

In May 2014 general elections, Vice President Juan Carlos Varela of the Panameñista Party (PP) won the presidency, while the United for More Change alliance maintained its dominance in the National Assembly. Varela promised to tackle corruption and insecurity, two issues perceived to have increased under the previous president.

Political Rights and Civil Liberties:

Political Rights: 35 / 40 [Key]

A. Electoral Process: 12 / 12

The president and deputies of the 71-seat unicameral National Assembly are elected by popular vote for five-year terms. In May 2014, amid an electoral turnout of 75 percent, Varela of the PP won the presidency with 39 percent of the national vote; former housing minister José Domingo Arias of Democratic Change (CD) won 31 percent and former Panama City mayor Juan Carlos Navarro of the Democratic Revolutionary Party (PRD) won 28 percent, with four other candidates splitting the remaining votes. In concurrent National Assembly elections, the United for More Change alliance—formed by the CD and the Nationalist Republican Liberal Movement (MOLIRENA)—won 32 seats, the PRD took 25, the PP won 10, the Popular Party took 3, and there was one independent. Both elections were considered free and fair by international observers. However, the Electoral Mission of the Organization of American States (OAS) and the International Republican Institute (IRI) criticized the interference of the executive branch in the electoral process, including through use of public resources to promote the ruling party's candidate. Both the OAS and IRI also noted that campaign financing is poorly regulated, with no limits on campaigns donations or expenses.

B. Political Pluralism and Participation: 15 / 16

High rates of voter participation and electoral competition between political parties characterize Panamanian politics. Turnover between government and opposition parties has been the norm since the return to democracy in 1989.

There are no legal barriers to the political participation of indigenous groups, but their interests remain underrepresented.

C. Functioning of Government: 8 / 12

Corruption is widespread. Outgoing president Ricardo Martinelli, his son, and various other officials have been implicated in a number of corruption scandals in recent years. In 2014, allegations of nepotism and favoritism in the Martinelli administration continued. In August, Jaime Alemán Arosemena resigned from a position that had been given to him by his uncle, Álvaro Alemán Healy, the minister of the presidency. In July, Minister of Government Milton Henríquez named his sister-in-law as an adviser, though she resigned in September amid criticism of government favoritism.

Supreme Court Justice Alejandro Moncada Luna was suspended in October 2014 after allegations surfaced that he had purchased multiple properties worth more than \$2 million. His salary and sworn 2010 financial affidavit do not justify such large purchases, and investigators are looking into corruption charges. Lawmakers have also launched an impeachment probe.

Varela ran on an anticorruption platform, and his appointee as anticorruption prosecutor, Lorena Lozano Coronel, has taken several steps to change the systemic tide of the problem. Coronel launched several investigations in his first months in office, including into alleged abuses in the national program for public assistance and subsidies and alleged bribes taken by members of the Martinelli government, including Martinelli himself. Panama was ranked 94 out of 175 countries and territories surveyed in Transparency International's 2014 Corruption Perceptions Index.

Civil Liberties: 47 / 60

D. Freedom of Expression and Belief: 15 / 16

Panama's constitution protects freedoms of speech and of the press, though these rights are not consistently upheld in practice. Libel is a criminal offense. Independent or critical journalists and outlets face pressure from the government. Two weeks prior to the May elections, the website of a major Panamanian television company, TVN2, was victim to an alleged distributed denial of service (DDoS) attack that rendered it unavailable following its launch of *Yo Informo*, a crowdsourcing project to track electoral fraud, community issues, and broken promises from candidates.

In June, a Panamanian court ruled against five journalists and the daily publications *La Estrella* and *El Siglo* regarding the 2011 publication of a series of investigative reports alleging wrongdoing in the granting of a government contract to clean trash from the Health Ministry premises. The company that won the contract, Naves Supply Company, had sued the journalists for material damages and moral harm. The accused face criminal charges as well as a \$725,000 fine.

The country's media outlets are privately owned, with the exceptions of the state-owned television network and a network operated by the Roman Catholic Church. Martinelli has holdings in the print, radio, and television markets. Internet access is unrestricted.

Freedom of religion is respected, and academic freedom is generally honored by the government. Private discussion is free and vibrant.

E. Associational and Organizational Rights: 11 / 12

Freedom of assembly is recognized in Panama, and nongovernmental organizations are free to operate. Violent clashes between government forces and protesters have taken place in the past, but no such incidents were reported in 2014. Two thousand protesters marched in November 2014 demanding charges against Martinelli and others implicated in corruption.

Although only about 10 percent of the labor force is organized, unions are cohesive and powerful. In August, the International Transport Workers' Federation and four Panamanian unions accused the Panama Canal Authority of failing to provide decent pay and working conditions for workers in the canal

zone.

F. Rule of Law: 9 / 16

The judicial system remains overburdened, inefficient, politicized, and prone to corruption. Panama's Accusatory Penal System became operational in 2011 and is gradually being introduced throughout the country. The system is intended to reduce backlogs in the courts and reduce the number of people held in pretrial detention by resolving complaints more efficiently. The prison system is marked by violent disturbances in decrepit, overcrowded facilities.

The police and other security forces are poorly disciplined and corrupt. The government's militarization of the Panamanian Public Forces has prompted concern from human rights advocates. Many allegations of criminal activity committed by police officers go uninvestigated. Numerous officers accused of committing abuses against civilians have received presidential pardons. Panama is experimenting with Community Police Units that are modeled on Brazil's Pacifying Police Units. The initial results have been promising. In the area of Curundu, where the Community Police began their operations, crime in 2014 was reduced by 65 percent compared to the previous year.

One suspect has been arrested in connection with the 2013 murder of Panamanian lawyer and PRD delegate Juan Ramon Messina. There are concerns that his shooting may have been politically motivated.

Homicides in Panama have decreased by 20 percent over the last five years. However, the country's growing importance as a regional transport center makes it appealing to drug traffickers and money launderers. Intelligence sources claim that Mexico-based narcotics organizations the Sinaloa Cartel, the Juarez Cartel, the Zetas, and the Beltran Leyva Organization all operate in Panama. Panama's border control agency warned in July of the increasing presence of Colombian criminal groups using Panama as a trafficking route. In December, Panamanian authorities worked with those from Guatemala, Colombia, Costa Rica, and Mexico to arrest 59 individuals accused of involvement in a drug trafficking ring connected to Colombia's Revolutionary Armed Forces of Colombia (FARC) rebel movement and Mexico's Sinaloa cartel. Panama additionally struggles with criminal street gangs. In September, President Varela extended an amnesty to members of more than 200 gangs, asking them to turn over their weapons, leave their gangs, and participate in work training programs.

Refugees from Colombia have faced difficulty obtaining work permits and other forms of legal recognition. The Martinelli administration had suggested measures to normalize the status of thousands of undocumented Colombians living in Panama without official refugee status, but minimal progress was made on these measures. Since 2010, Panama's "Melting Pot" policy has offered legal residency to more than 48,000 foreigners; the policy has been criticized by labor unions who fear that legalizing their status hurts job security for Panamanian workers.

Discrimination against darker-skinned Panamanians is widespread, and the country's Asian, Middle Eastern, and indigenous populations are similarly singled out. While no laws prohibit same-sex sexual relationships, LGBT (lesbian, gay, bisexual, and transgender) individuals face societal discrimination and harassment. Additions to the Code of Private International Law prohibiting same-sex marriage and any recognition of such marriages performed in other countries became law in May 2014. Panama's LGBT community protested the ban.

G. Personal Autonomy and Individual Rights: 12 / 16

The government generally respects freedom of internal movement and foreign travel. Indigenous communities enjoy a degree of autonomy and self-government, but some 80 percent of the indigenous population lives in poverty, and 57 percent in extreme poverty. Since 1993, indigenous groups have protested the encroachment of illegal settlers on their lands and government delays in formal land demarcations. According to a report produced by the UN Special Rapporteur on the Rights of Indigenous Peoples, Panama has an “advanced legal framework” in place to protect the rights of the indigenous. However, laws face implementation challenges, especially in resource-rich regions where companies want to launch large-scale investment projects. The government announced in October 2014 that it intends to distribute \$500,000 in coupons to families in the country’s poorest regions to combat malnutrition, mostly in indigenous communities in the central province of Veraguas, the western region of Ngabe-Bugle, and some eastern provinces.

Violence against women, including domestic violence, is widespread and common. A 2013 law punishes femicide with up to 30 years in prison.

Panama is a source, destination, and transit country for human trafficking. The government has worked with the International Labour Organization on information campaigns addressing the issue and has created a special unit to investigate cases of trafficking for the purpose of prostitution. However, law enforcement is weak, the penal code does not prohibit trafficking for forced labor, and the government provides inadequate assistance to victims.

Scoring Key: X / Y (Z)

X = Score Received

Y = Best Possible Score

Z = Change from Previous Year

[Full Methodology](#)