



Panama

Country Reports on Human Rights Practices - [2000](#)

Released by the Bureau of Democracy, Human Rights, and Labor
February 23, 2001

Panama is a representative democracy with an elected executive composed of a president and 2 vice presidents, an elected 71-member unicameral legislature, and an appointed judiciary. In September 1999, President Mireya Moscoso replaced former President Ernesto Perez Balladares. The Constitution provides for an independent judiciary; however, the judicial system is subject to corruption and political manipulation.

Panama has had no military forces since 1989. In 1990 the Government created the Panamanian Public Forces, which consist of the Panamanian National Police (PNP), the National Maritime Service (SMN), the National Air Service (SAN), and the Institutional Protection Service (SPI). In 1994 a constitutional amendment formally prohibited the establishment of a permanent military, although it contains a provision for the temporary formation of a "special police force" to protect the borders in case of a "threat of external aggression." The Judicial Technical Police (PTJ), a semiautonomous body with leadership appointed by the Supreme Court, is a separate branch of law enforcement under the Attorney General's Office, and performs criminal investigations in support of public prosecutors. The Ministry of Government and Justice oversees the PNP, the SMN, and SAN; the Ministry of the Presidency supervises the SPI and the PTJ. Police forces respond to civilian authority, have civilian directors, and have internal review procedures to deal with police misconduct. There were reports of instances of abuse by some members of the security forces.

The service-oriented economy uses the U.S. dollar as currency, calling it the Balboa. Gross domestic product grew by 3.2 percent in 1999, but growth estimates for 2000 range from 2.3 to 2.8 percent. While economists predicted higher growth during the year due to the transfer of the Panama Canal and related property, economic benefits were not yet evident at year's end. Poverty persists and income distribution remains extremely skewed with large disparities between rich and poor. Unemployment is estimated at 13.3 percent; however, private economists believe that it may be higher.

The Government generally respected the human rights of its citizens; however, there continued to be serious problems in several areas. Abuse by prison guards, both PNP and civilian, is a recurrent problem of the prison system; however, there were reports that incidents of abuse decreased during the year in one prison. Overall prison conditions remained harsh, with occasional outbreaks of internal prison violence. Arbitrary detention and prolonged pretrial detention are problems. The judiciary is subject to political manipulation, and the criminal justice system is inefficient and often corrupt. There were complaints that in some cases police failed to follow legal requirements and conducted unauthorized searches. Police conduct towards public protesters improved. The media is subject to political pressure, libel suits, and punitive action by the Government. Violence against women remains a serious problem. Women hold some high positions in Government, including the presidency; however, discrimination against women persisted. Discrimination against indigenous people, blacks, and ethnic minorities continues to be a problem. Worker rights were limited in export processing zones. Urban and rural child labor are also problems. Trafficking in persons, particularly Asian and South American immigrants, is a continuing problem.

RESPECT FOR HUMAN RIGHTS

Section 1 Respect for the Integrity of the Person, Including Freedom From:

a. Political and Other Extrajudicial Killing

There were no reports of political or other extrajudicial killings.

There was little progress on past cases. Four PNP guards at the Tinajitas prison were on administrative duty and awaiting trial in the March 1997 beating death of detainee Jose Luis Alvarado at year's end.

In January 1999, the Supreme Court dismissed the case against the PNP personnel responsible for the June 1997 shooting death of Ngobe-Bugle tribe member Juan Santos Chobra in the community of Puente Blanco. The Court ruled that the shooting was accidental after reviewing videotaped evidence of the shooting.

In September 1999, President Moscoso cancelled the pardons granted by former President Perez Balladares to 33 former civilian and military collaborators of former ruler General Manuel Noriega. One such official reportedly was involved in the execution of 11 persons following a failed coup attempt against Noriega in 1989. In this specific case, a Superior Court confirmed Moscoso's order to cancel the pardon granted by former President Perez Balladares. It was unknown whether similar cases were pending at year's end.

In September 1999, the authorities discovered an unmarked grave containing two bodies on the grounds of a former military base near Panama City. On August 23, Public Ministry authorities stated that one set of these remains belonged to leftist leader Heliodoro Portugal. Portugal had been reported missing since May 1970, during the early stages of the military regime. The identity of the second body remains unknown. Long-standing rumors that there are other gravesites scattered around the country dating from this period continued to circulate during the year. In December the authorities resumed their search for remains. At that time, human remains of five individuals were excavated from a former military garrison site. The investigation continued at year's end. Also in December, President Moscoso announced plans to create a "Truth Commission" to follow up on such cases.

On October 15, approximately 60 unknown assailants, widely believed to be members of a Colombian armed group, attacked the village of Nazaret, near the border with Colombia. One 11-year-old girl was killed, and approximately 12 persons were wounded, including 3 members of the PNP. The Government had not established firmly responsibility for the attack at year's end; however, some observers believe that members of the guerrilla group the Revolutionary Armed Forces of Colombia (FARC) were responsible. Following the attack, two police officers in Darien reportedly tortured an Embera Indian suspected of aiding Colombian rebel groups (see Section 1.c.).

There were some unconfirmed killings of homosexual men.

b. Disappearance

There were no reports of politically motivated disappearances.

The Hector Gallego Committee for Disappeared Relatives maintains a list of 120 persons who disappeared during the military dictatorships of 1968-89 and are still unaccounted for.

FARC guerrillas reportedly kidnaped persons in the Darien region along the border with Colombia. In 1999 three individuals were abducted and held for ransom; only one had been released by year's end. There were reports that the FARC harassed and even killed Darien residents. One girl was killed by an armed group in October (see Section 1.a.). There were unconfirmed reports that Colombian citizens have been kidnaped and then retained in Panamanian territory.

c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment

The Constitution prohibits the use of measures that could harm the physical, mental, or moral integrity of prisoners or detainees and the public security forces generally performed in a professional and restrained manner; however, there were reports of excessive use of force and inhuman punishment against prison inmates. There also were reports that police used physical violence and psychological threats to control detainees during the initial arrest, interrogation, and holding phases.

In December Indian community leader Francisco Olivo complained that two police officers in Darien tortured an Embera Indian after he was arrested and accused of aiding Colombian rebel groups. The torture incident reportedly occurred soon after an October attack on Nazaret (see Section 1.a.). Police Director Carlos Bares responded by saying that he would order an investigation and would punish anyone found responsible. An investigation continued at year's end.

The 1997 legislation providing the legal basis for the PNP includes specific guidelines for use of force, including deadly force; requires that police officers respect human rights; and prohibits instigation or tolerance

of torture, cruelty, or other inhuman or degrading behavior. However, there is no follow-on training in the use of force provided to the PNP.

The PTJ and the PNP have offices of professional responsibility that act as internal affairs organs to hold officers accountable for their actions. Both have staffs of independent investigators as well as administrative authority to open internal investigations. In both organizations, a defined legal process is followed in which, upon completion of the process, the respective director of the PTJ or PNP has the final authority to determine the disposition of each case. The PNP deputy director and secretary general address human rights problems that arise in the police force. The offices of professional responsibility are well known in the community, and the rate of complaints has remained roughly constant in both offices.

The PNP Office of Professional Responsibility receives on average six complaints per week, of which 30 to 35 percent result in some type of punitive action. Penalties include reduction in rank, dismissal, and in severe cases, criminal prosecution. By November the authorities had dismissed 16 officers for corruption, burglary, and/or bribery. A total of 206 other cases were under investigation as of November; 108 cases were dismissed; 82 cases were still under investigation.

The PTJ receives complaints from the public, and officers can make anonymous complaints of corruption and other problems. By October the PTJ Office of Professional Responsibility had conducted 179 investigations, which resulted in the dismissal of 52 agents. The majority of the cases were for mishandling official property such as misplacing guns or radios (22 cases), and personal conduct or improper behavior when off duty (30 cases).

In May the PNP disciplinary committee exonerated a sergeant and three officers for the March 1999 shooting in Pueblo Nuevo, and concluded that they acted in self-defense, and that the victim was not a minor as originally reported. According to residents of the neighborhood, the victim was lying on the ground in handcuffs at the time of the shooting.

Corruption among police officers also remains a problem. By October the PTJ Office of Professional Responsibility had dismissed 20 agents for corruption. In some cases, PNP and PTJ directors enforced other disciplinary measures against officers with proven involvement in illicit activities; however, both organizations only react to egregious abuses, due to a lack of staff, independence, and institutional priority.

During the year, police generally exercised restraint in their treatment of street protesters, despite an increase in the frequency of street demonstrations. However, police commonly used tear gas against protesters.

Police arrested and detained children for minor infractions during neighborhood sweeps (see Section 5).

The FARC guerrillas and the paramilitary forces of the United Self-Defense Forces of Colombia (AUC) share a long history of spillover of violence from Colombia into the border area on the Darien peninsula, including killings, kidnaping, robbery, and various forms of harassment of innocent bystanders (see Sections 1.a. and 1.b.).

Despite some technical improvements and some training of prison guards during the year, overall prison conditions remained harsh and in some cases, threatening to prisoners' health and safety, due largely to budget constraints. The current prison system has over 9,018 prisoners but an allotted capacity of only 6,893 persons. Most prisons are dilapidated and overcrowded. Many of the problems within the prisons stem not only from the obvious overcrowding but also from the lack of separation of inmates according to the type or severity of the crime committed. Medical care is inadequate and sometimes withheld from inmates. Tuberculosis, AIDS, and other communicable diseases are common among the prison population. The Corrections Department does not have an ambulance to take prisoners to hospitals in case of emergencies. Over the last 4 years, 10 inmates have been killed and 25 injured due to gang violence. In June gang members at La Joya prison stole keys and entered the cell block of a rival gang armed with knives, murdering two prisoners and wounding another five.

Abuse by prison guards, both PNP and civilian, is a recurrent problem of the prison system. At year's end, there were 8 cases open with the Public Ministry regarding human rights abuses in the prisons, involving 25 civilian custodians and 6 members of the PNP. Pending cases include three custodians awaiting trial for abuses committed in La Joya prison in 1996 against prisoner Jorge Reyes Alvarez, and PNP guards awaiting trial for the beating death of prisoner Jorge Alvarado at Tinajitas prison (see Section 1.a.). In another high profile case, 10 members of the PNP are expected to be tried for beating naked prisoners with baseball bats in the (now closed) Modelo prison in 1998. The special prosecutor in charge of the 8 cases has handled 13 others since 1996. In 1999 six custodians from La Joya each were sentenced to 40 months in prison for having

abused La Joya prisoner Carlos Cisneros Naranjo.

The main prisons in Panama City include La Joya (a maximum-security facility), Tinajitas, the Feminine Center (women's prison), and the Juvenile Detention Center. Two additional facilities, La Joyita and El Renacer, hold inmates generally accused of less serious crimes. In July foreign experts found that conditions at El Renacer have improved substantially and that the new prison director is attempting to make many needed reforms. Conditions at La Joyita remain problematic. The notorious island prison colony of Coiba is still in operation. There are also prisons of significant size in David and Santiago, and a large facility is planned for construction in Divisa in 2001. Small jails attached to local police stations around the country sometimes house prisoners for the entire length of their sentence. The authorities frequently do not address cases of abuse and neglect in these provincial jails due to their low profile in the prison system. Prison authorities hope eventually to close down these provincial jails and house all prisoners in the central jails.

The General Penitentiary Directorate (DGSP) largely depends on PNP officers to supply both internal and perimeter security at all prisons. Ideally, civilian corrections officers (or "custodians") with specialized training are supposed to handle inmates in all prisons, but funding constraints have prevented reform. Newly appointed DGSP Director Concepcion Corro wants to replace PNP guards with civilians, but has been granted only enough funding to train and fill 237 of 2,500 potential civilian positions. Custodians do handle inmates within La Joya, El Renacer, and the central women's prison, which uses only female guards. Because prison security rests almost entirely with the PNP, tensions arise between PNP officers and their civilian directors. In addition, PNP officers are untrained for prison duty and generally find the assignment distasteful, contributing to tension and abuses within the prison system. The DGSP does not have authority to discipline prison guards with criminal or civil sanctions; only the PNP disciplinary board can sanction a PNP agent or a custodian.

Prison conditions on the island penal colony of Coiba remained harsh and dangerous. In January 1998, a prison gang reportedly beheaded four prison escapees who belonged to a rival gang. The authorities concluded a lengthy investigation, and the case is expected to go to trial in 2001. Some of the accused prisoners are detained in the Panama City jail, and others are held in a jail in Santiago. The authorities have not yet brought anyone to trial in the case of eight murders that were discovered in 1998 in which both guards and prisoners have been implicated. In June the remains of three individuals were found on the nearby island of Jicarita. At year's end, the authorities had not yet determined the identity of the remains nor the circumstances of their deaths.

National prison authorities occasionally have discussed plans to close Coiba, but at year's end there were no definite plans for a shutdown. Although the facility no longer holds the most dangerous criminals, it continues to relieve overcrowding elsewhere in the prison system. The prison population at the island prison colony was reduced to 130 inmates, compared with 361 in 1999; none are pretrial detainees.

Geographic isolation and lack of communications on Coiba separate detainees from their attorneys and cause many to miss trials. Prisoners suffer from malnutrition and shortages of potable water. Medical care is practically nonexistent; prisoners with AIDS told reporters that they are isolated in small cells and that medical attention is provided once a year. Escapes from Coiba reportedly are common.

La Joya is the primary maximum security facility and houses most prisoners accused of serious crimes. La Joya has a planned capacity of 1,250, but houses over 2,000 inmates. Gang violence is a problem. In June in La Joya, 22 inmates with AIDS went on a hunger strike to protest their lack of access to medical treatment and their need for special permits to receive medicine.

Prison conditions in Colon province also are harsh. The Human Rights Commission of the Legislative Assembly described the Public Prison of Colon as a "time bomb," which fails to provide the most basic health needs. The prison frequently has no running water or functioning sewage system. The Commission also reported that prisoners at the Women's Prison of Colon suffer from overcrowding, semidarkness day and night, constantly wet floors, and virtually no health care. Colon's main prison, Nueva Esperanza, is under construction and is expected to absorb inmates from Colon's women's prison and the dilapidated public prison, both of which are scheduled to shut down. The new inmates are to be housed in separate sections of Nueva Esperanza, where construction was quite advanced at year's end, with some of the new cells already outfitted with bunks and toilets. However, inmates from the rapidly deteriorating Public Prison reportedly were apprehensive about being moved to Nueva Esperanza, where their access to the outdoors is expected to be limited. At year's end, male prisoners were housed at Nueva Esperanza; approximately 60 female prisoners are scheduled to be transferred there once construction is complete.

Conditions at women's prisons and at juvenile detention centers were noticeably better than at adult male prisons. However, female prisoners, especially those in the primary detention area, reportedly suffered from overcrowding, poor medical care, and lack of basic supplies for personal hygiene. Juvenile detention centers

throughout the country suffer from inadequate resources to provide for education or adequate supervision of children, many of whom spend the majority of their time in a bare cell.

The law and the Criminal Code provide for conditional release programs for inmates charged with minor offenses who have served a substantial part of their sentence, but this provision has not been implemented consistently in practice. A conditional release program was part of the organizational reforms that authorities introduced in July 1998. During the year, the DGSP provided information in a more timely manner to the President for her signature to allow such conditional releases. The Government released some 800 inmates by year's end. The release program helped to relieve pressure on the overcrowded prisons.

Accusations by the media of corruption within the DGSP and its parent organization, the Ministry of Government and Justice, declined during the year. A criminal complaint filed in June 1999 by former National Penitentiary Director Enriqueta Davis against then-Minister of Government and Justice Mariela Sagel never was submitted to court.

The Government generally allows prison visits by independent human rights monitors. However, the authorities arrange appointments ahead of time, and monitors generally speak to prisoners in the presence of guards or administrators. Prisoners may not feel comfortable speaking freely under such conditions, and they have expressed fear of retaliation if they complain. Contrary to the previous year, there were no reports that officials from the Ombudsman's office had trouble gaining access to prisons. Justicia y Paz, the Catholic Church's human rights watchdog group, brings prison abuses to the attention of the authorities.

d. Arbitrary Arrest, Detention, or Exile

The Constitution stipulates that arrests must be carried out with a warrant issued by the appropriate authorities, and the Government generally respected this provision. Previously, the authorities often violated the provision that suspects are to be brought promptly before a judge; however, this provision was enforced more strictly during the year. Exceptions are permitted when an officer apprehends a person during the commission of a crime, or when disrespect by an individual towards an officer prevents the officer from carrying out his duty. The law requires the arresting officer to inform the detainee immediately of the reasons for arrest or detention and of the right to immediate legal counsel, to be provided to the indigent by the State (see Section 1.e.).

The Constitution also provides for judicial review of the legality of detention and mandates the immediate release of any person detained or arrested illegally. The Constitution prohibits police from detaining suspects for more than 24 hours without bringing them before a judge. Contrary to previous years, the authorities did not violate often the 24-hour time limit by several days. Under law the preliminary investigation phase may last 8 days to 2 months, and the follow-on investigation phase another 2 to 4 months, depending on the number of suspects. The courts frequently grant extensions of these limits, leaving the accused in detention for a long period without having been charged formally. The law permits these extensions; however, many legal authorities (including court officials) criticized judges for excessive use of this measure.

Extended pretrial detention continued to be one of the most serious human rights problems, due in part to the elaborate notification phase in criminal cases. According to government statistics, the number of pretrial detainees increased slightly to 4,851, or about 58 percent of the prison population. This proportion is roughly the same as 1999, when 59 percent of prisoners were still awaiting trial. The average period of pretrial custody was 16 months, and pretrial detention in excess of the maximum sentence for the alleged crime was common. For example, a man recently released from La Joyita Prison had spent 4 years in jail for a crime with a maximum sentence of 6 months. A legal mechanism exists to hold the Government financially accountable in cases where a detainee spends more than 1 year in jail but subsequently has all charges dismissed at a preliminary hearing. The dismissal must be either because the act of which the detainee was accused is not ruled a crime or because there is no evidence to link the suspect to the crime. Although this redress procedure is not complicated, few former detainees have employed it.

Legal alternatives to prison exist but are not implemented widely. Options such as house arrest have been used in some cases involving the elderly or minors, but require that the defendants have access to and understanding of their legal options.

The Constitution prohibits exile; there were no reports of forced exile.

e. Denial of Fair Public Trial

The Constitution provides for an independent judiciary; however, the judiciary is susceptible to corruption and

outside influence, including manipulation by other branches of government.

The President appoints nine Supreme Court magistrates to 10-year terms, subject to Legislative Assembly ratification. In July 1999, the Assembly passed a law that created an additional chamber to the Supreme Court, allowing then-President Perez Balladares to appoint three additional Supreme Court Justices before leaving office. However, in October 1999, the Assembly approved a proposal by the new Moscoso Administration to repeal the law.

The Supreme Court magistrates appoint appellate (Superior Tribunal) judges, who, in turn, appoint circuit and municipal court judges in their respective jurisdictions. Judicial appointments are supposed to be made under a merit-based system, but the top-down appointment system lends itself to political tinkering and undue interference by higher-level judges in lower-level cases in which they often have no jurisdiction.

The Attorney General appoints the superior and circuit level prosecutors. Previously, the Attorney General also appointed the Director and Sub-Director of the PTJ, but a 1998 law transferred this power to the Supreme Court, and requires Supreme Court approval of their removal from office. The same law also gave these two officials the power to name other PTJ officials without consulting the Attorney General. Opposition and media critics charged that this law increased the influence of the Supreme Court over criminal investigators, removed the generally positive oversight of the Attorney General, and made cooperation between prosecutors and the police much more difficult. On April 24, the Supreme Court approved Attorney General Jose Antonio Sossa's request to dismiss Director Alejandro Moncada of the PTJ, and Sossa did so the following day. Tensions between the Attorney General and the PTJ under its new director did not completely abate, although they appeared to have lessened by year's end.

At the local level, mayors appoint administrative judges, or "corregidores," who exercise jurisdiction over minor civil and criminal cases and who hold wide powers to arrest and to impose fines or jail sentences of up to 1 year. This system has serious shortcomings: Defendants lack adequate procedural safeguards; administrative judges outside of Panama City are usually not attorneys; many have not completed secondary education; and some engage in corrupt practices. In practice, appeal procedures are nonexistent. Affluent defendants tend to pay fines while poorer defendants go to jail, which contributes to prison overcrowding.

In 1998 the Inter-American Development Bank (IDB) loaned the Government \$18.9 million to reform the judicial system; the Government contributed another \$8.1 million to the program. The loan is being used at national and local levels to improve conditions in the court system, including better information management, revision of judicial procedures, and training of personnel. The loan also includes the construction of two "model courts" in San Miguelito and David, which are to hold offices for judges, prosecutors, and the PTJ in one building. The IDB's database linking prison population data with prosecutors and the courts, which is intended to facilitate the systematic release of prisoners who have served time beyond their potential maximum sentence but still are awaiting trial, was completed by year's end. Coordination between the IDB and the Government has improved with the 1999 appointment of Supreme Court Chief Justice Mirtza Franceschi de Aguilera. The Ministry of Economy and Finance has approved a second phase of the project and listed funding for the project in its budget request.

The Constitution provides that persons charged with crimes have the right to counsel, to be presumed innocent until proven guilty, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. If not under pretrial detention, the accused may be present with counsel during the investigative phase of the proceeding. Judges can order the presence of pretrial detainees for the rendering or amplification of statements, or for confronting witnesses. Trials are conducted on the basis of evidence presented by the public prosecutor. Under limited circumstances, the law permits trials without the accused being present. The Constitution and the Criminal Procedure Code provide for trial by jury at the defendant's election, but only in cases where at least one of the charges is murder.

The Constitution obliges the Government to provide public defenders for the indigent. However, many public defenders are appointed late in the investigation, and the prosecutor may have already evaluated the bulk of the evidence and made a decision to recommend trial or the dismissal of the charges. Public defenders' caseloads remained extremely high, averaging some 600 cases per attorney per year, compared with 550 cases in 1999. Only 3 new public defenders have been hired since 1992, making a total of 38 nationwide, with a similar number of assistants. This heavy workload undermined the quality of representation, with many prisoners meeting their public defender for the first time on the day of trial.

In July 1999, the Supreme Court upheld a law popularly known as the "Faundes Law," which requires judges and other public officials to retire at age 75.

There were no reports of political prisoners.

f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

The Constitution provides for the inviolability of the home, private papers, and telephonic communications, and the Government generally respected these rights in practice; however, there were complaints that in some cases police failed to follow legal requirements and conducted unauthorized searches. The authorities may not enter private residences except with the owner's permission, or by written order from the appropriate authority for specific purposes. These may include entry to assist the victims of crime or disaster, or to conduct lawful health and safety inspections. The authorities may not examine private papers and correspondence, except as properly authorized by competent legal authority, and in the presence of the owner, a family member, or two neighbors.

Although the Constitution prohibits all wiretapping, the Government maintains that wiretapping with judicial approval is legal, and that the Attorney General may authorize a wiretap when confronted with probable cause in a serious crime. Under the guidelines established by 1994 antinarcotics legislation, the Public Ministry may engage in undercover operations, including "videotaping and recording of conversations and telephonic communications." The Supreme Court has not issued a final ruling on whether wiretapping is constitutional, but it remains an established practice.

Section 2 Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

The Constitution provides for freedom of speech and of the press, and the Government generally respects these rights in practice; however, the media is subject to political pressure, and the Government used libel laws to pressure journalists.

There is an active and often adversarial press and a broad range of print and electronic media outlets, including foreign newspapers, radio and television broadcasts, and cable stations. Six national daily newspapers, 4 commercial television stations, 2 educational television stations, and approximately 100 radio stations provide a broad choice of informational sources; all are privately or institutionally owned. A June 1999 law prohibits newspapers from holding radio and television concessions, and vice versa. While many media outlets took identifiable editorial positions, the media carried a wide variety of political commentaries and other perspectives, both local and foreign. There is a noticeable concentration of control of television outlets in the hands of close relatives and associates of former President Perez Balladares, who is a member of the largest opposition party.

Panamanian and foreign journalists worked and traveled freely throughout the country. A 1978 law requires directors and deputy directors of media outlets to be citizens.

Under "gag laws" dating from the military dictatorship, the Government had legal authority to prosecute media owners and reporters for criminal libel and calumny. A special executive branch authority had discretionary powers to administer the libel laws, which provided for fines and up to 2 years in prison. Under the statute, opinions, comments, or criticism of government officials acting in their official capacity are exempted specifically from libel prosecution, but a section of the law allows for the immediate discipline of journalists who show "disrespect" for the office of certain government officials. In December 1999, President Moscoso ratified the Legislative Assembly's decision to eliminate these gag laws, improving the legal status of the media. However, legal actions against many journalists remained pending, and vestiges of the former gag laws still provide a means for penalizing journalists. Ombudsman Italo Antinori stated that there were at least 40 cases of journalists who had been accused of defamation.

Attorney General Jose Antonio Sossa ordered the arrest of El Siglo newspaper editor Carlos Singares on two occasions during the year for libel. Front-page articles in El Siglo had accused Sossa of illicit activities, but the newspaper presented little proof to back up its allegations. President Moscoso defused the first arrest attempt, but upon the second arrest order Singares was jailed for 8 days. During his detention, he was held with approximately 50 common prisoners. While Singares was in jail, a court sentenced him to 20 months in prison for criminal libel against former President Perez Balladares. Singares appealed the conviction, and the appeal was pending at year's end.

In August police surrounded the homes of three journalists from La Prensa in an attempt to force them to testify in a criminal libel case filed against them by Attorney General Sossa; the police left after the journalists agreed to testify.

On July 14, a court sentenced Jean Marcel Chery, a reporter for the daily newspaper Panama America, to 18

months in jail or a fine of \$1,800 for criminal libel; Chery had reported a woman's allegations that police robbed her of \$33,000 during a search of her apartment. Chery appealed, and her appeal was pending at year's end.

In 1998 then-PNP Director Jose Luis Sosa used the libel laws to bring charges against law professor and former Moscoso adviser Miguel Bernal for statements that criticized the PNP for allowing the decapitations of prisoners on Coiba Island (see Section 1.c.). In November 1999, there was a preliminary hearing on Sosa's charges, but no trial date was set by year's end. Bernal requested that the judge accept 37 witnesses; however, the judge rejected 34 of them. Bernal appealed this decision, which was pending at year's end.

Libel charges against La Prensa journalist Herasto Reyes filed by then-President Perez Balladares, after Reyes published a story in August 1998 accusing the administration of trying to cover up a government embezzlement scandal, still were pending at year's end.

In another 1998 case, a prosecutor acting on behalf of Attorney General Sossa used the libel laws to charge La Prensa journalists Gustavo Gorriti and Rolando Rodriguez with a "crime against the honor of the authorities" for a story accusing the Attorney General of accepting dubious checks in his unsuccessful 1994 campaign for a seat in the Legislative Assembly. Subsequent press reports suggested that the story was erroneous. The charges remained pending at year's end. Gorriti is facing six criminal libel cases.

In October a superior court magistrate sentenced former President Guillermo Endara to 18 months in jail for libel and slander against Minister of Canal Affairs Ricardo Martinelli, the former Director General of the Social Security Institution. The magistrate suspended the sentence on the condition that former President Endara not commit any other crime. Endara had not appealed the ruling at year's end.

On July 31, the Legislative Assembly passed legislation that limits access by citizens to specific information about international agreement negotiations and national security, to administrative files within the Solicitor General's office, and to information about such matters as private citizens' health, political leanings, marital status, police or prison records, and bank accounts. The measure took effect on August 2. The Solicitor General's office indicated that these restrictions already existed in practice, but were codified by the new law. Nevertheless, some legal experts challenged this interpretation and the media harshly criticized the measure. A Special Rapporteur from the Organization of American States also criticized the law during a September visit to the country. In November the Legislative Assembly amended Article 70 of the Solicitor General's Organic Law that regulated press access to files. The amendment states that the confidential classification of a given piece of information must be established objectively and pursuant to the conditions contained in the current laws, in order to prevent public officials from denying the release of information under the excuse of limited access. President Moscoso had not signed the amendment at year's end.

The Electoral Tribunal must approve election polling results before publication. During the year, the Government alleged that the newspaper El Panama America commissioned Gallup polls that were rigged to portray the Government negatively. In April 1999, the Tribunal had fined the El Panama America \$10,000 for failing to follow the approval procedure before printing Gallup poll results.

The press laws provide for the establishment of a censorship board. The board monitors radio transmissions and has the authority to fine stations that violate norms regarding vulgar and profane language.

In July Bishop Romulo Emiliani left the Darien region following anonymous death threats; he had criticized publicly Colombian paramilitaries, guerrillas, and drug traffickers.

The law provides for academic freedom, which generally was respected in both public and private universities.

b. Freedom of Peaceful Assembly and Association

The Constitution provides for the right of peaceful assembly, and the Government generally respects this right in practice. No authorization is needed for outdoor assembly, although prior notification for administrative purposes is required. Throughout much of the year, police showed restraint and professionalism while monitoring large protests by students, political activists, prisoners, and workers. While police commonly used tear gas against protesters, unlike the previous year, police generally did not break up public demonstrations with birdshot, rubber bullets, beatings, or other abusive treatment. However, in June and July, students and workers protested government policy by blocking traffic for several hours on a major thoroughfare and by throwing rocks at the police; on those occasions, the police responded with tear gas, rubber bullets, and water hoses laced with chemical irritants. Injuries and arrests at other demonstrations were minimal but protesters nevertheless complained about abuse at the hands of the police.

The Constitution provides for the right of association, and the Government generally respects this right in practice. Citizens have the right to form associations and professional or civic groups. New political parties must meet strict membership and organizational standards in order to gain official recognition and participate in national campaigns. In February the Government refused to recognize a homosexual rights organization as a nongovernmental organization (see Section 4).

c. Freedom of Religion

The Constitution, although recognizing Catholicism as "the religion of the majority of Panamanians," provides for free exercise of all religious beliefs, provided that "Christian morality and public order" are respected. The Government generally respects religious freedom in practice, and there is a broad diversity of religions. The Constitution prohibits clerics from holding public office, except as related to social assistance, education, or scientific research. The Constitution dictates that Catholicism be taught in public schools, although parents have the right to exempt their children from religious instruction.

d. Freedom of Movement Within the Country, Foreign Travel, Emigration, and Repatriation

The Constitution provides for these rights, and the Government respects them in practice. The Government enforced exit permit requirements for foreigners who overstayed their initial visas. A 9:00 p.m. curfew for unaccompanied minors in the Panama City area remains in effect although enforcement generally is poor.

The law provides for granting refugee status in accordance with the 1951 U.N. Convention Relating to the Status of Refugees and its 1967 Protocol. In 1998 President Perez Balladares signed a decree granting protection to all persons entering the country due to "state persecution based on race, gender, religion, nationality, social group, or political opinion." The decree grants 2 months of temporary protection to displaced persons in the case of a large influx; the U.N. High Commissioner for Refugees (UNHCR) has criticized this provision, on the grounds that it puts persons at risk for forced repatriation within a few weeks of entering the country, without analysis of their possible refugee status. However, in practice this has not occurred. For example, the Government has not forcibly repatriated displaced Colombians, and many Colombians have lived in the country for years without formal refugee status. A small number of Colombians were granted asylum during the year. The Government generally cooperates with the office of the UNHCR and other humanitarian organizations in assisting refugees. However, the Government generally is reluctant to classify displaced Colombians as refugees, and therefore has opposed a permanent UNHCR presence in the country, although the UNHCR regularly visited border areas to aid displaced Colombians.

Large groups of displaced persons periodically flee violence in Colombia by crossing the border into Panama. In December 1999, some 800 Colombians fled violence in the Colombian town of Jurado and settled in the Darien town of Jaque. Since their arrival, the Government has cooperated with the Catholic Church and the U.N. High Commission for Human Rights to provide these displaced persons with humanitarian assistance. By the end of the year, some 200 Colombians remained in Jaque, while others returned to Colombia voluntarily or migrated elsewhere in Panama. In January President Moscoso granted provisional refuge to nearly 400 Colombian peasants who had fled fighting between guerrillas and the Colombian Navy.

The Government has offered Colombians the chance to participate in a voluntary repatriation program in coordination with the Government of Colombia, and many agreed to return. The Government worked with the UNHCR and the Catholic Church to provide displaced Colombians with food, medical care, and access to public services, including schools and clinics. The Government provided these services in Jaque and other areas of the Darien. However, many displaced Colombians living along the remote Darien border area were beyond the reach of organized assistance from the Government, the UNHCR, or the Church.

There were reports early in the year that the police set up a small number of improvised explosive devices in close proximity to their stations to use against possible attacks by armed Colombian groups; however, there were no subsequent reports of the devices or of their use.

Aside from large groups of displaced persons, aliens are also picked up in the Darien in small groups. These immigrants are usually Colombian, but many Ecuadorians, Peruvians, and even Asians and Africans have been detained. All but 15 of a group of some 150 aliens detained in the Darien town of La Palma were deported or returned voluntarily to Colombia, despite protests by the Catholic Church that some of the Colombians in the group should be afforded refugee status.

Colombian migration, whether political or economic, has drastically increased pressures on local populations in the Darien and caused the displacement of Panamanian citizens. In addition, the Government suspects that Colombian migration conceals or attracts the presence of armed Colombian groups in the Darien Region. The

effects of Colombian migration are also evident in Panama City and Colon, where large populations of Colombians have settled.

There were no other reports of the forced return of persons to a country where they feared persecution; however, throughout the year, there were unconfirmed reports that the police along the border, on an ad hoc basis, required Colombians to return to Colombia.

Section 3 Respect for Political Rights: The Right of Citizens to Change Their Government

The Constitution provides citizens with the right to change their Government, and citizens freely exercised this right in the 1999 general elections. The Constitution provides for a representative democracy with direct popular election by secret ballot of the President, two vice presidents, legislators, and local representatives every 5 years. The independent Electoral Tribunal arranges and supervises elections. While the Constitution provides for independent legislative and judicial branches, the executive dominates in practice. The Government respected the rights of its citizens to join any political party, propagate their views, and vote for candidates of their choice.

In May 1999, Arnulfista presidential candidate Mireya Moscoso defeated Democratic Revolutionary Party (PRD) candidate Martin Torrijos and Christian Democratic Party candidate Alberto Vallarino, winning 44.8 percent of the popular vote. Domestic and international observers characterized the elections as generally free and fair; however, several local contests were marred by reports of vote buying. The PRD won 34 seats in the Legislative Assembly; the Arnulfistas, 18; Solidarity, 4; the National Liberal Party, 3; MOLIRENA, 3; Democratic Change, 2; MORENA, 1; the Christian Democratic Party, 5; and the Civic Renewal Party, 1. During President Moscoso's first year in office, she maintained a one-vote majority in the Legislative Assembly through her Arnulfista Party members' coalition with other parties. However, on September 1, the coalition realigned, and the President's party no longer controls the legislature.

There are no legal barriers to participation by women, members of minorities, or persons of indigenous descent, but they generally are underrepresented in government and politics. However, women's participation has increased in recent years. Mireya Moscoso is the country's first female president. Women hold 7 of 71 Legislative Assembly seats; a woman served as the Assembly's first vice president in 1999-2000, and another woman holds this position for the 2000-2001 legislative season. Three women hold cabinet positions, and a woman is the director of the Public Registry. Two female judges sit on the Supreme Court, one of whom was elected Chief Justice in October 1999. In May 1999, an indigenous person served as President of the Legislative Assembly from September 1999 until August.

The Government provides semiautonomous status to several indigenous groups in their homelands, including the Kuna Yala, Ngobe-Bugle, Embera Wounaan, Kuna de Madungandi, and Wargandi reserves. There are two Kuna legislators in the Legislative Assembly, one Ngobe, one part-Ngobe, and one Embera. Locally, tribal chiefs govern each reserve; they meet in a general congress at regular intervals. Neither the Madugandi nor the Embera-Wounaan reserve has its own dedicated legislators, but each has a separate governor. The Government continued the process of demarcating electoral districts within a new reserve created for the Ngobe-Bugle. May 1999 elections allowed many Ngobe-Bugle to choose their own local representatives in these newly created electoral districts.

The law prohibits discrimination against any social, religious, or cultural group; however, naturalized citizens may not hold certain categories of elective office.

Section 4 Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights

Human rights organizations, including both religious and secular groups, operated without government restrictions. These organizations carried out a full range of activities, including investigations and dissemination of their findings. Organizations generally had access to government officials while conducting investigations.

The office of Human Rights Ombudsman was created in 1996 and began to handle cases in 1998. The office receives 15 to 20 complaints daily, but does not have authority to investigate violations involving the administration of justice. Human Rights Ombudsman Italo Antinori, the first person to fill the position, sparred with the Perez Balladares Government constantly but reduced his public profile after the 1999 election of President Moscoso. Antinori's term runs until June 2004.

On December 27, President Moscoso announced her intention to create a commission to investigate crimes committed during the 1968-89 dictatorship.

In February Minister of Government and Justice Winston Spadafora denied a petition by the Association of New Men and Women, an informal gay rights organization, to register as a nongovernmental organization. Human Rights Ombudsman Antinori publicly supported Spadafora's decision.

Section 5 Discrimination Based on Race, Sex, Religion, Disability, Language, or Social Status

The Constitution prohibits either special privileges or discrimination on the basis of race, birth status, social class, sex, religion, or political views. However, societal prejudices persist. Cases of discrimination are difficult to prove, and legal remedies for victims are complicated, time-consuming, and costly. There were some unconfirmed killings of homosexual men.

Women

Domestic violence against women continued to be a serious problem. The 1995 Family Code criminalized family violence (including psychological, physical, or sexual abuse) but convictions are rare unless a death occurs. The PTJ registered 610 cases of domestic violence through September, compared with 451 through June 1999. The PTJ also registered 408 cases of rape and 102 cases of attempted rape through September, compared with 514 cases of rape and 135 cases of attempted rape in 1999. The Center for the Development of the Woman estimated that victims report as few as 20 percent of sexual assaults to judicial or law enforcement authorities. A widely acknowledged characteristic of rape is that it frequently occurs in the home. The Foundation for the Promotion of the Woman, among other women's advocacy groups and government agencies, operated programs to assist victims of abuse, and to educate women on their legal rights.

Trafficking in women for forced labor and forced prostitution is a problem (see Sections 6.c. and 6.f.).

Sexual harassment also is a threat to the equal status of women in society. According to a report by the Latin American Committee for the Defense of Women, in 1995, the latest year statistics were available, about 70 percent of female government employees reported having endured sexual harassment in the workplace--42 percent by their immediate supervisors and 18 percent by more senior supervisors. Anecdotal evidence suggests that many women are propositioned for sexual favors at the time of their initial job interview. A bill to criminalize sexual harassment failed to pass the legislature in 1995, and further legislation has not been introduced.

The 1995 Family Code recognizes joint or common property in marriages. However, insufficient resources hampered government efforts to enforce the code's provisions effectively. According to Supreme Court Justice Mirtza de Aguilera, there should be 80 family judges; however, only 20 have been appointed due to lack of resources.

The Constitution mandates equal pay for men and women in equivalent jobs, but wages paid to women are on average 20 percent lower and increase at a slower rate. There are credible reports of irregular hiring practices based upon age and "appearance." A 1998 law reiterates protections laid out in the Constitution and prohibits discrimination on the basis of sex.

In 1998 the Government created the Ministry of Youth, Women, Children, and Family Affairs. The Ministry is largely a consolidation of departments previously operating in other government ministries, and its activities have not attracted a great deal of public attention. A number of private women's rights groups concentrate on disseminating information about women's rights, countering domestic abuse, enhancing employment and other skills, and pressing for legal reforms.

Children

Minors (under 18 years of age) represent 48 percent of the population. Education is compulsory through the equivalent of 9th grade, but children do not always attend school due to traditional attitudes, the lack of transportation, and insufficient government resources to enforce the requirement. The problem is most extreme in the Darien province and among indigenous groups. The Government furnishes basic health care for children through local clinics run by the Ministry of Health. A central children's hospital in Panama City operates on government funds as well as private donations.

The Superior Tribunal for Minors and Superior Tribunal for Families are judicial authorities charged with overseeing the protection and care of minors. The Minister of Youth, Women, Children, and Family Affairs acts much like an ombudsman, and the office proposes and reviews laws and monitors government performance. Through September the PTJ registered 130 cases of child abuse, compared with 171 in all of 1999. Neglect of children is a problem. Malnutrition and inadequate medical care are generalized problems that are most severe

among rural indigenous groups. Rural and urban child labor are problems (see Section 6.d.).

Juvenile courts continue to report a high incidence of juvenile delinquency in major urban areas. The authorities report a continued increase in such crimes as drug trafficking, armed robberies, kidnappings, car thefts, and murders that are attributed to juveniles. Youth participation in criminal gangs is an increasing problem. Police arrested and detained children for minor infractions during neighborhood sweeps.

People with Disabilities

The Ministry of Education is responsible for educating and training disabled minors, while the Ministry of Youth, Women, Children, and Family Affairs protects the rights of disabled adults. Disabled children traditionally have been separated out from the general population; however, on February 4, the Legislative Assembly passed a law that requires schools to integrate children with special needs into the student body.

The Department of Labor is responsible for placing workers with disabilities in suitable jobs. Placement remains difficult despite a 1993 executive order granting tax incentives to firms that hire disabled employees. Disabled persons also tend to make only the minimum salary, notably less than employees without disabilities.

The 1998 municipal building code for Panama City requires that all new construction projects include handicapped accessible features, with fines from \$100 to \$500 for noncompliance. In 1999 a national law was passed with similar requirements for new construction projects, but it is not yet clear whether the law is to be enforced. Awareness of handicapped issues has increased over the past 5 years, and commercial establishments increasingly provide and enforce handicapped parking spaces. However, basic services such as sidewalks and handicapped accessible bathrooms are largely unavailable.

Indigenous People

The Constitution protects the ethnic identity and native languages of indigenous people, requiring the Government to provide bilingual literacy programs in indigenous communities. Indigenous people have legal rights and take part in decisions affecting their lands, cultures, traditions, and the allocation of natural resources. Indigenous people number approximately 194,000 persons (8 percent of the population) and have the same political and legal rights as other citizens. The Government has passed legislation over the years setting aside indigenous reserves for the country's native groups, including the Embera-Wounan, Ngobe-Bugle, and Kuna. The Ministry of Government and Justice in Panama City maintains the low-profile Office of Indigenous Policy. Federal law is the ultimate authority on indigenous reserves, but local groups are allowed a great deal of local autonomy. For example, the Government recognizes traditional indigenous marriage rites as the equivalent of a civil ceremony. Despite legal protection and formal equality, indigenous people generally endure relatively higher levels of poverty, disease, malnutrition, and illiteracy than the rest of the population. Discrimination against indigenous people, although generally not overt, is widespread.

The Indigenous Affairs Commission of the Legislative Assembly, which was created in 1995, sponsored bills during the year to protect intellectual property rights, set up regulations for artisan fairs, and construct a health center. The Commission also sponsored a law that created the new 190-acre Kuna Wargandi reserve.

Though their population suffers from poverty and malnutrition, Kuna leaders have had the most success enforcing their territorial boundaries and maintaining their cultural integrity. There are two Kuna legislators, (one was President of the 1999-2000 Legislative Assembly); and they have more financial resources than the other groups. Other indigenous groups have not succeeded in using their autonomy to preserve their culture or develop economic independence. Most live in extreme poverty and isolation. Illiteracy among indigenous groups is at almost 50 percent, while the figure is only 10 percent among the population as a whole.

Since indigenous populations infrequently master Spanish and are unfamiliar with the country's legal system, they often misunderstand their rights and fail to employ legal channels when threatened. The problem is exacerbated by government inattention to indigenous issues. For example, the Embera-Wounan in the Darien have been moved out of their reserves in increasing numbers due to encroachment by settlers, loggers, and Colombian immigrants. The Ngobe also are under threat due to the isolation of their reserves, encroachment by settlers, and generalized poverty. Indigenous workers consistently do not receive the basic rights provided by the Labor Code, such as minimum wage, social security benefits, termination pay, and job security. Even when working in close proximity of each other, indigenous laborers in the country's sugar, coffee, and banana plantations work under poorer conditions than their nonindigenous counterparts. Indigenous migrant workers are unlikely to be provided with housing or food, and their children are much more likely to work long hours of heavy farm labor than nonindigenous children.

National/Racial/Ethnic Minorities

The country is racially diverse, and minority groups generally have been integrated into mainstream society with overall success. However, discrimination against the country's newer immigrants, especially Chinese, often is overt. The ethnic Chinese community is estimated to be about 120,000 persons. Cultural differences and language difficulties hinder and may prevent many Chinese immigrants from fully integrating into mainstream society. In addition, Panamanians often resent Chinese immigrants for their perceived indifference towards the culture of their adopted country and their perceived clannish behavior. Racial slurs directed at Asians are used openly among the general population, and substantial numbers of Panamanian-resident Chinese frequently are treated as second-class citizens. On the other hand, second and third generation Chinese are seen as distinct from recent immigrants, and generally are accepted in society. These established Chinese generally do not want to be associated with the recent arrivals from China.

In addition to Chinese immigrants, Middle Eastern and Indian residents also suffer from racially motivated discriminatory treatment. All three groups operate much of the country's retail trade, particularly in urban areas. Legal and illegal immigrants, especially Chinese, are accorded fewer legal protections than are citizens for their trade activities. A constitutional provision reserving retail trade to Panamanian citizens is not enforced in practice; however, immigrants legally cannot own their businesses, and sometimes encounter bureaucratic difficulties in practicing their professions.

Racism against blacks occurs, although it generally is expressed in more subtle terms. Blacks are conspicuously absent from positions of political and economic power. The country's white elite successfully marginalizes citizens with darker skin through preferential hiring practices in the private sector and manipulation of government resources in the public sector.

Antillean blacks, often identifiable by dress and speech pattern, are a particular target for racial slurs and poor treatment by citizens and by Spanish-speaking blacks. Their geographic clustering in the economically depressed province of Colon and poorer neighborhoods of Panama City heightens their isolation from mainstream society. Black Canal workers traditionally commanded significantly higher financial resources compared with blacks elsewhere in society, but many have retired or emigrated and there is some anecdotal evidence that the rest are being replaced by white personnel. Mainstream political elites generally are unconcerned by the economic issues of black populations and a concomitant rise in drug use, crime, and gang violence. Colon, the country's second largest city, suffers from a conspicuous lack of government services. Indifference among the general population is a major impediment to change.

Although such practices are illegal, clubs and restaurants often discriminate against black and indigenous individuals by denying them admission. In 1999 students protesting in front of Panama City's most popular nightclubs brought public attention to the issue. A draft bill to expand and support the Constitution by penalizing cases of discrimination for reasons of race, birth, social class, gender, and ideology failed midway through the year, but another bill was being prepared to penalize establishments that deny entry based on race.

Racial discrimination against all ethnic groups is evident in the workplace, where light-skinned persons are represented disproportionately in management positions and jobs that require dealing with the public (such as bank tellers and receptionists).

Section 6 Worker Rights

a. The Right of Association

Private sector workers have the right to form and join unions of their choice, subject to the union's registration by the Government. A 1995 labor code reform package significantly increased workers' ability to establish unions. It streamlined the accreditation and registration process for unions, and established the minimum size at 40 workers. If the Government does not respond to an application within 15 days, the union automatically gains recognition and is accorded all rights and privileges under the law. The package also addressed a longstanding concern of the International Labor Organization (ILO) by allowing labor leaders to keep their union positions if fired from their jobs.

Approximately 10 percent of the total employed labor force is organized. There are over 250 active unions, grouped under 48 federations and 7 confederations representing approximately 80,000 members in the private sector. Neither the Government nor political parties outwardly control or finance unions; however, the Government and political parties do exercise political, ideological, or financial influence over some unions. The labor sector traditionally supports the Democratic Revolutionary Party.

The 1994 Civil Service Law permits most government workers to form public employee associations and federations and establishes their right to represent members in collective bargaining with their respective agencies. It also provides a small core of civil servants with the right to strike, bargain collectively, and evade summary dismissal, except for those in areas vital to public welfare and security, such as the police and health workers. However, the law has proven insufficient to protect the country's 150,000 public workers, because only a small percentage are members of the civil service and therefore enjoy job security. Public workers are not allowed to form unions. The ILO's Committee of Experts has observed for some years that the prohibition of public servants' associations is inconsistent with the country's obligations under ILO Convention 87, but no changes have been made.

The law governing the autonomous Panama Canal Authority prohibits the right to strike for its 10,000 employees, but does allow unions to organize and to bargain collectively.

In October the authorities detained, then immediately released, union leaders following protests by the SUNTRACS union.

Union organizations at every level may and do affiliate with international bodies.

b. The Right to Organize and Bargain Collectively

The Labor Code provides most workers, including all private sector workers, with the right to organize and bargain collectively, and unions exercise it widely. The law protects union workers from antiunion discrimination and requires employers to reinstate workers fired for union activities. The Ministry of Labor has mechanisms to resolve complaints against antiunion employers. The Civil Service Law allows most public employees to organize and bargain collectively and grants some of them a limited right to strike; however, 130,000 public sector workers do not have the right to bargain collectively or to strike. While the right to strike applies to some 10,000 civil servants, it does not apply to the approximately 140,000 other government workers. The Labor Code establishes a conciliation board in the Ministry of Labor to resolve labor complaints and provides a procedure for arbitration. In March 1999, the Supreme Court ruled that an article of the Labor Code that obligated private sector strikers to submit to binding arbitration after a given period was unconstitutional.

Employers commonly hire temporary workers to circumvent onerous labor code requirements for permanent workers. Temporary workers are excluded from social security benefits, job security, and vacation time. Labor law requires companies to submit copies of all labor contracts for permanent workers to the Labor Ministry for review to ensure compliance and requires the Labor Ministry to conduct periodic inspections of the work force. The Labor Ministry may levy fines against companies not in compliance with the law. However, these measures have proven ineffective in practice. The practice of blank contracts is, according to union sources, becoming more widespread.

Over the past 5 years, the Government has issued cabinet decrees restricting labor activity in export processing zones (EPZ's). Current EPZ legislation provides for collective bargaining with "representatives of employees" but makes no specific mention of trade unions. It requires mandatory arbitration of disputes; and it allows for the participation of an unrepresentative worker delegate in the tripartite (government, labor, and industry) arbitration commission. A strike may be considered legal only after 36 workdays of conciliation are exhausted; if this requirement is not met, striking workers may be fined or fired. A 1998 ILO ruling noted that this regulation does not mention arbitration or specify procedures to resolve disputes in the courts, and that the Government should amend the EPZ labor regulations to conform with international norms; however, the Government has not made any changes in response to the ruling. Minimum wage provisions do not apply in the EPZ's.

c. Prohibition of Forced or Compulsory Labor

The Labor Code prohibits forced or compulsory labor by adults and children, and it generally does not occur; however, trafficking in women for forced labor and forced prostitution is a problem (see Section 6.f.).

d. Status of Child Labor Practices and Minimum Age for Employment

The Labor Code prohibits the employment of children under 14 years of age with some exceptions, and also prohibits the employment of children under age 15 if the child has not completed primary school. However, a Government report estimates that 27,000 children between the ages of 12 and 14 work. Children under age 16 legally cannot work overtime, and those under age 18 cannot work at night. Children between the ages of 12 and 15 may perform light farm or domestic work, with the authorization of the Labor Ministry, as long as it does

not interfere with their schooling. The Labor Code provides that children between the ages of 14 and 16 may work 6-hour a day shifts that do not exceed 36 hours a week. The Ministry of Labor enforces these provisions in response to complaints and may order the termination of unauthorized employment. The Government acknowledges that it is unable to enforce some child labor provisions in rural areas, due to insufficient staff. In May the Government ratified ILO Conventions 138 and 182 establishing the minimum age to work and prohibiting the worst forms of child labor.

The Permanent Committee Against Child Labor asserts that 11 percent of all children between the ages of 10 and 17 are working or actively are seeking employment. Most of these children, both rural and urban, are believed to be working at their parent's insistence. Some of these children may be providing a substantial part of their family income.

Child labor violations occur most frequently in rural areas, during the harvest of sugar cane, coffee, bananas, and tomatoes. Farm owners usually pay according to the amount harvested, leading many laborers to bring their young children to the fields to help with the work. In many small rural communities, the entire able-bodied population participates in a harvest, and parents are not willing to leave their children behind unattended. Many children also are involved extensively in subsistence agriculture producing coffee and sugar; they work with their families or are employed by independent plantations.

The problem of child labor in agricultural areas appears to fall most heavily on indigenous families, who often are forced to migrate out of their isolated reserves in search of income-generating activities. These frequent migrations not only interrupt schooling, but also leave the family vulnerable to sometimes unscrupulous contractors. The Government claims that it is unable to enforce child labor provisions in rural areas due to insufficient staff, such as in the coffee and banana plantations near the border with Costa Rica, where government resources are especially scarce. However, the lack of enforcement also can be attributed to widely held beliefs that indigenous persons are accustomed to poverty and hard work. In April the Minister of Labor suggested that child labor in the sugar cane fields was a "cultural tradition among the indigenous" and that children cutting sugar cane received more food during harvest time; these comments led to a series of critical newspaper editorials. A series of press reports during the year that exposed primarily indigenous child labor in sugar cane fields led to a series of letters to the editor from the public. Children in banana plantations also face difficult conditions (see Section 6.e.).

Urban supermarkets employ an estimated 1,500 children who bag groceries for tips. Despite the requirements of the Labor Code, some of the children are as young as age 9, and many of them work late hours. Some supermarket managers claim that the children actually are not employed by their firm, despite the fact that "baggers" conform to schedules, wear uniforms, and must comply with company codes of conduct. Urban child labor also includes domestic workers, street vendors, and car washers. The Government has demonstrated little interest in reducing the general problem of urban child labor, and has been unwilling to challenge the larger supermarket chains, where large numbers of children work. Urban child labor problems also include children working as street vendors or performers, washing cars, and running errands for businesses or local criminal groups.

The law prohibits forced or bonded labor by children, and the Government enforces this provision (see Section 6.c.).

e. Acceptable Conditions of Work

The Labor Code establishes minimum wage rates for specific regions and for most categories of labor. The minimum wage ranges from \$0.80 per hour to \$1.50 per hour, depending on the region and sector. This wage is not sufficient to provide a decent standard of living for a worker and family. Most workers formally employed in urban areas earn the minimum wage or above. However, because unemployment is relatively high at 11 to 13 percent, an estimated 39 percent of the population work in the large informal sector and earns far below the minimum wage. This is particularly the case in most rural areas, where unskilled laborers earn \$3 to \$6 per day, without benefits; the Government does not enforce labor laws in most rural areas. In December 1999, a commission composed of representatives from government, the private sector, and labor convened to negotiate an increase in the minimum wage. The commission failed to reach consensus by the mandated date, and accordingly, in July responsibility for setting the new minimum wage was passed to the President, who issued a decree that raised the minimum wage by 13 percent, effective August 1. Public sector workers do not fall under the Labor Code and do not always receive the minimum wage.

The Labor Code establishes a standard workweek of 48 hours and provides for at least one 24-hour rest period weekly.

As is general practice in the country's public offices after elections, newly elected politicians and appointees

began dismissing public workers immediately upon taking office to free up positions for loyal followers. The numbers of those dismissed were impossible to confirm. Despite ILO protest, public workers do not benefit from union protection or Labor Code standards. They were excluded from the most recent increase in the minimum wage. The Government has indicated that it would consider increasing their wages in 2001, if feasible.

The Ministry of Labor is responsible for enforcing health and safety standards and generally does so. The standards are fairly broad and generally emphasize safety over long-term health hazards, according to organized labor sources. Inspectors from both the Labor Ministry and the occupational health section in the Social Security Administration conduct periodic inspections of hazardous employment sites and respond to complaints. Both agencies suffer from budget constraints and experience difficulty attracting qualified personnel and resources. Construction workers and their employers are notoriously lax about conforming to basic safety measures, usually resulting in several deaths a year. In rural areas, the most severe oversight in basic safety measures occurs in the banana industry, where poisoning by chemical agents is a recurrent issue. Workers have complained of sterility and more recently of adverse skin conditions as a result of exposure to the chemicals. In several plantations, indigenous workers are not provided with shelters, sanitary or cooking facilities, or fresh water; they also did not have machetes or gloves for their work. Complaints of health problems also continued in the cement and milling industries.

The law protects from dismissal workers who file requests for health and safety inspections. Workers also have the right to remove themselves from situations that present an immediate health or safety hazard without jeopardizing their employment. They generally are not allowed to do so if the threat is not immediate, but may request a health and safety inspection to determine the extent and nature of the hazard.

f. Trafficking in Persons

The Penal Code prohibits trafficking in women and children; however, trafficking remains a problem. The Code provides for prison sentences of 2 to 4 years for the promotion or facilitation of the entry to or exit from the country of a person for the purposes of prostitution. In some circumstances, the penalty is increased to 6 years. The country is a transit point for aliens seeking to reach the United States, some of whom are trafficked into indentured servitude. There were reports of women being trafficked to Israel for purposes of prostitution. Prosecutions are rare. The authorities held several persons in custody for trafficking; they remained in prison awaiting trial at year's end. Corruption, legal technicalities, and lack of resources contribute to the Government's inability to combat the problem fully. Traffickers frequently bribe or evade local law enforcement officials.

Trafficking in women for sexual purposes occurs in the country, but the extent of the practice is unknown. Public prosecutors are investigating a case of Panamanian women smuggled into Israel in 1999 to work in brothels. Smugglers deprived the women of their money and their passports. Some of the women apparently were aware that they were traveling to work in the sex industry, others were not. The case was before a criminal court at year's end; one hearing was held during the year.

An estimated 30,000 aliens transit the country annually, generally posing as tourists. The majority of aliens transiting Panama originate in Ecuador and Peru, but a significant and increasing number come from India and China. Their travel is facilitated by a network of alien smugglers, travel agents, hotels, and safe-houses. Anecdotal evidence indicates that illegal aliens transiting through the country are subject to frequent hardship. They commonly are deprived of adequate food and shelter. Chinese aliens are particularly vulnerable to poor treatment, and ultimately those trafficked for the purpose of forced labor are coerced into working off their debt, which may be as high as \$30,000, as indentured servants. The Government does not conduct educational campaigns to warn of the dangers of trafficking, and there are no programs to aid victims.

[End.]