, provided the communities have such services or installations as electricity, public water and sewage systems, paved streets and sidewalks, schools, stores, and social and recreational centers.

expansion can take place only to the northeast. Colon consists of a small enclave within the Canal Zone; its growth has been more moderate, from some 52,000 in 1950 to 68,000 in 1970. The third largest urban place, the special district of San Miguelito, although administratively distinct from Panama City, is generally considered its suburb and forms a part of the metropolitan area. The only interior towns of any importance are David with a population of 35,677 in 1970, and Santiago with 14,597 inhabitants at that time. Chitre and Puerto Armuelles, each with slightly more than 12,000 inhabitants in 1970, were the only other urban localities with over 10,000 population.

## 2. Age-sex structure

Like the population of most underdeveloped countries, that of Panama is disproportionately young and can be expected to become even younger in the future as a result of continuing high birth rates and declining infant mortality. Between 1950 and 1970, the median age dropped from 19.3 to 17.2 years. The median age of urban dwellers, however, is considerably higher than that of rural dwellers because most migrants to the cities are young adults.

By 1970, almost half the population was in the dependent age groups, under 15 and over 64 years of age, as shown in the following percentages:

|             |      |
|-------------|------|
| 0-14        | 43.6 |
| 15-64       | 53.9 |
| 65 and over | 3.5  |

The resulting ratio of 874 persons in the dependent age groups for each 1,000 persons in the productive age group places a heavy economic burden on working-age persons. It is expected that this burden will increase in future years as expanded social security coverage allows additional older persons to retire and as increased educational opportunities permit more young people to delay joining the labor force while completing their studies.

Panama's population profile in 1970, depicted by a pyramid with a broad base and narrow top, graphically indicates the extreme youthfulness of the population (Figure 11). Each successively higher age group in the profile is narrower than the previous age group, reflecting the smaller number of births in past years as well as the loss of people by death as they have grown older.

Because of the heavy immigration of male laborers early in the century, males generally have outnumbered females. This excess of males has,

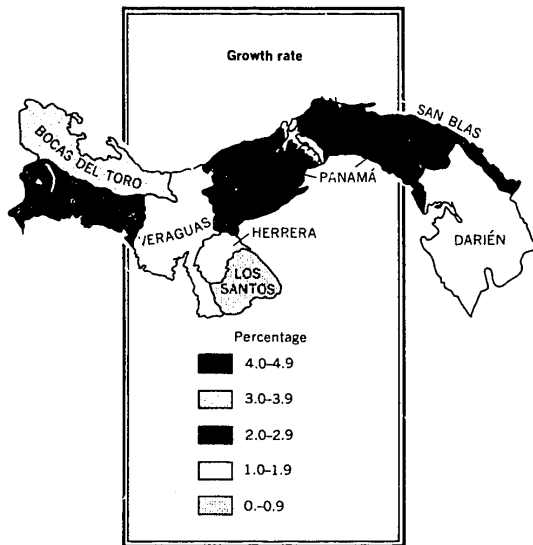


FIGURE 9. Average annual growth rate, by province, 1960-70 (U/OU)

been heavily concentrated in Panama City and Colon. Men outnumbered women in 1970 in every province except Panama and Colon, both of which are predominantly urban. Bocas del Toro and Darien had the highest sex ratios, 122 and 199 males per 100 females, respectively, as a result of predominantly male migration to these largely frontier provinces.

**D. Living and working conditions**

Living conditions while generally good by Central American standards, remain poor for a large segment of the population. Relatively few persons directly benefitted from the substantial economic gains of the 1960's, when Panama, registering a 7.9% average annual rate, outranked all other Latin American countries in the growth of gross national product (GNP). Unemployment has declined, but still constitutes a major problem, especially in the Panama City area, as not enough jobs were generated by the economic boom to absorb the increasing numbers of

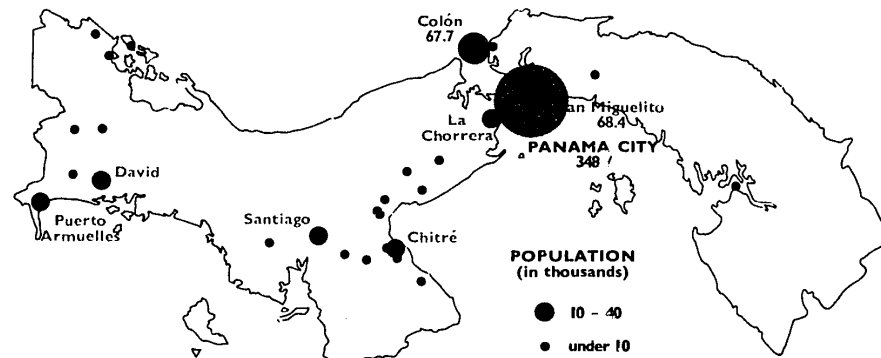


FIGURE 10. Size and location of urban places, 1970 (U/OU)

however, steadily diminished, as indicated in the following tabulation, which shows the number of males per 100 females:

|      | URBAN | RURAL | ALL AREAS |
|------|-------|-------|-----------|
| 1950 | 93    | 110   | 103.5     |
| 1960 | 93    | 111   | 103.0     |
| 1970 | na    | na    | 102.8     |

The deficit of males in urban areas stems from the preponderance of women among migrants to cities and towns and would have been even greater if the predominantly male foreign-born element had not

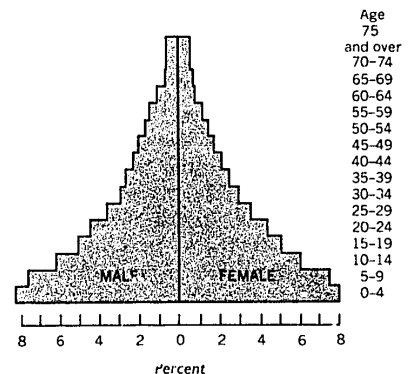


FIGURE 11. Age-sex structure, 1970 (U/OU)

persons entering the labor force each year. In rural areas, underemployment is common and is a major cause of migration to the towns and cities. Access to the expanding health care system remains largely limited to persons living in or near urban centers. A severe housing shortage and the resultant proliferation of urban slums and shantytowns pose major problems. Dissatisfaction among low- and middle-income persons has increased despite the government's commitment to the improvement of their living conditions, in part because expectations have risen but also because living costs have increased as well. (U/OU)

Panama's per capita GNP in 1973 was surpassed in Latin America only by those of Argentina, Venezuela, Chile, and Uruguay. Since the military takeover in 1968, an increasing proportion of the GNP has been generated by public expenditures, as the government has sought to compensate for the diminution in private investment. Higher direct taxes, new indirect taxes, and improved tax collection methods have enabled the government to spend larger sums on social services since 1970, but at the same time such expenditures have resulted in serious budgetary deficits. The future of social reform programs probably will depend to some extent on the government's ability to stimulate a higher rate of private investment. (U/OU)

The distribution of income varies widely by geographical region, with particular contrast between urban and rural localities. Per capita income for the rural population of Darien, for example, is only about one-tenth that of Panama City's residents. Few farmers have cash incomes exceeding B500 (B1=US\$1) per year. At least one-third of all farmers live at the subsistence level, exchanging agricultural products for items they cannot produce at home. Some farmers hire out as day laborers, earning B1.00 to B1.50 per day, unless employed by sugar and banana enterprises, where base wages are governed by law and are competitive with those in manufacturing. (U/OU)

Information regarding wages and salaries is largely limited to workers covered by the CSS; their incomes, however, generally are higher than those of workers who do not participate. In manufacturing, the hourly wage for blue-collar workers averaged B0.82 in 1970, a figure which represented a considerable gain over the B0.52 paid in 1961. In general, the lowest paid workers made the greatest gain in earnings during the 1961-70 decade. (U/OU)

Data for 1970 compiled by the CSS on the average monthly earnings of workers in five employment

sectors show that the highest wages were paid by state enterprises, whether autonomous or semiautonomous, as shown by the following tabulation:

|                     |         |
|---------------------|---------|
| Local government    | B117.98 |
| National government | 177.14  |
| Private enterprises | 177.30  |
| Banana industry     | 183.30  |
| State enterprises   | 220.87  |

Within the various sectors, workers in Panama City often earn up to one and one-half times as much as their counterparts elsewhere. Even in the capital, however, the incomes of many persons are inadequate; it is estimated that about two-fifths of all families in the city earn less than B150.00 monthly, an amount considered the poverty level for a family of four (Figure 12). The highest wages are paid to persons employed in the Canal Zone; domestics employed there, for instance, earn about B45.00 per month as compared with B20.00 or less in Panama City. (U/OU)

Little is known about the manner in which the typical Panamanian spends his income, but consumption patterns undoubtedly vary considerably between the interior and the capital. A 1962 household survey of low- and middle-income families in Panama City showed that, on the average, each family spent 34% of its budget for food, 21% for housing, 9% for clothing, and 36% for miscellaneous items including recreation. Lower income families, however, probably devote at least twice the proportion of their incomes on food and drink as do middle and upper income families, whereas middle income families spend proportionately more on housing and clothing. The average cash-earning farmer spends virtually all available income on those food items, namely cooking oil, sugar, salt, coffee, meat, milk, and vegetables, which normally are not produced at home. These are available at small country stores, which usually also stock kerosene, cigarettes, and some processed foods (Figure 13). (U/OU)

Because of the general stability of their economy and currency, Panamanians have been little affected by inflation. While wages and salaries rose by 47% between 1969 and 1970, the consumer price index for low- and middle-income families in Panama City increased by only 14.3%, representing a substantial increase in real income. The price rise began to accelerate in 1970, however, when the consumer price index registered a 3.2% increase over the previous year (Figure 14). Although they steadied somewhat in 1971, prices rose during the first half of 1972 at an annual rate of 12.8%. Higher food costs, especially for

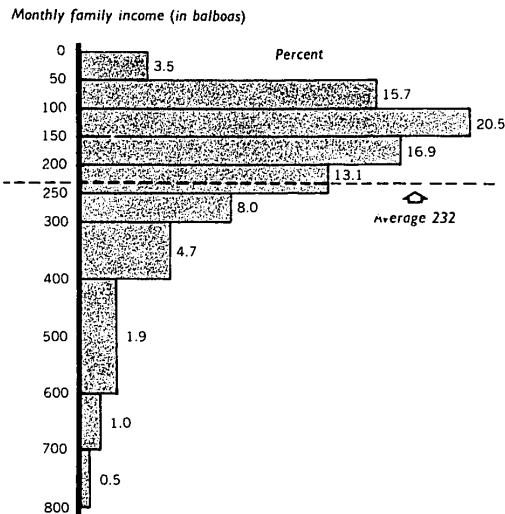


FIGURE 12. Distribution of family income, Panama City, 1962 (U/OU)



FIGURE 13. Typical country store. Such stores serve as the main source of consumer goods for the rural farmer. (U/OU)

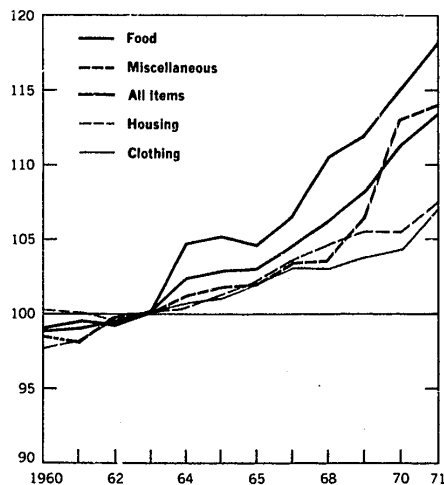


FIGURE 14. Consumer price index, Panama City (U/OU)

items imported from the United States, accounted in large measure for the rise. Increased labor costs and new indirect taxes on cigarettes and gasoline also have been passed on to the consumer. In addition, international currency revaluations in 1972 resulted in higher prices for Japanese and European imports, which make up a substantial portion of locally sold goods. (U/OU)

Prices, like incomes, vary regionally. The variety of goods is smallest and prices are highest in the more remote towns and villages. In Panama City and Colon, locally processed foods, such as tomato paste, pork and beans, and ketchup, sell for half as much as in the provincial capitals. Other goods, because of high transportation costs, may not even reach markets outside the two main cities. Regardless of location, foods often cost as much as 50% more during the off-season. For those able to afford them, a variety of goods, both domestic and imported, comparable with that sold in large U.S. cities is available in Panama City and Colon. Ready-made clothing and shoes produced locally sell at prices similar to those in the United States, but imported goods are more expensive. (U/OU)

Since 1970 the government has taken measures to control inflation. These have included imposing price ceilings for many foodstuffs and medicines, suspending exports of some goods in order to increase domestic supplies, stockpiling agricultural goods by a government agency for later sale, limiting corporate profits, and enforcing more rigorously existing price



control regulations. Prior to 1970, price ceilings, controlled by the Office of Price Regulation, were seldom enforced outside the capital, and even there inspection was largely confined to the Central Market. The appointment of an additional 100 inspectors to the regulating agency early in 1973, coupled with the announcement of severe fines for price code violations, have resulted in better compliance with the regulations. The government also has negotiated with key manufacturers on an item-by-item basis in an attempt to head off price increases and avoid the imposition of additional controls. In some cases, however, manufacturers have compensated for reduced profit margins by curbing production and cutting back on investment. The business sector has been critical of the government's price policies, branding them inflexible and alleging that they have failed to take into account increased production costs attributable in part to the new labor code. Early in 1973, controls on the prices of flour and bakery products resulted in the temporary closure of the three largest bakeries and the threat of a flour shortage. Declining investment in some industries has forced the government to raise price ceilings in order to increase production. (U/OU)

Because of its strategic location, Panama traditionally has been a major contraband center, serving as a transshipment point for much of the illicit traffic in merchandise and drugs between the American continents. Despite the existence of price controls, however, it does not appear that local supplies of smuggled merchandise have increased appreciably. Official connivance in smuggling and other illegal activities is tacitly accepted by much of the population. (U/OU)

Notwithstanding Panama's role in international drug trafficking, drug addiction does not appear to be a serious problem locally. The government has received technical and financial assistance from the U.S. Bureau of Narcotics and Dangerous Drugs in its efforts to stem the illegal flow of drugs, but the involvement of some high ranking Panamanian officials in the drug trade has tended to impair this cooperative effort. (U/OU)

Other illegal acts, particularly robbery and theft, involve many more persons than smuggling or drug use and appear to have increased in the past decade. Petty theft, probably the most common antisocial act, often is perpetrated by adolescents and arises from immediate opportunity and impulse rather than outright criminal intent. Because of the high degree of family disorganization, urban lower class boys spend a great deal of time in the streets from an early age,

often forming gangs intent on malicious mischief. Indeed, lower class individuals define leisure as "time spent in the streets." There is no evidence, however, that a substantial number of juvenile delinquents become adult criminals. First offenders among boys generally are sent to correctional schools where they are taught to read and write and learn a trade. Girls are less likely to become involved in delinquency, but some inevitably drift into prostitution. (U/OU)

## 1. Health and sanitation (U/OU)

### a. Health conditions

The stark contrast in living conditions between urban and rural residents makes it difficult to generalize about the health status of Panamanians. Progress in the health field, however, has been largely limited to the urban areas contiguous to the Canal Zone, where a massive health program has been underway since the construction of the waterway. Consequently, urban health conditions, even among the poor, are good. In the cities, few people die of the more readily preventable diseases, life expectancy is high, infant mortality is low, and the leading causes of death are those prevailing in far more economically advanced countries. Poor health conditions prevail throughout the rest of the country. Rural Panama lacks adequate medical facilities and personnel, and access to existing resources is hampered by an inadequate transportation system. Many rural dwellers are unaware of the elementary principles of personal hygiene and environmental sanitation; consequently, they are vulnerable to a variety of debilitating diseases.

Superstitions regarding the nature and cause of illness abound among the Indians and peasants, many of whom believe that supernatural forces, including the "evil eye," bring illness. Such beliefs interfere with the acceptance of public health and sanitation measures, thus hampering disease control. Indians and peasants often rely on *yerberos*, practitioners specializing in the preparation of herbal potions and other folk remedies, which they administer while chanting incantations. In the Intendencia of San Blas approximately four-fifths of all medical cases are treated by such methods. *Curanderos* (healers) enjoy a somewhat higher status than *yerberos* and often prescribe patent medicines. In addition to these native practitioners, most villages have at least one midwife.

The leading causes of death are heart disease, cancer, and cerebrovascular disease, maladies that are typical of advanced societies, as well as measles, tetanus, and respiratory diseases, which are common

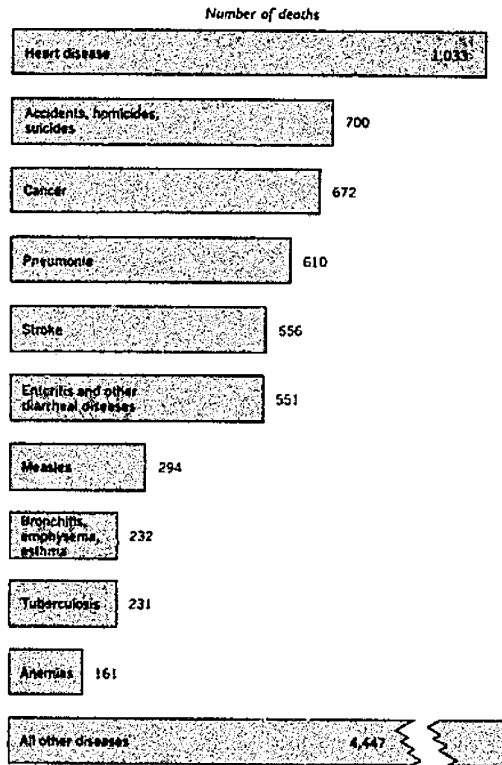


FIGURE 15. Leading causes of death, 1971 (U/OU)

in less developed countries (Figure 15). Communicable diseases account for more than one-fourth of all deaths and constitute the leading cause of death among the young. The high number of children's deaths from measles and whooping cough suggests that many parents do not recognize the illnesses at an early stage, when treatment is more likely to be successful. Although the number of reported deaths from whooping cough decreased markedly during the 1960's, deaths from measles increased dramatically in some years, ranging from a low of 99 in 1967 to a high of 607 in 1969.

Approximately two-fifths of all deaths are caused by diseases contracted through the consumption of impure water or from exposure to unsanitary environmental conditions. In 1971, for example, enteritis and tuberculosis accounted for 8.2% of all deaths. One major cause of infant deaths, neonatal tetanus, could be greatly reduced if professional childbirth services were more readily available in rural areas. The high incidence of violent deaths, mostly from accidents, indicates another area in which improvement can be made.

Despite an extensive immunization program which has reduced the incidence of death from tuberculosis, the disease continues to be the country's most serious health menace, particularly among older adults. Antituberculosis campaigns have had a marked effect on the disease in Panama Province, where the incidence was reduced from over 20 cases to fewer than 10 per 1,000 population during the 1960's. In Colon Province, however, little improvement has been made. In addition to tuberculosis, the most widespread communicable diseases are influenza, measles, malaria, gonorrhea, whooping cough, dysentery, syphilis, and diphtheria. Helminthic infections and gastrointestinal disorders are especially prevalent in rural areas and are closely related to the custom of walking barefoot and to the scarcity of potable water. Although there is some evidence of emaciation and avitaminosis stemming from dietary imbalance among people in the interior, goiter, which is said to affect 16% of the entire population, probably is the chief malady related to nutritional deficiency.

Malaria is endemic at elevations below 2,000 feet, a zone within which most Panamanians live. Antimosquito spraying campaigns have greatly reduced the incidence of the disease, but the more resistant varieties of malaria-bearing mosquitos continue to cause localized outbreaks. The Pan American Health Organization (PAHO) has categorized the entire republic as being in the attack phase against malaria. Since 1972, when AID funding of the antimalarial campaign was terminated, the effort has received financial support from PAHO. The actual work, however, is carried out by the National Service for the Eradication of Malaria (SNEM), which was founded in 1956. The incidence of malaria in Darien Province, one of the world's wettest regions, is almost 10 times higher than the national average, one of several factors which have stymied the completion of the last major link in the Inter American Highway.

Fungal skin diseases are frequent problems for residents throughout the country. Gonorrhea and syphilis are prevalent in crowded urban areas. Yellow fever was eradicated several decades ago, and smallpox was eliminated more recently; leprosy has not been seen for several years.

*b. Medical care*

In order to combat the most pressing health problems, in 1970 the Ministry of Health reoriented its resources toward preventive rather than curative medicine and shifted greater attention to the rural sector. Administrative responsibility for public health programs was transferred from the Director General of Health to the directors of three health regions, which

are subdivided into 18 districts. Each of the regional directors is responsible for all activities and programs in his region. In addition, personnel have been reassigned from Panama City to small health care centers in the interior. A major innovation has been the establishment of voluntary community health committees at the village level to ensure the optimum use of local resources. These committees, operating in some 300 localities by late 1972, have assumed many of the administrative and managerial tasks of local health care centers. Their revenue, derived from modest fees for consultations, laboratory tests, and medicines, is used to purchase supplies and maintain the facilities, activities that are not supported by the Ministry of Health. Besides funding the construction of the centers, however, the Ministry pays all personnel salaries.

Health planning began in the early 1960's, when a National Health Plan for the years 1962-70 was enacted. After being revised and extended during 1969 in accordance with the Torrijos government's Strategy for National Development (1970-80), the plan now gives high priority to preventive health care services as well as to improving diets, expanding rural health care facilities, and extending water and sewerage systems throughout the country. The Ministry of Health, which is responsible for implementation of the plan, generally is regarded as one of the government's most dynamic entities. Its personnel, including more than 500 physicians, 500 nurses, 60 dentists, 12 sanitary engineers, 25 nutritionists, 1,000 nurses' aides, 30 health educators, and a large administrative staff, are considered well trained and competent.

The expansion of health care services nonetheless has been retarded by a shortage of medical and paramedical personnel and by the concentration of such personnel in Panama City. In 1971, there were 1,006 physicians, 156 dentists, and 948 nurses practicing in the country. Almost two-thirds of the doctors and dentists and over 70% of the nurses were situated in the capital, where the ratio of medical personnel to inhabitants was more than twice the national average (Figure 16). By contrast, the interior had extremely low ratios—fewer than three doctors per 1,000 inhabitants in Darien and Veraguas provinces and fewer than three nurses per 1,000 inhabitants in Los Santos, Cocle, and Veraguas.

Most of the physicians practicing in rural areas actually are serving their second year of internship, a requirement for all graduates of the University of Panama Medical School. They are not licensed and unlikely to remain in the rural area upon completion of their assignment. Doctors practicing in urban areas often devote their time equally to private practice,

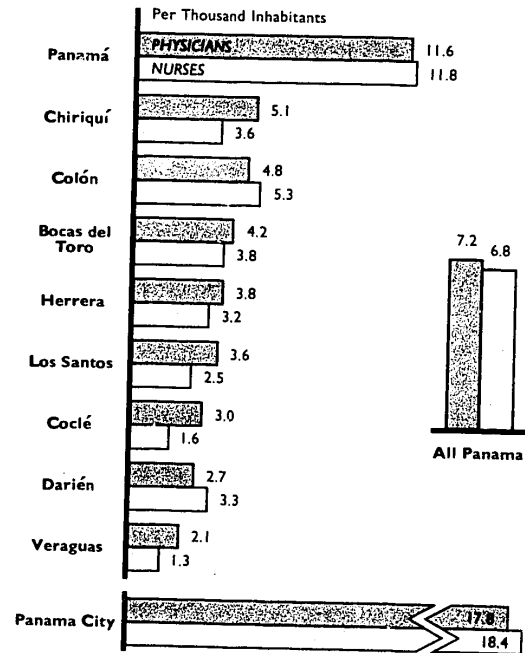


FIGURE 16. Practicing physicians and nurses, by province, 1971 (U/OU)

teaching, and hospital work. Consequently, virtually all hospital physicians work on a part-time basis. Auxiliary medical personnel also are in short supply and heavily concentrated in the capital. In 1970 the country had 60 professional pharmacists, 51 of them in Panama City. Clinical laboratory technicians likewise are scarce outside the capital.

Almost one-fifth of Panama's physicians are trained abroad, usually in Mexico, Spain, the United States, or Colombia. The University of Panama Medical School, hampered by lack of funds and equipment, graduates fewer than 50 doctors per year, a considerable improvement, nevertheless, over the annual average of 16 in the early 1960's. Medical students follow a 7-year course after which they serve a 1-year internship at Santo Tomas Hospital in the capital prior to their tour of duty at a rural health care facility. Despite numerous handicaps, the quality of training is considered good. Because the School of Dentistry was established only in 1968, as of 1973 the first nationally trained dentists had not yet been graduated; a total of 89 students were enrolled in the school during the 1970/71 academic year.

In 1969 the training of nurses was transferred from the Santo Tomas Hospital to a newly established

School of Nursing at the University of Panama, from which about 100 nurses are expected to be graduated annually, beginning in 1974. Little prestige accrues to those in the nursing profession and, except in rural areas, where nurses may have considerable responsibility, they are closely supervised by doctors and allowed little autonomy. About 180 nurses' aides are trained each year. With AID assistance, nurses' training programs have shifted their emphasis from hospital care to community medical services (Figure 17). Health education auxiliaries also are being trained under a new 6-month program designed to impart skills in applied nutrition, hygiene, and agricultural techniques for use in community garden projects.

More than half of the 5,238 hospital beds in service during 1971 were located in the capital, and almost 60% were in Panama Province, leaving fewer than 600 beds, on the average, for each of the remaining provinces. Because two hospitals were closed during the 1960's, the ratio of beds to population has decreased slightly; in 1971 the ratio was 3.7 per 1,000 inhabitants. Both Cocle and Veraguas provinces had fewer than two beds per 1,000 population. Because rates of bed occupancy in general hospitals average only about 60% for public facilities and even less for private ones, the Ministry of Health is attempting to increase hospital staffs and to upgrade the facilities in order to maximize their use. However, the nation's three specialized hospitals—for tubercular, pediatric, and psychiatric cases—are badly overcrowded.

In addition to the three specialized facilities, which are state-run, in 1971 there were six general hospitals and 14 so-called integrated health centers, which combine a general hospital and a community health center. Complementing the hospitals and integrated health centers were 44 health centers (Figure 18) and 140 subcenters, the latter being minimally equipped and sparsely staffed. Some of the health centers are operated by the CSS solely for the use of patients covered under the social security program.

**c. Sanitation**

In many localities, both urban and rural, the principal health threats arise from unsanitary environmental conditions. Also, the high incidence of enteric ailments is directly attributable to the consumption of contaminated water or foodstuffs, or both. Although the residents of Panama City and Colon receive plentiful supplies of potable water from the Panama Canal Company, an agency of the U.S. Government, most other urban inhabitants and virtually all rural ones do not have access to reliable or safe water supplies (Figure 19). In the countryside,

persons often must obtain water from sources far from home; these, mostly shallow wells, catchments, and streams, commonly are contaminated by seepage from drainage ditches, nearby latrines, and surface runoff. In 1970, about 43% of all Panamanians, the vast bulk of them urban residents, were members of households served by piped water systems. The following percentages, based on data for that year, illustrate the inverse correlation between place of residence and access to piped water:

|                           |    |    |
|---------------------------|----|----|
| Household tap .....       | 84 | 8  |
| Community .....           | 16 | 17 |
| Well or open source ..... | 0  | 75 |

The nation's central sewerage networks are even less extensive than the piped water systems and served less than one-third of the population in 1970. In rural areas fewer than 1% of the inhabitants were served by a sewerage system, compared with 68% of urban residents. Many rural households lack even a simple outdoor latrine, although these are required by law and available at a nominal cost. Municipal authorities are empowered to fine persons who fail to install sanitary facilities, but enforcement is lax. Sewage treatment installations are non-existent, and raw sewage from Panama City, Colon, and Puerto Armuelles is discharged directly into coastal waters. During the rainy season, the lack of storm sewers in many cities and towns, especially along the Caribbean coast, poses a serious health threat.

The Institute of National Sewerage and Water Works, which has received assistance from the Inter-American Development Bank (IDB), AID, and PAHO, constructs and maintains most of the urban water and sewerage works; in rural areas, however, these activities are carried out by the Ministry of Labor and Social Welfare. In addition, a number of municipal and privately owned water and sewerage systems exist. Because of the prospect of major water shortages in Panama City if new facilities are not completed, plans have been made, in conjunction with AID, to install a water treatment plant that would lessen the city's dependence on water from the Canal Zone. The National Health Plan, as revised in 1969, places a high priority on the provision of rural water supply systems, stipulating that 300 wells a year are to be installed during the 1970's; provided the goal is met, at least four-fifths of all rural communities are to be supplied with well water by 1980.

Refuse is collected several times weekly in the main cities and burned or dumped. In the smaller urban places refuse collection is less frequent and garbage

FIGURE 17. Training of nurses, aides (C)

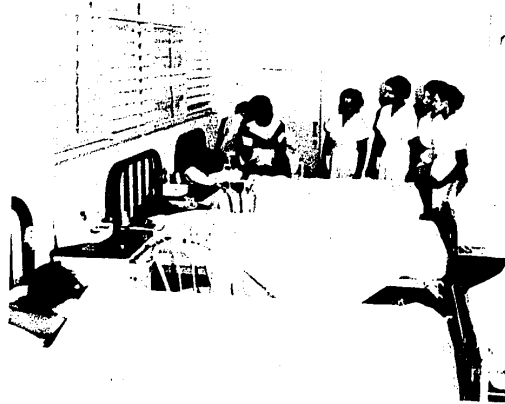


FIGURE 18. Local health center in La Chorrera (C)

often is left in open cans or boxes along the streets. There is no garbage disposal system outside urban and suburban communities.

Food processing plants and wholesale and retail food outlets often are unsanitary, and little effort is made to prevent contamination of foodstuffs by insects and surface filth. The capital's largest retail food market, located on the shore of the Bay of Panama, was built at the turn of the century and has been described as "woefully inadequate and unsanitary." Refuse from the market is dumped directly into the bay. Prepared foods sold by street vendors also constitute a health threat, but efforts to curb this longstanding practice have met with resistance from customers and vendors alike. The contamination of air and water by industrial plants is not yet a major problem.

## 2. Diet and nutrition (U/OU)

Although most available data indicate that on the average Panamanians are adequately nourished, the figures mask vast differences between upper and lower income groups and between urban and rural inhabitants. A 1970 Ministry of Health nutrition survey showed an average per capita consumption of 2,371 calories, considerably more than the recommended norm of 2,200. The average consumption of 60 grams of protein and 59 grams of fat also met suggested daily intakes for the population as a whole. Cereals played an important part in the average diet, accounting for almost 45% of the calories, 40% of the protein, and 10% of the fat consumed. Products of animal origin provided 43% of the total protein



FIGURE 19. Artesian well used by villagers for their water supplies (C)

intake, exceeding the minimum recommended proportion by about 10 percentage points.

Despite the overall favorable findings of the survey, more than one-fifth of the population is undernourished, and three-fifths of all children under age 5 fail to reach the recommended caloric consumption norm and suffer from protein deficiency. Growth retardation equivalent to 1 to 2 years in terms of both height and weight is apparent in the average child. Thus, many persons, especially young children and the residents of rural areas, are not well fed. It has been estimated that 15% of all rural inhabitants consume less than seven-tenths of the minimum amounts of protein, calories, and fats necessary to maintain normal growth and development, and 3% consume less than half the requisite quantities. The intake of vitamin A, riboflavin, and calcium also is deficient in the countryside.

On the whole, Panama does not produce enough food for its population. Although total agricultural production generally increased during the 1960's, it barely kept pace with population growth and did not enable the nation to lessen its dependence on imported food supplies. The most serious deficits are in meats and beans, which are high in protein. In 1972, the production of rice and corn, dietary staples for most Panamanians, fell by 24% and 9%, respectively. Most farmers continue to grow enough rice and corn to meet family consumption needs, but not for sale to the consumer market. Many have been forced to abandon cattle or hog raising, thereby reducing the nation's meat supply. Projections of future supply and demand indicate a strong possibility of continued deficiencies. By 1980, it is believed that Panama will be producing only two-thirds of its needs in milk, eggs, and meat.

Primitive agricultural techniques, combined with the inefficient utilization of existing agricultural resources, are largely responsible for Panama's food deficit. Marketing methods are also primitive; probably one-fourth of all agricultural production is lost through spoilage due to inadequacies in the transportation system and the lack of refrigerated storage facilities. Among some groups, predilections for certain foods and superstitious avoidance of others limit the variety of foods consumed. Because of low incomes, moreover, most families are unable to purchase a varied selection of foods. Many people simply are unaware of the importance of dietary balance.

An ample supply and a plentiful variety of foodstuffs, comparable to that in most U.S. cities, are available to the residents of Panama City and Colon, provided they can afford them. Reflecting budgetary

limitations, the diet of low-income urban inhabitants is heavy in starchy items, monotonous, and deficient in quantity and quality. In those respects, it is comparable to that of most rural dwellers. Besides rice and corn, the most commonly consumed foods are beans, yucca, fruit, eggs, fish, and meats. Although the per capita beef consumption in 1971 was 58 pounds, some rural persons eat beef on the average of only once a month; chicken and pork, however, are eaten with greater regularity in the countryside. Fish consumption by and large is limited to coastal and city dwellers. Regardless of location, the diets of most people are lacking in green vegetables. *Guacho*, made of rice and kidney beans, ranks among the nation's most popular dishes, as it is the mainstay of low-income individuals. Other important national dishes include *sancocho*, a meat and vegetable stew; *ropa vieja* (literally, old clothes), prepared with shredded beef, garlic, onions, and tomatoes; *empanadas*, deep-fried turnovers filled with a meat and vegetable sauce; and *sopa borracha* (literally, drunken soup), a kind of pound cake soaked in rum. Popular beverages include coffee, chocolate, beer, soft drinks, and milk.

In order to counter the leading nutritional problems, several government ministries and agencies have launched programs to increase food production and provide instruction in proper dietary habits. The Applied Nutrition Program, sponsored by the Ministries of Education, Agriculture, and Labor and Social Welfare, aims at teaching improved agricultural techniques to schoolchildren while simultaneously demonstrating to them the importance of a balanced diet. Under the program, the students plant vegetable gardens utilizing tools and seeds donated by the FAO and UNICEF. The produce from the gardens, together with wheat, oatmeal, powdered milk, and fruit donated by CARE, is used in preparing the children's school lunches.

In conjunction with its preventive medicine program, the Ministry of Health has organized a pilot gardening project involving communities rather than schools. Cooperative labor is employed in cultivating the gardens, and home economists are dispatched to instruct housewives in the preparation of dishes using the vegetables that are grown; the participating group also may sell the produce. The pilot project has generated considerable interest and is expected to flourish, giving impetus to other communal works, such as the construction of fish ponds and facilities for raising chickens and rabbits. In hopes of increasing agricultural yields, some of the cultivation techniques introduced through the community garden projects are to be extended to nearby farms.

### 3. Housing (U/OU)

Housing conditions, perhaps more than any other indicator of living standard, reflect the disparities between upper and lower income groups and between urban and rural residents. The worst housing is found in the crowded inner slums and in the shantytowns surrounding Panama City and Colon, where the unauthorized seizure of unoccupied private and public lands has occurred with increased frequency since World War II. As a result, government housing funds have been diverted from construction of new dwellings to the provision of minimal municipal services in the shantytowns, where, as in rural areas, most dwellings lack sanitary facilities and other amenities.

Although the number of housing units increased between 1960 and 1970, the housing deficit, estimated at 154,000 units in 1965, continued to grow. In 1969, the latest year for which such data are available, about three-fifths of all dwellings were listed as deficient because of inadequate construction or lack of sanitary facilities. Most were one- or two-room units, and more than one-fifth housed five or more persons per room. In some respects housing conditions improved during the 1960's—the proportion of dwellings with dirt floors decreased from 40% to 33% and that of units without electricity from 58% to 48% by 1970. In five of the nine provinces, however, more than seven-tenths of all dwellings were not wired for electricity in 1970.

The typical rural dweller lives in a poorly constructed *rancho*, a one-room, thatch-roofed hut with a dirt floor and cane walls (Figure 20). The *quincha*, an improved version of the *rancho*, features wattle and daub walls and is found in more prosperous rural communities (Figure 21). Tile roofs are a symbol of still greater affluence among residents of the countryside and are found on a few houses, mostly those outside towns. Rural homes usually are built near the road, so that the work area behind the house is hidden from view. Sanitary facilities or outbuildings are uncommon. In a few areas, especially near the coast in Bocas del Toro Province, wooden dwellings predominate (Figure 22). Furnishings are scant, generally consisting of a few homemade chairs and tables, a wooden platform bed with a straw mattress, and a few hammocks. Cooking is done in a corner of the dwelling or in an outside lean-to. Kitchen utensils are hung on the walls or from the roof. Soot from the fire and dampness from the tropical climate add to the unhealthiness of the dwelling. Kerosene lamps constitute a fire hazard, particularly in the dry season when thatched roofs can readily be ignited.

Poor families in Panama City and Colon live in crowded *casas de vecindad* (neighborhood houses), located near the downtown area, or in *barridas de emergencia* located on the outskirts of the cities. The typical downtown slum consists of rows of dilapidated two-storied wooden houses with corrugated tin roofs (Figure 23). Originally built to house canal construction workers, the slums are still inhabited by many persons who work in the Canal Zone. Each tenement houses several families who share sanitary facilities; cooking and laundering also is done communally, usually in the building's inner patio. Verandas, which extend along the entire length of the second floor, are used as play and work areas. Such slums are confined to those two cities; most of the poor in other towns and cities live in crude adobe dwellings with earthen floors.

Most middle income families rent apartments or small houses, which they equip with such prestige items as television sets, refrigerators, and sewing machines (Figure 24). Although some upper income families live in luxurious mansions, wealthy residential neighborhoods are less in evidence in Panama City than in many other Latin American capitals (Figure 25).

The Panamanian Government first entered the housing field during World War II when it allocated funds to provide housing for the numerous foreign workers who entered the country at that time. In 1958, the Housing and Urbanization Institute (IVU) was founded as an autonomous state agency responsible for planning the development of urban and rural communities, fostering private home building, developing and administering public housing projects, and advising municipalities on urban planning. IVU's attempts to deal with the large housing problem have been hampered by a dearth of funds. In 1971, the government's capital expenditure for housing programs amounted to B3.3 million; 3 years earlier it was estimated that no less than B20 million was needed to be invested annually for the purpose. Attempts to eradicate urban slums have been fought by landlords, many of them prominent individuals with considerable influence in government circles. In 1973, IVU was incorporated into a new Ministry of Housing; at that time a National Mortgage Bank was established to finance all public housing construction.

IVU-supported housing projects are located mainly in Panama City, Colon, David, and Santiago and generally consist of apartment-style dwellings (Figure 26). Construction of these units, however, has fallen far short of the country's public housing needs. In the 1960's, for instance, IVU built fewer than 2,000 units annually, although it was estimated that between



FIGURE 20 Typical rancho: exterior and interior views (U/OU)

1960 and 1980 an average of 14,750 units per year would have to be built to overcome the housing deficit, replace obsolete dwellings, and accommodate population growth. A housing plan for 1971-73 called for IVU's construction of 4,792 units yearly, a goal which appears to have been met. Data are unavailable concerning the amount of housing built by the private sector, but it is thought to constitute about three-fourths of all new construction.

IVU housing programs are aimed at families whose monthly income ranges from B125 to B250; except for

the marginally successful "Floor-Roof" project in Panama City, there have been no public housing programs for those whose income falls below this level. Thus, some 16% of the capital's population and about half the remaining population cannot qualify for public housing. Under the "Floor-Roof" program, the IVU sold lot and construction materials consisting of a floor, four support posts, and galvanized roofing sheets for B600; no down payment was required and the purchase price was repayable on an installment plan. Unable or unwilling to obtain siding materials to complete the units, some families live in partially finished shelters, from which they are immune to eviction.

Cooperative housing is a fairly new concept in Panama and few such units have been constructed. IVU, with help from AID, has sponsored some cooperative housing projects, mainly in urban areas, in which prospective residents plan the financing and operation of the new facilities and build the units themselves (Figure 27). Cooperative housing projects are regarded as a means of bridging the existing gap between IVU projects for low-income families and private sector housing for higher income groups. Cooperative housing built to date has been in the B2,500-B6,000 price range and thus accessible to lower middle income families. The Cooperative Housing Foundation (FUNDAVICO), a private nonprofit organization established in 1967, builds cooperative housing in rural areas for families having monthly incomes of B200 to B300. To date, however, construction under the program has been minimal, fewer than 300 units having been completed by 1971.

The government also aids housing construction through the Insured Mortgage Development Institute (IFHA), founded in 1963 to encourage the use of savings and loan associations by insuring and rediscounting mortgage loans. As of 1970, however, only three savings and loan associations were operating in Panama. Some large agricultural enterprises provide housing for their workers (Figure 28).

#### 4. Work opportunities and conditions

##### a. The people and work (U/OU)

The pattern of employment in Panama has changed little since the turn of the century. Many Panamanians are self-employed farmers who work at a subsistence level or earn insufficient income to accumulate the savings which would enable them to break the cycle of poverty. Few farmers cultivate enough land to provide them with full-time employment. Because most land use is by usufruct—





FIGURE 21. Thatched rural dwellings called *quinchas* (U/OU)



FIGURE 22. Wooden dwellings near coast (U/OU)

FIGURE 23. Slum area in the center of Panama City. Dwellings are owned by wealthy families and rented. (C)

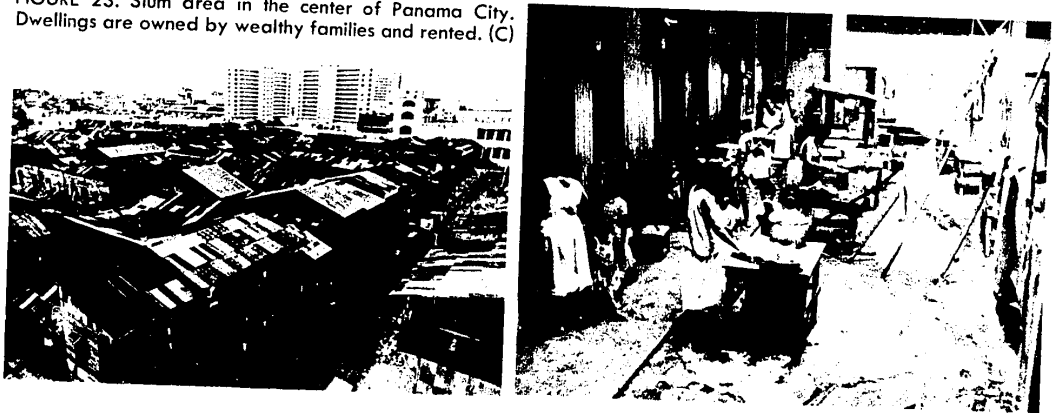




FIGURE 24. Lower middle class home. Radio, television set, and sewing machine are prestige items. (U/OU)

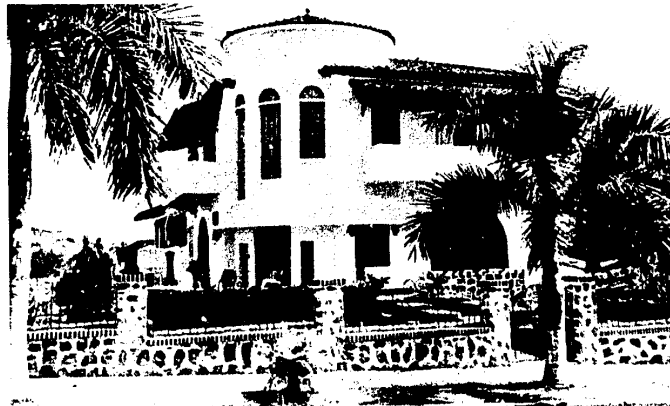


FIGURE 25. Upper-income residence, Panama City (U/OU)

the farmer obtaining permission from local authorities for the temporary cultivation of a parcel—there exists little incentive to improve the soil or to rotate crops. Primitive agricultural techniques also contribute to low production. A large labor surplus in agriculture and poor living conditions in rural areas have led many to migrate to the cities, where they often join the ranks of the unemployed or take low-paying menial jobs offering little chance for advancement. While many upper and middle class Panamanians appreciate the relationship between hard work and reward, or success, the bulk of lower class individuals trust in luck or chance. Job motivation and satisfaction thus are seriously impaired.

Despite the economy's rapid expansion in the 1960's, insufficient jobs were generated to absorb the large numbers of unemployed and underemployed. According to the 1970 census, 47,000 workers, 9.7% of the labor force, were unemployed, a decline from 11.2% in 1960. Reflecting the concentration of jobless individuals in the two main cities, Panama and Colon provinces had the highest unemployment rates in 1970—13% and 14%, respectively. Many jobless individuals, however, particularly in the agricultural sector and among the ranks of unpaid family workers and the self-employed, probably were overlooked during the 1970 enumeration. The joblessness among urban workers also appears to have been under-



FIGURE 26. New apartments built in Panama City to replace slum dwellings (U/OU)



FIGURE 27. Substandard squatter units (top) have been replaced by masonry dwellings (bottom) under an AID self-help housing program. (U/OU)

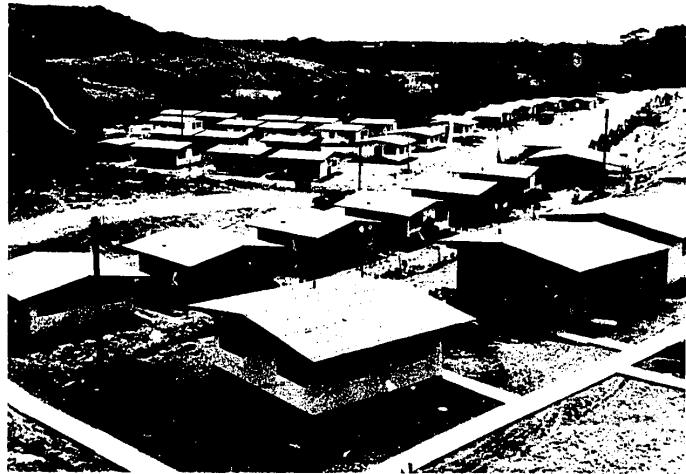


FIGURE 28. Housing provided for workers by United Fruit Company, Puerto Armuelles (C)

counted, as it has been estimated that as many as one-fifth of all workers in Panama City and Colon are unemployed. Unemployment is especially high among secondary school graduates, who compete for a limited number of white-collar jobs, mostly in the business sector. In contrast, unemployment among persons with vocational or advanced professional training is low, as the demand for skilled technicians, managers, and professionals exceeds the supply.

Underemployment is a more widespread problem than unemployment, particularly among the self-employed, an estimated 39% of whom are affected. Agricultural workers, who make up the bulk of the self-employed, generally cultivate an average of fewer than 3 acres of land, requiring 150 man-days of labor per year or less. Some hire out as temporary wage laborers. Among the urban self-employed, such persons as shoeshine boys (Figure 29), street vendors, domestics, laundresses, messengers, and others work only intermittently. Underemployment is particularly acute among service workers in the greater Panama City area, where many are engaged in casual or part-time occupations of low productivity and pay.

The government hopes to reduce the unemployment rate to less than 6% through programs designed to stimulate the more labor-intensive sectors of the economy and to train people in occupations for which there is a demand. Spending on road construction and other public works projects has increased appreciably since the Torrijos regime assumed power in 1968. In addition, an extensive program of rural development, encompassing financial and technical aid to farmers and the expansion of educational and health care facilities, has been undertaken for the purpose, at least in part, of stemming the flow of unemployable migrants to the cities. By raising production costs and discouraging private investment, however, the government's wage policies—namely the enactment of the so-called 13th month wage and an increase in the legal minimum wage—appear to have interfered with the expansion of the labor market. In some cases, employers actually have laid off workers since enactment of the revised wage regulations.

Although much remains to be done in the fields of manpower training and planning, considerable progress has been made since the mid-1960's in human resource development. The Institute for the Formation and Utilization of Human Resources (IFARHU), founded in 1965, sponsors a national manpower training program and has trained about 500 skilled and semiskilled workers per year. Lasting 6 months, the IFARHU courses cover such specialities as bricklaying, carpentry, plumbing, concrete construc-



FIGURE 29. Shoeshine boys in Panama City (U/OU)

tion, and many others. In 1970 IFARHU undertook the nation's first large-scale survey of manpower needs and found that, barring remedial action, by 1980 the country's deficit in professional and technical personnel will exceed 10,000. The survey also disclosed that nearly two-fifths of all persons then employed were in need of additional training in order to perform their jobs adequately.

Based on findings of the IFARHU survey, the government enacted an educational insurance law in 1971. Funds collected from employee and employer contributions, totaling 2% of salaries, are to be used for scholarships for secondary school students, loans for university study, and other forms of student financial support. The measure also provides for the expansion of rural vocational and literacy training programs.

Until recently, the dearth of institutional job placement services severely restricted opportunities for people to obtain work. Private employment agencies, specializing in the placement of unskilled laborers and domestics, have been concentrated in Panama City. The National Employment Service, established in 1967 to upgrade employment practices and find jobs for the unemployed, has expanded its functions since 1970, inaugurating branch offices outside the capital. Nevertheless, most job seekers still find work through personal referrals, and job opportunities, especially for women, remain elusive.

Largely because more than half of all migrants to the cities were female, the participation by women in the labor force rose from 21% in 1960 to 24% in 1970. Although wage jobs for women are more plentiful in the cities than elsewhere, most of the available work is in the service sector, principally as domestics and in similar occupations. In the countryside, women work mainly as unpaid family laborers. In all localities, girls and women often supplement family incomes through part-time jobs, such as making handicraft articles, or by serving as laundresses, seamstresses, or babysitters. Teaching and nursing are the main professional fields that attract women. As indicated by the highest female rate of participation in the labor force being in the 20-24 age group, many women give up their jobs once they start raising a family.

As educational opportunities have increased and pupil retention rates have improved, work by children under age 15 has declined steadily. The ILO has estimated that the labor force participation rate by persons in the 10-14 age group dropped from 11.5% in 1950 to 9.3% in 1960 and to 6.4% in 1970. Because of the liberalization in retirement benefits, the proportion of economically active persons aged 65 and over is believed to have declined by about 10% during the same 20-year period; according to the ILO, in 1970 an estimated 27.9% of all persons aged 65 and over were economically active, the division by sex being nearly equal.

**b. Labor law and practice (U/OU)**

The basic rights of workers are stipulated in the 1972 Constitution, and detailed regulations are set forth in a revised Labor Code enacted in April of that year. Although it applies to most wage and salary earners, the code does not cover temporary employees and farm workers (except for those employed on mechanized agricultural enterprises). The code represents a considerable improvement over the 1945 version, which it replaced. Implementation of the new statute, however, is hampered by a shortage of funds and by the lack of trained labor inspectors. Responsibility for enforcing the regulations lies with the Ministry of Labor and Social Welfare, which was separated in 1969 from the Ministry of Labor, Social Welfare, and Health, a department which theretofore had been concerned almost exclusively with health matters. The Inspectorate General of Labor, the division which actually supervises compliance with the code, has offices in the provincial capitals, but employs fewer than 20 inspectors.

Job security has been strengthened considerably by the new Labor Code. Under the old statute, a worker

could be dismissed at any time and without severance pay, provided the employer gave the individual a prescribed number of days of advance notice. Now employers are required to show just cause for dismissing workers and to make substantial severance payment to those who are fired. Employees may report what they believe to be unfair dismissals to the Inspectorate General of Labor, which is empowered to levy heavy fines against employers who are found guilty of unfair practices.

Work terms and certain benefits have remained the same as in the previous code. The maximum legal workday is 8 hours and the workweek is 48 hours; overtime pay is required for work exceeding those limits. There are 11 paid holidays, 30 days of paid annual leave, and 18 days of paid sick leave. Under the social insurance system, workers are eligible for medical and retirement benefits. Some larger employers voluntarily offer such fringe benefits as day care centers, group life insurance, company medical care, and recreational facilities. Other than the provision for 6 weeks of prenatal and 8 weeks of postnatal maternity leave, there are no special regulations governing the employment of women. On the other hand, children under age 15 may be employed legally only if they have completed primary schooling, except in farming, in which case they may begin work at age 12. Youngsters under age 16 may not legally engage in hazardous or strenuous work, and all working children are entitled to the protection of the Child Welfare Institute.

The minimum wage is governed by separate legislation, the most recent version of which dates from 1970. Minimum wages vary according to occupation and geographical region and are set by the Ministry of Labor and Social Welfare, based on recommendations by the National Minimum Wage Council. The most recent rates, set in November 1971, ranged from B0.35 per hour in some outlying districts to B0.50 in greater Panama City. In large urban manufacturing and commercial enterprises, especially if foreign-owned, the hourly wage rates are often above the legal minimum. In many other establishments, however, employers do not comply with the regulations. The minimum wage for agricultural laborers is B2.50 per 8-hour day and is observed only by large agricultural enterprises. Late in 1971 the government decreed that all employers must pay an annual bonus equivalent to 1 month's earnings. This 13th month wage is paid in three installments, one of which goes into a special government housing fund.

In terms of safety and hygiene, conditions of work generally are comparable to those in other small Latin

American countries—also similarly there is a marked discrepancy between the law, as embodied in the Labor Code and in sanitation regulations, and actual practice. Efforts to reduce work injuries are hampered by the scarcity of trained inspectors. The use of complicated machinery and exposure to toxic materials by poorly trained or inexperienced personnel result in a high incidence of work accidents and occupational illnesses. Accidents are especially numerous in the construction industry. In recognition of the problem, the government has organized a limited instruction program in occupational health. Many large, foreign-owned companies maintain safety units and are members of a council whose activities include the distribution of publications on work safety and the issuance of awards for low accident rates. To some extent, private insurance companies, namely those underwriting workmen's compensation coverage, fill the gap created by inadequate government inspection.

By strengthening existing unions and improving conditions for further trade unionism and more effective collective bargaining, the new Labor Code would appear to have strengthened the position of the labor movement. When a union represents one-half or more of a plant's workers, it may exercise the check-off system, whereby the employer is required to withhold members' dues from their wages. The code stipulates that only one union official may be recognized in each union shop, a provision designed to encourage the formation of stronger, more cohesive locals. Concomitantly, however, the government has assumed a more active role in the regulation of industrial relations, a development which at times may tend to undermine organized labor's influence. In accordance with the code, enterprise committees made up of two representatives each from the employer and the union must attempt to resolve disputes through negotiations within the workplace. If no agreement is reached, the case is arbitrated by one of five regional labor courts. Appeals are permissible, the final adjudication taking place before the Superior Labor Court. Unlike the former labor statute, which granted workers the right to strike but imposed so many technical barriers that such stoppages rarely occurred, the new code authorizes unions to call a strike at any stage during the negotiation or arbitration of a dispute, provided stipulated procedures are observed. Indicative of the increased importance accorded collective bargaining and of the possible strengthening of the nation's trade unions, the number of operative collective agreements rose from 40 to 124 within a year after enactment of the revised Labor Code.

### *c. Labor and management (C)*

Traditionally varying from paternalism, at best, to outright exploitation, at worst, the relationships between employers and workers have been modified by the practices of foreign firms, the increased acceptance of trade unions by government and business, and the existence of the new, progressive Labor Code. Although some employers remain hostile to unions, most have come to accept the right of workers to organize. Nonetheless, union growth has been slow and the vast majority of workers remain unaffiliated, in part because the unions have been factionalized, poorly led, and financially insolvent. Preferring to appeal to the benevolence of the employer when requesting higher pay and improved benefits or working conditions, nonunion workers are far less likely than unionized ones to exercise, or even be cognizant of, their legal rights.

Although the feebleness of trade unionism can be ascribed in some measure to organizational and financial difficulties, the nation's low level of industrialization also has been responsible for retarding the growth and influence of organized labor. In fact, other than the union representing workers at the Chiriqui Land Company, a United Fruit subsidiary and the nation's main banana producer, the most highly organized and effective unions represent service workers—hotel, bar, and restaurant employees in particular. Similarly, Panamanians employed in the Canal Zone, most of them in service occupations, make up a substantial segment of the trade union membership. The existence of two culturally distinct groups of workers—one speaking Spanish and the other English—also has tended to interfere with the emergence of any widespread feeling of solidarity among workers. Between the two world wars, numerous trade unions attempted to activate the workers, but the organizations remained fragmented, their memberships small. With the establishment of several centrals after World War II, the labor movement gathered some momentum and Mexican, Cuban, and U.S. labor leaders lent their knowledge and abilities to the purpose.

Two of the postwar labor centrals, the Confederation of Workers of the Republic of Panama (CTRP) and the National Central of Workers of Panama (CNTP), emerged as the strongest. As of mid-1972, the two organizations embraced locals representing about two-fifths of all organized workers. At that time, approximately 40,500 workers, or some 7% of the economically active population, were union members. Most of the 167 union locals then in operation were affiliated with one of 19 labor federations. Many, if

not most, of the federations, however, functioned independently of either of the two main centrals as well as apart from the nation's third such entity, the small Isthmian Workers' Central (CIT). A few locals have bypassed federation membership, affiliating directly with a central.

The CTRP, which claimed to represent about 11,200 workers as of mid-1972, has been criticized in some circles for its close identification with U.S. interests and institutions, a charge emanating in large measure from the fact that the vast bulk of CTRP unions represent Panamanian nationals employed in the Canal Zone and employees of the Chiriqui Land Company. The membership structure changed abruptly in 1968, when two locals of the AFL-CIO's American Federation of State, County, and Municipal Employees, operating within the zone, joined the CTRP, retaining their links with the U.S. organization. The CTRP has suffered considerably from the resultant political factionalism, as well as from its failure to support General Torrijos during an abortive attempt to topple his regime in December 1969. Affiliated with the Inter-American Regional Organization of Workers (ORIT), the regional branch of the International Confederation of Free Trade Unions (ICFTU), from which it receives technical and financial assistance, the CTRP has participated in union leadership training programs underwritten by the American Institute for Free Labor Development (AIFLD), a U.S.-backed entity.

The CNTP, a carryover from days when Communist influence within the labor movement was much stronger, has retained its leftist orientation and links to the World Federation of Trade Unions (WFTU). As of mid-1972 it represented about 5,100 workers organized into about 16 subgroups, the major one being the Trade Union Federation of Workers of the Republic of Panama (FSTRP). Although it fell out of favor with the Torrijos regime and was outlawed briefly in 1968, the FSTRP has subsequently improved its relations with the government to the point that publicity favorable to the federation appears in state-controlled media and public officials attend its congresses.

The CIT, founded in 1962, is the newest and smallest of the three labor centrals; it is affiliated with the Latin American Workers' Central (CLAT), the regional arm of the World Confederation of Labor. Although the organization claims a membership of more than 14,000, as of mid-1972 its principal constituent federations had fewer than 2,000 workers, mainly agricultural laborers and transportation and retail sales workers. Spokesmen for the central and its

subgroups employ highly nationalistic, anti-U.S. rhetoric. Among the three centrals, the CIT—through one of its affiliates, the Confederation of Christian Peasants (CCC)—has been the most active in the rural sector.

Employees of the Chiriqui Land Company are members of two of Panama's largest and strongest union locals, both of which bear the same name—Union of Workers of the Chiriqui Land Company (SITRACHILCO)—but are not formally linked. One of the two, located in Bocas del Toro, had 3,500 members in 1972; it is affiliated with the CTRP and accounts for roughly three-tenths of the central's total membership. The second SITRACHILCO covers banana workers in the Puerto Armuelles area and is not affiliated with any central. Despite being independent and smaller by about 500 members than its counterpart in Bocas del Toro, SITRACHILCO at Puerto Armuelles is one of the nation's most influential unions. During a period when its secretary general has been a close friend of General Torrijos, the union has maintained a militant posture in labor affairs.

Management traditionally has been more highly organized and effective in protecting and promoting its interests than has labor. Business ownership is concentrated among a small number of families who have retained their control over several generations. Because of a close interrelationship between business and government, labor legislation predating the 1972 code generally favored the employers and gave the working class little voice in economic affairs. Since the advent in 1968 of a government that openly has courted labor's support, management has been obliged to adjust its policies toward both labor and government. Management's attitudes also have been influenced by the somewhat more advanced managerial practices prevailing within the Canal Zone and in foreign establishments, the latter no doubt with a substantial stake in cultivating the good graces of the government and in maintaining labor tranquility. Besides observing the labor laws more closely than domestic enterprises, the foreign firms more readily accept the principle of collective bargaining and are more interested in developing training programs for their employees and in offering a wider range of fringe benefits.

Many employers and managers belong to a number of local businessmen's associations and chambers of commerce, industry, or agriculture, some of which are unified at the national level. The major national organizations, in turn, are represented in the National Council of Private Enterprise (CONEP), which also seats government and CTRP officials. In addition to





and children of the insured also receive medical and surgical benefits but are not entitled to hospitalization. In 1971, 14,347 persons received benefits under the maternity, temporary incapacity, or death provisions. The CSS operates two general hospitals, one in Chiriqui and the other in Panama City, as well as a network of outpatient health centers for the insured and their dependents.

The CSS has been the object of criticism for allegedly being staffed by an inordinately large number of political appointees who accept kickbacks on loans, fail to process claims or to issue benefits promptly, and rarely report to work. After its director general was jailed on charges of malfeasance following the 1968 coup, the CSS underwent an extensive reorganization designed, among other things, to decentralize its services and make the agency more responsive to the needs of the insured.

## **E. Religion (U/OU)**

### **1. Roman Catholicism**

About 93% of all Panamanians claim to be Roman Catholic, but the proportion of practicing Catholics generally is considered among the lowest in Latin America. In urban areas, churches and clergy are accessible, but indifference to formal religion and a pervasive secularism are reflected in poorly attended services. Men generally regard the church as an institution for women and children. Boys tend to neglect church attendance as they approach manhood, but girls are encouraged to continue practicing their faith and to participate in church-sponsored activities. The exposure to non-Catholic minority groups and to Canal Zone residents of other faiths has weakened the influence of Catholicism among urban dwellers. Rural Panamanians, although more conservative in outlook than their urban counterparts, often have little, if any, contact with the formal aspects of Catholicism, their knowledge of catechism and doctrine deriving largely from family teaching or hearsay. Many villages are visited only occasionally by a priest; thus, rural people rarely attend church, hear Mass, go to confession, or receive the last rites. However, practically all rural people are baptized, confirmed if they can afford the cost, and—if formally wed—married in the church. In addition, they often participate in processions and pilgrimages on religious feast days.

Although the indigenous religions virtually have disappeared, the Indians by and large have been unreceptive to Christianity, resisting attempts to

convert them by either Catholic or Protestant missionaries. Catholic missions were established among some Indian groups during the early colonial period, but apparently failed to make a lasting impact, although remnants of their teaching can be identified today.

Catholicism was first introduced into the area that is now Panama during the early 16th century by Franciscan missionaries who accompanied the Spanish explorers. During the colonial period, church and crown were closely identified in a relationship of mutual support, and Panama became the site of the first diocese established on the American mainland. Following independence from Spain, when Panama was a part of Colombia, relations between church and state continued to be close. Although a concordat separating church and state was issued in 1887, the document recognized the sovereignty of the Holy See in the appointment of bishops and made religious instruction compulsory at all levels of education. Because Panama was an isolated and neglected frontier region of Colombia with few resident clergy, however, the church's involvement in secular affairs was slight.

After Panama's secession from Colombia in 1903, the new country's first constitution set forth the basic tenets, liberal by Latin American standards, which have governed church-state relations in contemporary times. Those tenets have been reiterated by the Constitution of 1972, which recognizes Roman Catholicism as the faith of the majority but guarantees freedom of worship for all individuals. There is no concordat between Panama and the Vatican, but the two maintain diplomatic relations. The government has no role in the selection of ecclesiastical officers, and members of the clergy in turn are not permitted to hold public office. Although the government does not contribute directly to the support of the church, assistance is given to Catholic missions among the Indians and to certain church-administered educational and welfare institutions. Religious instruction is allowed in public schools, but attendance is not obligatory. Both religious and civil marriages are legal and divorce is permitted. A highly controversial constitutional provision introduced in the 1972 charter stipulates that only native-born Panamanians may hold positions in the church hierarchy. If enforced, this provision would require the removal of three of Panama's seven bishops, but evidently it will not be applied retroactively to prelates appointed before 1972. In a related measure, it was decreed in 1971 that all visas for foreign religious personnel must be approved by the Ministry of Foreign Affairs. Both

measures appear to have been designed to restrict the church's involvement in the country's politics.

Following the 1968 coup, relations between the church and the Torrijos regime were cool, but improvement occurred as the popularity of the government increased and its interest in socioeconomic reform became evident. Church officials, nevertheless, have repeatedly resisted government efforts to link the church with the regime, undoubtedly because of the latter's military makeup and undemocratic origins. Government officials, in turn, have been concerned that church-sponsored social action programs could be used to promote antigovernment sentiment, a fear not without foundation. Prior to the 1968 elections, Archbishop (1964-68) Tomas Clavel, ranking prelate at the time, was instrumental in forming a movement favoring monitoring the elections to insure against irregularities. After the military coup, he resigned under pressure from the government. Since then, priests have been censured, jailed, and, in some cases, deported for criticizing the government. In 1970, the Spanish-born manager of *Radio Hogar*, a Jesuit-operated station in Panama City, was exiled for broadcasting antigovernment statements. The most severe strain in relations between church and state, however, occurred in mid-1971, when Father Hector Gallegos, a popular Colombian-born priest noted for his social activism and opposition to the regime, disappeared. It was widely believed that the National Guard kidnapped and murdered the priest as a warning against further church involvement in politics. Although the church commissioned its own investigation and publicized the case extensively, responsibility was never affixed and the incident continues to impede cooperation between the church and the government.

Despite its close relationship with the people, the church traditionally has been weak as a social and political force. However, coinciding with a period of change in Roman Catholicism throughout much of the world, during the 1960's it began to exert an increased influence in national affairs. The present archbishop, Marcos McGrath, a Panamanian citizen of U.S. parentage, is ranked among the more progressive prelates in Latin America. Prior to his elevation to the archbishopric early in 1969, McGrath was bishop of the Veraguas diocese, where he launched a wide-ranging social action program among rural laborers. The Center for Study, Promotion, and Social Assistance (CEPAS) coordinates the program and sponsors research on social problems with the help of national and external agencies, including the United Nations, AID, and the German Bishops' Fund.

One of the major accomplishments of CEPAS has been the formation of cooperatives under a multiservice umbrella organization called the John XXIII Cooperative. It also operates the John XXIII Rural Training Center, a facility for the formation of rural leaders, and a school by radio giving courses in improved farming techniques and community development.

In urban areas, the most significant church-sponsored social action organization is the Movement for National Unification, Development, and Orientation (MUNDO), which operates in the low-income residential district of San Miguelito, adjacent to Panama City. Founded by U.S. priests assigned to the area, MUNDO sponsors courses designed to motivate community members to organize for self-improvement. Its activities as a pressure group for civic, political, and social action have at times generated considerable controversy, particularly when those activities have conflicted with policies of the military government. By 1970, however, MUNDO organizers, including the U.S. priests, had resolved many of their differences with the regime and achieved a considerable degree of cooperation with the government. The rapprochement was set back by the disappearance of Father Gallegos during the following year.

For administrative purposes, the Catholic Church in Panama is divided into the archdiocese of Panama, the dioceses of Chitre, David, and Veraguas, the prelature of Bocas del Toro, and the apostolic vicarate of Darien. In 1972 there were 100 parishes in the country, many of them without a resident priest. The relatively small number of priests, 253 in 1972, resulted in a ratio of one priest per 6,023 inhabitants; because of the scarcity of priests in the countryside, the ratio in rural areas probably was double that in the cities. More than two-thirds of Panama's priests belong to religious orders, including the Jesuits, Augustinians, Salesians, Claretians, Carmelites, Paulists, and Christian Brothers. The number of priests has remained essentially unchanged since the mid-1960's, mainly because few Panamanian nationals enter the priesthood. Since the closing of Panama's only seminary in the late 1960's because of a shortage of students, Panamanian priests have been trained abroad, mostly in Colombia and other nearby countries. In addition to the priests, there were 211 monks and 304 nuns working in Panama in 1972. The women's orders include Maryknollers, Franciscans, Sisters of Charity, Bethlehemites, and Sisters of St. Joseph. Monks generally teach in the schools; the nuns teach also and are active in nursing.

Fewer than one-fifth of the priests are native Panamanians. Almost half of the foreign priests are Spaniards; the rest are from the United States, Italy, the Netherlands, Colombia, and other countries in Latin America. In the past, the church's weakness was ascribed to the heavily foreign composition of the clergy. More recently, however, the foreign clergymen, and liberal U.S. priests in particular, have been highly effective in promoting a more dynamic image of the church. The Spanish contingent also includes a number of progressive priests.

Lay persons have not been particularly active in church affairs, although participation has increased significantly since the mid-1960's. In view of the shortage of clergymen, some progressive priests have begun to emphasize the importance of lay involvement and to train lay catechists, who carry out some of the duties normally done by priests. In many parishes, members of the congregation are asked to read prayers at mass. In addition to MUNDO, the church's lay organizations include the Catholic Family Movement, which promotes family unity; the Serra Club, which encourages religious vocations; Catholic Action, which attempts to engender the observance of Christian principles in everyday life; and the Federation of Catholic Women, active in charity work. These and similar organizations were strengthened appreciably by the reform movements of the past decade. Many lay persons unaffiliated with such groups have participated in *cursillos*, short courses in leadership training for social development which are given by the Center for Social Training (CCS).

The church is involved in a variety of educational and welfare activities. These include the operation of about 40 schools, a university, Indian missions, hospitals, homes for the aged, and orphanages. The schools, generally considered superior to the public ones, are supported by tuition fees and cater to the middle and upper classes. The church also publishes *Dialogo Social*, a monthly magazine devoted to social issues.

## 2. Protestantism and other faiths

Among the Latin American countries, Panama has received relatively little attention from Protestant missionaries. Protestantism is strongest among the Negroes of West Indian descent and is largely confined to urban residents. Increasingly, however, English-speaking Negroes have embraced Catholicism, conversion to that faith often being the final step in their assimilation into the mainstream of society. Most Protestant activity in Panama is sponsored by

mission boards and societies headquartered in the United States; about 15 denominations are represented. The total Protestant community numbers nearly 80,000, but fewer than 30,000 are communicant church members. Baptists, Episcopalians, Seventh-day Adventists, and followers of the International Church of the Four-Square Gospel—each with over 10,000 adherents—are the largest groups. Other denominations represented include the Methodist, Lutheran, Assembly of God, Christian Science, Church of God, and Jehovah's Witness. Of the approximately 200 ordained Protestant clergymen in Panama, almost half are foreigners, many of them from the United States.

Some coordination of Protestant activities takes place through the Isthmian Religious Workers' Federation, an organization which includes representatives of most of the denominations. Although the various groups tend to concentrate their resources in specific regions, there is no formal agreement to do so, as is the case elsewhere in Latin America. Missionary work has been confined mainly to urban centers and to districts inhabited by Indians. The Episcopal Church has been especially active among the English-speaking Negroes residing near the Canal Zone. The International Church of the Four-Square Gospel works among the Choco Indians, the Central American Mission among the Cuna, and the Seventh-day Adventists among the Guaymi (Figure 30). Protestant missionaries have made little attempt to convert rural mestizos. There are several Protestant schools, including three Bible instruction schools, and a small number of welfare institutions.

Although the Catholic Church was at one time openly hostile toward proselytizing by Protestants, the antipathy had by and large disappeared by the close of the 1960's. In that decade, Catholic and Protestant leaders actively sought to improve relations through joint instruction and social action programs. As a result, most Catholics have come to accept Protestant missionary activities, which many credit with contributing to the revitalization of Catholicism. Archbishop McGrath, like his predecessor, has promoted ecumenism. Protestants, in fact, actively lobbied for the retention of Archbishop Clavel in 1968.

Estimated to number 2,500 to 3,000 in 1972, the Jewish community is organized into three congregations in Panama City and one in Colon. A Jewish Central Committee, composed of the community's leaders and headed by a layman, coordinates Jewish activities, which include the operation of the Albert Einstein School—reputed to be the best secondary institution in the country—and local and national



FIGURE 30. Seventh-day Adventist church in Guaymi Indian area (C)

charities. Because most of its members strive to avoid controversy, the community is far less actively involved in social issues than are some of the Catholic lay groups. Nevertheless, some Jewish businessmen have achieved social prominence and rank among the country's leading political figures.

Buddhism, Hinduism, and Islam are practiced by some of the minority peoples who have emigrated to Panama. Even cumulatively, however, the number of adherents of those faiths probably is less than 2,500.

#### F. Education (U/OU)

Although Panama ranks high among Latin American countries in the educational level of its population, much remains to be done in providing an equitable distribution of schools and teachers and in adapting curricula to local and national needs. The government has prepared a national education plan covering the period 1969-83; it calls for gradual modifications in the system and sets overall development goals. In September 1970 an educational reform commission was charged with overhauling the system in order to bring it into line with the plan's goals. Operating independently of the Ministry of Education, however, the commission came into conflict with ministry personnel who also had undertaken a reassessment of the system. Additionally, proposals from both entities met with criticism from teachers and students. As a consequence, it appears that educational reform largely will be limited to

expanding and upgrading vocational instruction and to improving equipment, textbooks, and facilities.

According to the Constitution, primary education is free and compulsory for children aged 7 to 15. The school system is administered by the Ministry of Education, which consistently receives the highest single allocation in the national budget, ranging from about one-fifth of the total in the early 1960's to about one-fourth in the early 1970's. The actual amount of expenditures more than doubled between 1963 and 1971, reaching almost B60 million in the latter year. Almost half of that amount was for primary education. Schools also receive funds from the Municipal Boards of Education, which legally are entitled to one-fifth of all municipal revenues. Additional aid is rendered by parents' associations, which carry out fund-raising drives, donate school materials, and even participate in building additions to existing schools or in constructing new facilities under community self-help programs. The University of Panama, though administratively autonomous, is subject to regulatory statutes and decrees of the government, which appoints its rector. The institution receives approximately 3% of the national budget, or about B5.5 million in 1971. In addition, the university receives loans, grants, and technical assistance from AID, IDB, the World Bank, and other sources. Revenue collected in accordance with the 1971 educational insurance law and administered by IFARHU has become an important source of funds for student scholarships and loans as well as for supporting a variety of special training programs.

The educational system encompasses 2 years of preprimary schooling, a 6-year primary level, and a 6-year secondary program divided into two cycles of equal length. The first cycle of secondary education consists of a generalized curriculum, after which the student may specialize in academic studies, teacher training, or one of several technical or vocational fields. Rather than pursuing the general curriculum, however, primary school graduates may enroll in technical or vocational courses, which are terminal and last from 1 to 3 years, depending on the specialty. Higher studies are available at two universities. Special educational facilities are maintained for the blind, deaf, and mentally retarded, and an extensive adult education program, including literacy instruction and job training, also is available.

The literacy rate for the population of age 10 and over in 1971 (80%) was among the highest in Latin America and represented an improvement by five percentage points over that recorded 10 years earlier. Reflecting the prevalence of illiteracy among Indians, the literacy rate for non-Indians was 82% in 1970. Despite the improvement made during the decade, because of rapid population growth there were some 17,000 more illiterate persons in 1970 than in 1960. In both years the provinces of Veraguas, Darien, Herrera, and Los Santos had the lowest literacy levels. The highest literacy rate in 1971, 92%, was registered in Panama Province. Recent data on the level of educational attainment are unavailable, but on a national basis it is estimated to be at least 1 year higher than the 1960 average of 4.4 years of formal schooling.

The rate of retention at the primary level compares favorably with that in the more advanced Latin American states. In 1971, 54% of the pupils who had entered primary school 6 years earlier graduated from the sixth grade; this compares with a retention rate of 44% for the 1957-62 period. However, far fewer than one-half of rural children who enter primary school complete six grades, compared to about four-fifths of urban children. Many youngsters, especially in rural districts, drop out between the first and second grades in order to help with farm chores or to supplement family income through outside labor. Others simply are unable to complete a primary education because many rural schools do not offer the full six grades.

More than seven-tenths of all primary school graduates enter secondary school, but a large number of these are forced to repeat one or more courses each year and eventually drop out without obtaining a diploma. Only about half the students who complete the first cycle of secondary schooling enter to the

second cycle. Precise data are unavailable on the proportion of secondary students who graduate, but of those who do, about two-fifths enter a university; most of those who go on to higher studies pursue the academic program at the secondary level.

Although the primary school age group normally comprises children 7 to 12 years old, many youngsters enroll at age 6 and others remain at that level until they reach age 18. In 1970, almost one-half of all primary students were older than the nominal age for their grade level, and 8% were younger. The Ministry of Education has initiated a more flexible grade promotion policy in order to correct this situation, caused in large measure by the fact that each year about one-fifth of all primary students are required to repeat their grades.

In 1970, more than 73% of all primary school-age children attended school, a figure surpassed in Latin America only by Argentina, Chile, Uruguay, and Peru. Much improvement is needed at the secondary level, however, where some two-fifths of all youngsters in the appropriate age group were enrolled that year; nevertheless, the proportion was double that registered in 1950. Boys outnumbered girls at the primary level by 52% to 48% of the total enrollment; at the secondary level, however, the proportions were reversed, as girls outnumbered boys in teacher training and in vocational courses, but not in the academic program. Student enrollment in 1971 was as follows:

|                    | PUBLIC  | PRIVATE | TOTAL   |
|--------------------|---------|---------|---------|
| Preprimary .....   | 3,618   | 4,146   | 7,764   |
| Primary .....      | 273,324 | 14,241  | 287,565 |
| Secondary          |         |         |         |
| First cycle .....  | 43,064  | 21,000  | 64,064  |
| Second cycle ..... | 17,288  | 5,443   | 22,731  |

Among pupils enrolled in the first cycle of secondary school, 27.6% were in technical or vocational training in 1971. The distribution of those in the second cycle was as follows: academic studies, 44.8%; technical or vocational courses, 42.2%; and teacher training, 13.0%.

The proportion of students enrolled in private schools is considerably smaller in Panama than in most Latin American countries, but private schools generally offer a higher quality education than do public schools. Many graduates of the more prestigious private secondary schools in the capital pursue their higher studies abroad.

In 1971 there were 1,971 primary schools operating in Panama, only 65 of which were private. More than seven-tenths of all primary schools had the complete six grades. Even in the countryside, location of about 90% of primary facilities, more than two-thirds of the

schools were complete. When new, rural primary schools are inaugurated, they generally are incomplete, an additional grade being started yearly until a full offering is available. High priority has been assigned to school construction as a means of increasing educational opportunity, and gains have been made in the ratio of classrooms to school-age children. Nevertheless, the dearth of secondary schools in rural areas is a pressing problem. Most rural children who graduate from primary school are faced with the prospect of commuting to a nearby town on a weekly basis in order to attend secondary school. For many, the cost of room and board is prohibitive. Because such secondary facilities often are overcrowded, moreover, some rural families make considerable sacrifices to send their children to the sixth grade of primary school in the nearest town, as local primary school graduates are accorded preference for admission to secondary school. Schools at both levels are overcrowded and many lack adequate supplies and teaching materials. Most rural schools combine as many as six grades in a single classroom.

Attitudes concerning the desirability of formal education vary according to locality, but in general the residents of most communities want their children at least to complete primary school. In response to complaints from many rural parents that the system has not responded to the needs of farming communities, the Ministry of Education has expanded its agricultural instruction at the primary level and aided in the establishment of demonstration gardens. A portion of the revenue collected under the educational insurance law is earmarked for the establishment of rural boarding schools specializing in agricultural training.

Although almost 2,000 new teaching positions were created in 1971, the teacher deficit was estimated to be about 3,000. Including new appointees, but excluding vocational training instructors in the first cycle of secondary school (for whom data are unavailable), the distribution of teachers in 1971 was as follows:

|              | PUBLIC | PRIVATE | TOTAL  | PUPILS PER TEACHER |
|--------------|--------|---------|--------|--------------------|
| Preprimary   | 111    | 146     | 257    | 30                 |
| Primary      | 9,569  | 435     | 10,004 | 29                 |
| Secondary    |        |         |        |                    |
| First cycle  | 1,922  | 457     | 2,379  | 19                 |
| Second cycle | 1,127  | 954     | 2,081  | 11                 |

With a pupil to teacher ratio of 32:1, urban primary schools were more overcrowded than rural ones, where the corresponding ratio was 27:1.

Because of low pay and substandard working conditions, teaching is less attractive than other careers open to secondary school graduates. Although the field is fairly competitive in the main cities, rural schools often must settle for less qualified instructors, as few teachers willingly accept positions in outlying areas. Those who do so generally commute from a nearby town and thus may not develop an interest in community affairs.

In theory, primary school teachers may be certified only upon graduation from a secondary-level normal school. While almost three-fourths of the nation's primary teachers were secondary school graduates and about 5% had university degrees in 1971, many of them had trained in fields other than teaching. Among the remainder lacking a secondary diploma of any kind, most taught in rural schools. Technically, secondary school teachers are required to have a higher degree in education. In practice, however, only slightly more than half of all secondary school teachers serving in 1971 possessed the requisite degree—most of these from the University of Panama's School of Education—and more than one-third had no degree at all, as shown by the following percentage distribution of teachers in public and private facilities:

|             | UNIVERSITY DEGREE |       |           |
|-------------|-------------------|-------|-----------|
|             | EDUCATION         | OTHER | NO DEGREE |
| Public      | 54                | 10    | 36        |
| Private     | 44                | 21    | 35        |
| All schools | 51                | 14    | 35        |

Panama has two institutions of higher learning, the state-supported University of Panama, founded in 1935, and the University of Santa Maria la Antigua, a Roman Catholic facility established in 1965. Both are located in the capital, and the former institution has branches in Colon, Chitre, David, Penonome, and Santiago. In 1971 the combined enrollment of the universities was 15,074 students, 14,467 of whom attended the University of Panama. Approximately 11% of the national university's students attended the branch facilities. Students enrolled at the main campus were distributed by faculty as follows:

|                                    | NUMBER | PERCENT |
|------------------------------------|--------|---------|
| Public Administration              | 5,679  | 44.2    |
| Philosophy, Letters, and Education | 2,742  | 21.3    |
| Natural Science and Pharmacy       | 2,175  | 16.9    |
| Law and Political Science          | 657    | 5.1     |
| Engineering                        | 546    | 4.3     |
| Architecture                       | 451    | 3.5     |
| Agriculture                        | 340    | 2.7     |
| Medicine                           | 153    | 1.2     |
| Dentistry                          | 106    | 0.8     |
| Total                              | 12,849 | 100.0   |

Nearly half of the 556 students who graduated from the university in 1971 studied in the Faculty of Philosophy, Letters, and Education.

The University of Panama has problems that are common to institutions of higher learning elsewhere in Latin America: a high student attrition rate, antiquated teaching methods, insufficient classroom space and equipment, a low percentage of full-time instructors, and inadequate preparation in students of higher levels. About two-thirds of the 540 professors employed at the university in 1971 worked on a part-time basis because salaries are low and most must hold more than one job; partly because of this, absenteeism among them is high. Nevertheless, the faculty, which consists almost exclusively of Panamanians, is ranked as the best in Central America. Since most students are from the lower and middle sectors of society and must work in order to pay for their tuition and sustenance, part-time students outnumber full-time students. Thus, although the nominal length of degree programs ranges from 4 to 7 years, part-time students may take as long as 10 years to earn a degree. Only about one-tenth of all students who enroll eventually receive a

degree, however. In order to reduce the attrition rate and enhance the employment opportunities of partially trained students, 2-year certification programs in surveying and health care were introduced recently, and the university plans to offer abbreviated programs in other fields.

The University of Santa Maria la Antigua was established in 1965 through contributions from the business community and the Catholic Church. The latter administers the institution, which in 1973 had three faculties offering 5-year programs in a variety of disciplines. The first graduating class (1970) consisted of 34 persons. In 1971 the university's enrollment, more than half of it consisting of women, was distributed by faculty as follows:

|  | NUMBER | PERCENT |
|--|--------|---------|
| Law and Public Administration . . . . .      | 416    | 68.5    |
| Science . . . . .                            | 144    | 23.7    |
| Philosophy, Letters, and Education . . . . . | 47     | 7.8     |
| Total . . . . .                              | 607    | 100.0   |

Under the government's 1969-83 education plan, the upgrading of technical and vocational training

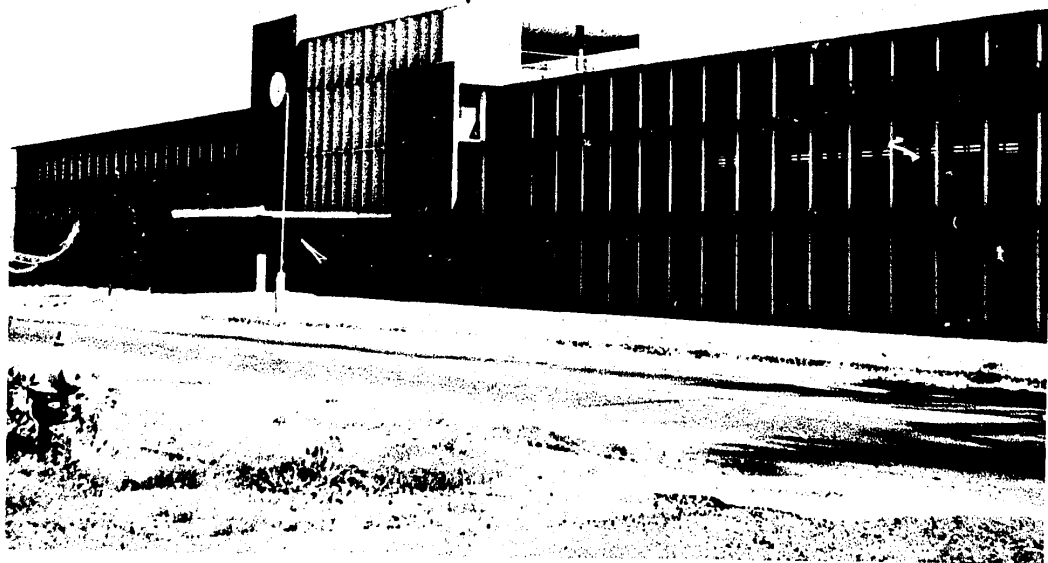


FIGURE 31. Don Bosco Technical Institute (C)



programs is a major objective. Offered at the secondary level, such training has centered on five specialized fields: agricultural science, commercial science, industrial arts, domestic arts, and electronic equipment repair. The Don Bosco Technical Institute (Figure 31), located in Panama City, is considered the best institution of its kind in the country and offers a wide range of courses. Similarly, the National Agricultural School at Divisa, Herrera Province, generally is regarded as the best agricultural training center in Central America; 40 students, or more than one-half of all of Panama's graduates in that specialty, obtained their secondary diplomas from the school in 1971.

Two distinct types of adult education exist. The first of these, a three-stage program, is designed for adults having little or no formal schooling and is structured in a manner that permits the student to set the pace of instruction. Upon successful completion of the first stage, the student is considered literate, and graduation from the third stage entitles the student to a primary school equivalency certificate. The second type of adult training program offers a variety of vocational courses, including tailoring, dressmaking, shoe repairing, hairstyling, and cooking. In rural districts, such skills as pottery-making, leathertooling, weaving, and carpentry also are taught. A primary school diploma or equivalency certificate generally is required for admission to a vocational training program. In 1971 the nation's 315 adult education schools enrolled 15,903 persons, over three-fifths of them in the literacy and primary education program. During the same year, an additional 1,704 individuals were enrolled in 14 schools for the blind, deaf, and mentally retarded.

### G. Cultural expression (U/OU)

In terms of original artistry and thought, Panama's contribution to the world has been negligible. Varied influences, predominantly foreign, not only are evident in the nation's artistic and intellectual works, but in its folk culture as well. Among the various cultural heritages, that of the Indian perhaps is the weakest, its manifestations being restricted in the main to handicrafts (Figure 32). Some contemporary painters and sculptors, however, have incorporated pre-Columbian motifs. The African heritage, incorporating West Indian, Spanish, and U.S. modifications, is evidenced distinctly in music and dance. Because of the close relationship between the United States and Panama during the present century, many Panamanians, including members of the

intellectual and artistic communities, have come into contact with U.S. art, literature, music, and cinematography. Despite these inputs, however, the Hispanic legacy is visible in much, if not most, of what is produced by the nation's artists and intellectuals. Only recently has there been a conscious effort at developing uniquely national approaches in cultural expression.

The pre-Columbian peoples who inhabited Panama at the time of Spanish discovery had developed the production of gold objects, pottery, and stone sculpture to a high level. As evidenced by artifacts found in the area, the inhabitants of the isthmus, a link between the major indigenous civilizations of Central and South America, were influenced by neighboring peoples. Artistic production apparently was at its high point during the two centuries preceding the Spanish conquest, but declined early in the colonial period. Pottery vessels from the region usually were decorated with complex motifs, featuring circular bands or stylized figures in black and red on a cream-colored background. Gold was worked either in its pure form or alloyed with copper. Small anthropomorphic (Figure 33) and stylized animal-like figures predominated. Exquisitely detailed filigree work and gold jewelry set with precious stones, together with hammered-gold helmets, breastplates, and shields, have been unearthed in Cocolé. Although less distinguished than the gold objects and pottery vessels, stone carvings and anthropomorphic sculptures also testify to the artistic ability of the pre-Columbian civilizations.

During the colonial period, Spanish influence predominated in art and architecture. The original colonial capital was virtually destroyed by pirates in 1671, with only the cathedral tower remaining (Figure 34). A new cathedral, built between 1690 and 1762, combines the baroque and renaissance styles and is considered one of the finest examples of colonial architecture in Central America (Figure 35). Other fine colonial buildings include churches in Panama City and several interior towns (Figure 36). Little remains of the colonial buildings in the once thriving port town of Portobelo, on the Caribbean, but several ruins attest to the splendor of commercial edifices and churches of the time. After an interlude of French influence late in the 19th century, most evident in the balconies and grillwork of the post office built for the Panama Canal Company, Panamanian architects turned to U.S. models. Not until after World War II did they begin to develop original styles, adapting features of contemporary Western architecture to the tropical environment and emphasizing the combina-



FIGURE 32. Choco Indian basketware (U/OU)

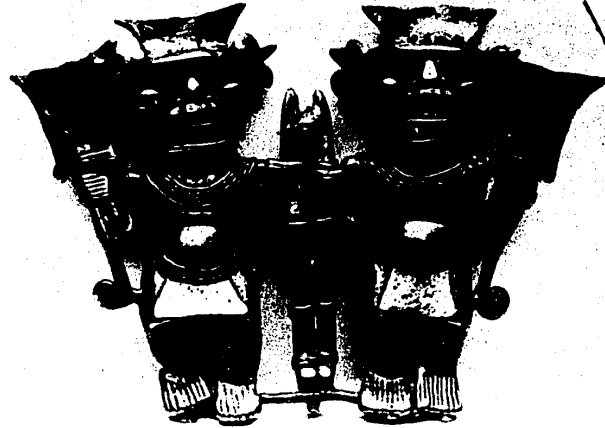


FIGURE 33. Twin warrior pendant from Chiriqui. Advanced gold casting methods enabled Indian artisans to achieve exquisite detail in gold objects. (U/OU)

tion of artistic and functional designs. The School of Architecture of the University of Panama has been in the vanguard of the movement to develop this national style, perhaps best exemplified by the buildings of the university itself (Figure 37). The architects, including Rene Brenes, Guillermo de Roux, and Ricardo Bermudez, planned the campus to take advantage of the contours of the land and made extensive use of sun screens, covered walkways, and natural lighting. Similar emphasis on functional designs that harmonize with their surroundings are evident in various modern public buildings in the capital (Figure 38).

Painting during the colonial period was almost entirely of a religious nature, with local artists generally influenced by the famous Quito School, in present-day Ecuador. Epifanio Garay (1849-1903), a Colombian who studied in Europe before settling in Panama, where he excelled in portrait painting and still life, exerted the first major influence over Panamanian painting. Under Roberto Lewis (1874-1949) the National School of Painting produced numerous artists specializing in landscapes, murals, and portraits. New trends did not emerge until about World War II. Humberto Ivaldi (1909-44), a student of Lewis', led the way for a new generation of painters, some of them, caught up in the worldwide abstract movement, training their backs on the local scene.

Others, however, continued to capture aspects of Panamanian life while experimenting with new techniques. Guillermo Trujillo, for example, adapted elements of Central American Indian art to an abstract modernist style. He also produced many watercolor landscapes utilizing experimental color techniques. Other contemporary artists have incorporated calligraphy into abstract painting. Julio Zachrisson, internationally known for his etchings, shows the influence of Goya (Figure 39). Other Panamanian artists recognized abroad include Alberto Dutary, Alfredo Sinclair, and Nessim Bassan. They and many of their contemporaries are graduates of the National School of Plastic Arts, and some have studied abroad. There has been little sculpture of note in Panama, although much sculpting has been done. Roberto Lewis, the painter, probably was Panama's most accomplished sculptor. Early in the present century, he produced numerous busts of prominent figures.

During colonial times Panama produced little in the way of literature, largely because of the elite's preoccupation with commerce and the absence during much of the period of a university which might have served as a center for intellectual and artistic expression. In the 18th century, writers of the romantic school produced numerous commentaries on Panamanian society. Outstanding among these were

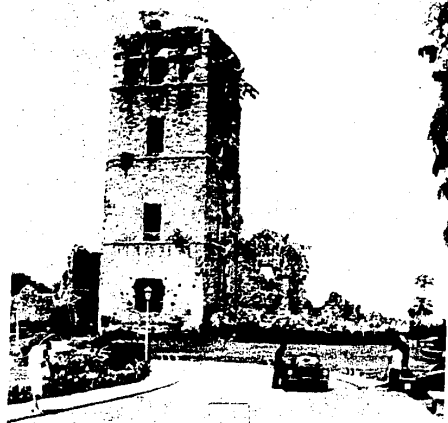


FIGURE 34. Ruins of the old cathedral of Panama City destroyed by pirates in 1671. Materials from the ruins were utilized in the construction of the new cathedral. (C)



FIGURE 35. Panama City cathedral. Begun in 1690, the cathedral combines baroque and renaissance styles. (U/OU)

Manuel Jose de Ayala (1726-1805), a leading jurist who recorded contemporary events; Sebastian Lopez Ruiz (1741-1823), a physician and naturalist who wrote sociological monographs; and Victor de la Guardia y Ayala (1772-1824), who wrote the country's first dramatic work, *La politica del mundo* (The Politics of the World). The arrival of the printing press in Panama during 1820 gave rise to a voluminous political literature, much of it written by the ardent nationalist, Justo Arosemena (1817-96). During the latter half of the 19th century, the first generation of Panamanian poets began writing. Their work showed the influence of romanticism, but was colored by a strong nationalistic sentiment directed first at Colombia and, following independence, at the United States. In her well-known poem "Al Cerro Ancon" (To Ancon Hill), the poetess Amelia Denis de Icaza (1836-1910) was among the first to express disapproval of the U.S. presence. The works of Panama's national poet, Ricardo Miro, (1883-1940) also are replete with nationalistic sentiment. Best known for his poem "Patria," Miro is read today by Panamanian schoolchildren, and his work has circulated elsewhere in Latin America.

Essays, short stories, and poetry dominated literary output at about midcentury. *Plenilunio* (Full Moon), a surrealist novel by Rogelio Sinan (b. 1904), was one



FIGURE 36. Basilica of Nata de los Caballeros, oldest church standing in Latin America (U/OU)

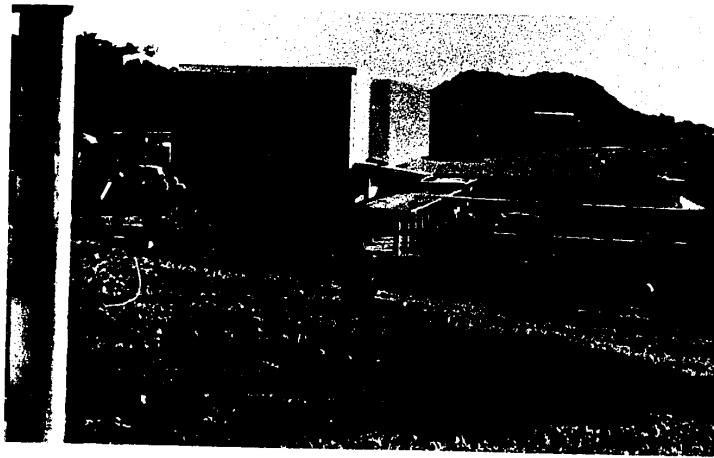


FIGURE 37. Functionally planned buildings of University City, opened in 1950 (U/OU)

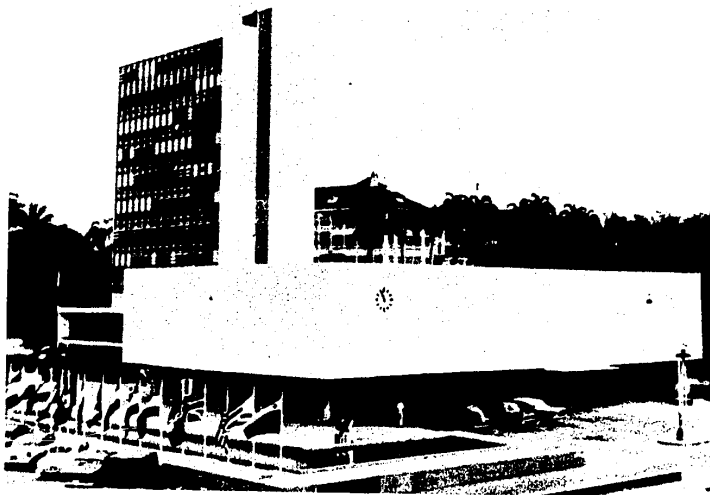


FIGURE 38. Legislative Palace in Panama City. A typical example of modern functional architecture by native architects. (U/OU)

of the few novels to become popular in that period. Sinan is best known, however, for his poetry. He and Demetrio Korsi (b. 1899) are Panama's major contemporary literary figures. While Korsi's poetry is basically realistic, as exemplified in his collection *El viento en la montana* (The Wind on the Mountain), Sinan's output is varied. His experimental techniques have had a significant impact on young Panamanian writers, many of whom turned to surrealism and other avant-garde trends beginning in the 1930's. Metaphysical contemplations reminiscent of the Spaniard Miguel de Unamuno dominate much of the country's contemporary poetry, particularly the works of Carlos Francisco Chan-Marín (b. 1922), José de

Jesus Martínez (b. 1929), and Guillermo Ross Zanet (b. 1930). While retaining an avant-garde character, these and other poets have moved from the extreme illogicality and nihilism of their early days to a more conventional style, touched with nostalgia and melancholy.

Panamanian novels, traditionally overshadowed by the short story, generally are not read abroad, although an exception is Octavio Méndez Pereira's historical novel, *El tesoro del Dabaibe* (The Treasure of Dabaibe), based on the life of the explorer Balboa. The novel in general made somewhat of a comeback in the 1960's when a number of regionalist novels with social protest themes were published. Some authors,



FIGURE 39. "Mischievous Birds," one in a series of lithographs by Julio Zachrisson (U/OU)

such as Pedro Rivera (b. 1939) in *Peccata minuta* (White Lie), have utilized modern techniques without deviating from national reality. During the 1960's, moreover, the "canal cycle" of novels, similar to that which appeared earlier in the century, reemerged strongly in literary circles. Of five such novels written since 1960, three won literary awards: *Gamboa Road Gang*, by Joaquin Beleno (b. 1922), which denounces the working conditions of Panamanians in the Canal Zone; *La otra frontera* (The Other Frontier), by Cesar Candanedo, which deals with the plight of peasants forced to abandon their lands to make way for the canal; and Yolanda Camarano de Sucre's *Los Capelli* (The Capellis), which traces the history of the canal by observing its effect on four generations of an Italian immigrant family.

Drama has been the weakest of the literary genres in Panama, with few authors publishing works prior to 1950. A notable exception was Rogelio Sinan's *La cucarachita mandinga* (The Devil Cockroach), a popular musical comedy written in collaboration with Gonzalo Brenes. Since midcentury, playwrights generally have treated social problems and Panama's relationships with the rest of the world. Jose de Jesus Martinez, although best known as a poet, has been active in the field of drama and is well known for his play *El juicio final* (The Final Judgment). The establishment of a university theater in 1959 gave

substantial impetus to the production of national dramas. A touring group known as *Los Trashumantes* (The Nomads) was organized in 1971 by the director of the theater for the purpose of bringing drama to villages and urban slums. Its highly successful first presentation *Una flor para mascar* (A Flower to Chew) featured audience participation. The country's best known theatrical director is Jose Quintero, recognized for his work in New York City and Paris.

Panama's rich collection of songs and dances is among the most varied and colorful in the hemisphere. Unlike much folk music elsewhere in Latin America, Panamanian folk songs are lively and optimistic, characterized by a contagious spontaneity and a general absence of melancholy. The *mejorana* and the *punta*, both of which are suited to either vocal or instrumental rendition, are the best known forms of song, and the *cumbia* and *tamborito* are the national dances. The *cumbia*, performed by couples to the rhythm of maracas and drums, also is popular in neighboring countries. The *tamborito*, performed by a group of men and women arranged in a circle, is thought to have been introduced from Africa via Spain in the 17th century. The national dances customarily are performed at fiestas and during Carnival, especially in the countryside, by persons wearing traditional native costumes (Figure 40). In the cities, women wear the *pollera*, consisting of a long white skirt with multicolored embroidery and a white



FIGURE 40. Native costumes. The rustic *montuna* (right) became widely used when the *pollera* (left) was taken over by upper class women as a costume for use at fiestas. (U/OU)

lace off-the-shoulder blouse. Originally a Spanish peasant costume from Andalusia, the *pollera* can be extremely costly, depending upon the material and ornamentation used. The more rustic *montuna*, consisting of a brightly flowered skirt and blouse, predominates in the countryside. Men wear embroidered cotton shirts over knee-length white trousers.

In addition to such standard European instruments as the violin, cello, and guitar, popular orchestras employ the *mejorananera* and the *bocona*, both locally fashioned five-stringed guitars, the *rabel*, a three-stringed violin, the *guachara*, a gourd rattle, and drums of assorted types and sizes.

The leading contemporary composer is Roque Cordero, who directs the National Institute of Music. Other composers include Gonzalo Brenes, who wrote the musical score for the *La cucarachita mandinga*; Alberto Galimany, former director of the national band; Ricardo Fabrega, noted for his popular musical compositions; and Narciso Garay, first director of the National Conservatory of Music. The conservatory, founded by the government in 1904, was closed between 1921 and 1941 for lack of popular support. It was reorganized in 1953, when it was renamed the National Institute of Music. The National Symphony Orchestra, formed in 1941, performs many of the works of these and other national composers.

## H. Public information (U/OU)

The information media are highly developed in the urban sector, but throughout much of the rest of the country antiquated means of disseminating news predominate. In very remote districts information often is transmitted by bus drivers, local politicians, and schoolteachers, or through conversations among friends and relatives. Radio reaches the largest number of persons and, given the emotional appeal of the spoken word in Panama, it is the most important means of mass communication. Newspapers, however, are read by the decisionmaking sectors of the population and thus constitute the most important medium for shaping public opinion.

As did the preceding charters, the 1972 Constitution guarantees freedom of expression. Nevertheless, governments repeatedly have violated this principle and employed varying degrees of censorship. As recently as 1973, the Inter-American Press Association selected Panama as one of several Latin American countries where freedom of the press is restricted. Most editors and publishers, however, deny that the government exercises unduly harsh controls, defending what they consider to be a "unity of purpose" among the media in supporting the government. Since 1968, the regime has increased its control over the media through strengthened censorship and the acquisition of a radio network and a publishing house. During Torrijos' first year in power, censorship was enforced by government censors assigned to the offices of leading newspapers and broadcasting stations. Since late 1969, however, the government has exercised indirect controls through a series of decrees restricting the type of information that can be disseminated; publishers, editors, and station managers who fail to report the news in the officially prescribed manner have been subjected to intimidation. Some newspapers and radio stations have been ordered to close temporarily, and their owners have been fined for violating the censorship decrees. These measures, strengthened in 1971 following extensive media coverage of the disappearance of Father Gallegos, are rationalized under the terms of existing laws forbidding the use of materials which "violate Christian morals, include immoral or vulgar scenes, offend national dignity or the dignity of friendly nations, encourage crime, or publicize exotic theories of government or totalitarian systems." The rules apply to printed materials, radio, television, motion pictures, public readings, and live performances. A three-man board of censors regulates the scheduling of television programs; prior to 9 p.m., only family,

educational, and scientific programs may be telecast. Violators are subject to fines ranging from B25 to B250. Although radio and television station operators are required to submit monthly transcripts of all programs and commercials, the electronic media generally have greater freedom from government interference than do the printed media.

Making generous use of exaggerated descriptions and lurid photographs, the printed press traditionally has been inclined toward sensationalism, even in the treatment of political matters. Under the Torrijos regime, however, censorship regulations have dampened sensationalist journalism, dealing both with common crime and political activities. Nevertheless, reports on the private lives of public officials and other prominent persons have wide appeal, as do human interest stories and society news. Highlighting baseball, horseracing, and soccer, the coverage of sporting events is extensive. Feature articles and comic strips, both largely of U.S. origin, also are carried by newspapers. International news coverage centers on relations between the United States and Panama, particularly on issues pertaining to the Canal Zone. In varying degrees, the newspapers appeal to, as well as exhort, Panamanian nationalism.

Except for a few of the major dailies, Panamanian newspapers tend to appear and disappear fairly frequently, reflecting the ups and downs of their political and financial backers. Of the six dailies published in 1973, only *La Estrella de Panama*, a morning newspaper with a circulation of about 30,000, and its English-language edition, *The Star and Herald* (13,000 circulation), are considered to be thorough and reliable in their reporting. Moreover, they are the only dailies which have retained a significant measure of journalistic freedom under the Torrijos regime. The four remaining dailies emanate from *Editora Renovacion*, a government publishing house formed in 1968 to publish the chain of newspapers formerly owned by the family of deposed President Arnulfo Arias. These include the tabloid *Critica* (30,000 circulation); *El Panama America* (25,000) and its English-language edition, *The Panama American* (13,000); and *Matutino* (20,000). Seven additional newspapers, all of them Spanish-language weeklies, are published in small cities or towns in the interior. An English and Spanish weekly, *The Panama Tribune*, is published in the capital and is widely read among Negroes of West Indian derivation. Two Chinese-language weeklies serve the Chinese community. Some individuals in the more affluent sectors of society supplement their reading of the domestic press with foreign newspapers, especially

the *New York Times*, the *Miami Herald*, and *El Tiempo* of Bogota.

Since there is no domestic news agency, the news media rely heavily on foreign press services, including United Press International, Associated Press, Reuters, *Agence France-Press*, and *Agencia Efe* (Spain). A number of foreign press services maintain correspondents in Panama, including Cuba's *Prensa Latina*.

The only important domestic magazine is *Loteria*, a monthly devoted to literature, history, and the fine arts, published by the government lottery agency. Two other literary publications, *El Faro* and *Mar y Tierra*, have small readerships. Foreign magazines, including *Time*, *Paris Match*, and the *Economist*, are widely read by more affluent individuals. With the exception of school textbooks and official materials issued by the National Printing Office, few books are published domestically.

With the advent of transistorized, battery-powered radios, broadcasting has become an increasingly important medium for mass communication. In 1973, an estimated 500,000 radio receivers were in use, almost double the number 10 years earlier. Broadcasts from one or more of the nation's 94 radio stations reach all regions of the country. For a fee, some of the smaller stations in the hinterland transmit personal messages for individuals unable to communicate by telephone or telegraph.

There are three radio networks, one of which, *Radio Libertad*, is controlled by the government. Inaugurated in 1970 to publicize official programs and promote support for the regime, *Radio Libertad* propagandizes the revolution and offers educational and cultural programs highlighting traditional music and folklore. The other two networks, both private, as well as the multitude of independent stations, feature popular music, news programs, soap operas, and, to a lesser degree than does the state network, cultural and informational features. Most of the music heard over the radio is of U.S. or Mexican origin.

In a policy related to its control of the public information media and designed to stem what is considered U.S. "cultural imperialism," since 1968 the government has regulated the production, importation, publication, and broadcasting of commercial advertising. Additionally, early in 1973 it was decreed that all radio and television announcements must be made in Spanish by a licensed commentator and that musical commercials must be sung by Panamanians accompanied by Panamanian musicians.

In 1973 there were two television stations in Panama City and eight relay stations elsewhere in the country. Of the estimated 125,000 television receivers

in service, more than three-quarters were located in the capital, approximately 15,000 in Colon, 12,000 in David, and the remainder largely in the central provinces. Packaged programs produced in the United States dominate airtime. A 1968 survey showed that more than two-thirds of total broadcast time consisted of cowboy, detective, and adventure serials, children's programs, situation comedies, and soap operas. Slightly more than 10% of broadcast time was allotted to cultural and informational programs. Much of the news commentary is highly subjective, although personal attacks on public officials have occurred far less frequently since 1968. Approximately 10 minutes of each hour are devoted to commercials. The U.S. Armed Forces Radio and Television Service operates two television and two radio stations in the Canal Zone for the purpose of entertaining local U.S. personnel and their dependents and keeping them abreast of events in the United States; the service's shortwave radio broadcasts are heard in many Latin American countries.

Motion pictures are a favorite form of recreation among city dwellers, but few rural inhabitants are regular patrons. In 1968 there were 23 theaters, most of them in Panama City and Colon, with a total seating capacity of more than 28,000 persons. An additional 40 theaters, equipped to show only 16-mm. films, were located in the interior. Virtually all motion pictures are imported, mainly from the United States and Mexico, as the domestic film industry is at an early stage of development.

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## Glossary (u/ou)

| ABBREVIATION | SPANISH  | ENGLISH   |
|--------------|--|---|
| AIFLD.....   | .....  | American Institute for Free Labor Development                   |
| CCC.....     | <i>Confederacion de Campesinos Cristianos.</i>                           | Confederation of Christian Peasants                             |
| CCS.....     | <i>Centro de Capacitacion Social.....</i>                                | Center for Social Training                                      |
| CEPAS.....   | <i>Centro de Estudios, Promocion, y Asistencia Social</i>                | Center for Study, Promotion, and Social Assistance              |
| CIT.....     | <i>Central Istmena de Trabajadores.....</i>                              | Isthmian Workers' Central                                       |
| CLAT.....    | <i>Central Latinoamericana de Trabajadores</i>                           | Latin American Workers' Central                                 |
| CNTP.....    | <i>Central Nacional de Trabajadores de Panama</i>                        | National Central of Workers of Panama                           |
| CONEP.....   | <i>Consejo Nacional de la Empresa Privada</i>                            | National Council of Private Enterprise                          |
| CSS.....     | <i>Caja de Seguridad Social.....</i>                                     | Social Security Fund  |
| CTRP.....    | <i>Confederacion de Trabajadores de la Republica de Panama</i>           | Confederation of Workers of the Republic of Panama              |
| FSTRP.....   | <i>Federacion Sindical de Trabajadores de la Republica de Panama</i>     | Trade Union Federation of Workers of the Republic of Panama     |
| FUNDAVICO... | <i>Fundacion de Vivienda Cooperativa....</i>                             | Cooperative Housing Foundation                                  |
| IDAAN.....   | <i>Instituto de Alcantarrilladas y Acueductos Nacionales</i>             | Institute of National Sewerage and Water Works                  |
| IDB.....     | .....  | Inter-American Development Bank                                 |
| ICFTU.....   | .....  | International Confederation of Free Trade Unions                |
| IFARHU.....  | <i>Instituto para la Formacion y Aprovechamiento de Recursos Humanos</i> | Institute for the Formation and Utilization of Human Resources  |
| IFHA.....    | <i>Instituto para el Fomento de Hipotecas Aseguradas</i>                 | Insured Mortgage Development Institute                          |
| IVU.....     | <i>Instituto de Vivienda y Urbanismo....</i>                             | Housing and Urbanization Institute                              |
| MUNDO.....   | <i>Movimiento de Unificacion Nacional, Desarrollo, y Orientacion</i>     | Movement for National Unification, Development, and Orientation |
| ORIT.....    | <i>Organizacion Regional Interamericana de Trabajadores</i>              | Inter-American Regional Organization of Workers                 |
| PAHO.....    | .....  | Pan American Health Organization                                |
| SITRACHILCO. | <i>Sindicato de Trabajadores de la Chiriqui Land Company</i>             | Union of Workers of the Chiriqui Land Company                   |
| SNEM.....    | <i>Servicio Nacional de Eradicacion de la Malaria</i>                    | National Service for the Eradication of Malaria                 |
| WFTU.....    | .....  | World Federation of Trade Unions                                |

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Places and features referred to in this chapter (u/ou)

|                                     | COORDINATES |       |
|-------------------------------------|-------------|-------|
|                                     | ° 'N.       | ° 'W. |
| Azuero, Peninsula de ( <i>pen</i> ) | 7 40        | 80 35 |
| Bay of Panama ( <i>bay</i> )        | 8 50        | 79 15 |
| Canal Zone ( <i>leased zone</i> )   | 9 10        | 79 48 |
| Chitré                              | 7 58        | 80 26 |
| Colón                               | 9 22        | 79 54 |
| David                               | 8 26        | 82 26 |
| Divisa                              | 8 08        | 80 41 |
| La Chorrera                         | 8 53        | 79 47 |
| Madden Lake ( <i>rvs</i> )          | 9 15        | 79 35 |
| Natá                                | 8 20        | 80 31 |
| Panama City                         | 8 58        | 79 32 |
| Penonomé                            | 8 31        | 80 22 |
| Portobelo                           | 9 33        | 79 39 |
| Puerto Armuelles                    | 8 17        | 82 52 |
| San Miguelito                       | 9 02        | 79 30 |
| Santiago                            | 8 06        | 80 59 |

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