

Panama Report by Carlos Wesley

What price war?

As Just Cause showed, military operations will only be a small part of the costs of Desert Storm.

The political parties that supported the former government of Gen. Manuel Noriega beat U.S.-supported candidates in congressional and local elections held in Panama on Jan. 27. The results of the elections, the first held in Panama since George Bush ordered his "Just Cause" invasion of Panama 13 months ago, constitute an overwhelming repudiation of the American occupation government.

More than half the electorate simply abstained. Not that the occupation authorities did not try to get out the vote in favor of the "democracy" installed by Bush's invasion. In the weeks leading up to the elections, the U.S. military Southern Command (SouthCom) deployed its troops all over the country in an effort to "win the hearts and minds of the people," as the late Lyndon Johnson used to say. According to the opposition daily *El Periódico*, candidates hand-picked by the Americans campaigned in U.S. military helicopters. The 142nd, a U.S. Army medical battalion, dispensed vaccines and pushed pills to peasants in the most remote villages. Since you can't have an American-style electoral campaign without opinion polls, the 470th intelligence brigade interrogated voters daily.

And, because it is not possible to teach the natives good old U.S. of A. electioneering without a little pork-barreling, a few days before Bush launched his Operation Desert Storm against Iraq, U.S. occupation authorities in Panama sent out the bulldozers to the town of Nombre de Dios, in the province of Colón on the Atlantic coast, to launch operation "Fuerte

Camino 91." Dubbed as "the largest civic action program" undertaken by SouthCom in all of Ibero-America, the operation was inaugurated with the kind of fanfare that would have caused the envy of a Chicago ward heeler from the old days.

Presiding over the kickoff was the U.S.-installed President Guillermo "Porky" Endara; one of his vice presidents, drug banker Guillermo "Billy" Ford; about half of the cabinet; U.S. military commanders, and the man who really governs Panama, U.S. ambassador Deane Hinton. As with most activities by the Bush administration, this was a public relations exercise with an eye on the electorate. During the eight months of the operation, only 36 miles of unpaved road and a few other paltry projects will be built in all of Panama!

Not enough to buy off the voters: Panama's economy was left destroyed by the 1989 invasion and the preceding two years of economic sanctions. One-third of the labor force is unemployed. In Colón, unemployment is 45%. Last year, fishing dropped 25%; revenues from the Panama Canal fell 2% and those from the inter-oceanic oil pipeline fell 22%.

The U.S. war cost the Panamanian economy \$3 billion, a not insignificant amount for a country with an annual Gross Domestic Product that barely exceeds \$5 billion. At the time of "Just Cause," Bush promised \$1 billion to help Panama rebuild from the damage inflicted by the U.S.

Less than half that amount was finally approved by the U.S. Congress, and of that, a lot less than half ever

reached Panama.

Not that the U.S. taxpayers' hard-earned money wasn't spent. It went into the coffers of the international credit institutions and the American, British, and other banks that are Panama's creditors. This year's budget calls for 11.2% of GDP to be paid out to foreign creditors. That's 11.2% of the total national budget, officially. Unofficial estimates are that debt payments will really take up half of every dollar the government spends.

The International Monetary Fund (IMF) and the U.S. occupation authorities forced the Endara regime to adopt a policy of "fiscal restraint." This belt-tightening was so successful in 1990, that Panama had a budget surplus. Of course, as the opposition members of Panama's Legislature Budget Commission noted in a recent report, this surplus was achieved by not spending all of the paltry amounts budgeted for "education, health, housing and contracted wage payments owed public workers." Not one home destroyed by the U.S. bombs during the invasion, has yet been rebuilt.

Taxes have been increased, most recently on gasoline. Since Jan. 5, Panamanians are paying an average of \$2.50 a gallon of gas. There have been proportionate increases in public transportation, food, cooking fuel, and everything else.

State-owned enterprises, which generate a lot of revenue, are being sold off at bargain basement prices because of the Bush administration's insistence that Panama be "privatized." As the report warned, the economic policies being pushed by the U.S. will "mutilate even more the nation's independence and sovereignty." Those policies have also been proven to "cause social explosions in those countries where they have been applied."