

Panama

Blue-green seas, foggy highlands and snaking rivers that fringe a great tropical wilderness. This is Panama as the explorers found it, and as much of it remains today. Many outsiders assume that Panama is all about its capital and commerce. But while the country is racing toward rapid-fire development, the resources Panama has always had and oft neglected have started to attract attention. A third of the country is set aside as protected areas and national parks, and indigenous groups have survived with their cultures largely intact.

Although the canal has defined Panama for the last century, it's what lies just beyond this engineering marvel that could define the next hundred years. Pristine beaches, lush rainforest and big-city nightlife give a taste of the country's outstanding assets. Always a creature of potential, Panama lives with a sharp contrast between its urban and rural counterparts. Panama City is all sparkling skyscrapers, cement mixers and scaffolds, yet an hour outside the capital, indigenous Emberá paddle dugout canoes. Ironically, many residents welcomed the 2009 world economic crisis in relief, and that megadevelopments and real-estate speculation would slow down for a pace as a consequence. For Panama, it's time to get back to natural assets.

FAST FACTS

- **Area** 78,200 sq km (slightly smaller than South Carolina)
- **Budget** US\$30 per day
- **Capital** Panama City
- **Costs** Hostel in Bocas US\$7, bottle of beer US\$1, three-hour bus ride US\$6, set lunch US\$3.50
- **Country Code** ☎ 507
- **Languages** Spanish, Kuna plus 14 others
- **Money** The balboa – aka the US dollar
- **Population** 3.4 million
- **Seasons** High season runs mid-December to mid-April
- **Time** GMT minus five hours



TRAVEL HINTS

Take a light sweater and a poncho if you plan to hike and camp in the Chiriquí highlands. Get malaria tablets (anything but chloroquine) if you're heading to the Darién.

OVERLAND ROUTES

The principal Costa Rican crossing is on the Interamericana at Paso Canoas. Guabito on the Caribbean side and Río Sereno in the highlands are less chaotic border posts.

HIGHLIGHTS

- **Bocas del Toro** (p670) Soak up the Caribbean charm of laid-back Isla Colón before exploring the wild beaches and forests of the surrounding islands.
- **Boquete** (p663) Fire up with mountain-grown coffee before hiking through the cloud forests in search of the elusive quetzal.
- **Panama City** (p638) Spend the day admiring the faded glory of the old city, then party till sunrise on Calle Uruguay.
- **Panama Canal** (p653) Marvel at hulking freighter ships raised and lowered through sets of enormous locks.
- **Comarca de Kuna Yala** (p690) Explore the tiny palm-covered islands of the Archipiélago de San Blas, home to one of Central America's most independent groups, the Kuna.
- **Off the beaten track** (p694) Head to the virgin jungles and isolated rivers of the Western hemisphere's wildest frontier at Darién Province.

CURRENT AFFAIRS

The lifeline of Panama's economy, the Panama Canal is the world's biggest engineering project and it just got bigger. In 2006, Panamanian voters overwhelmingly endorsed an ambitious US\$5 billion project to expand the canal. The sandbox is already being dug up – machinery is widening and deepening existing navigation channels, and creating a third set of locks. This massive makeover – slated for construction in 2014 – should bring on more canal traffic and allow larger vessels for a much needed boost to the economy.

On May 3, 2009, Panama bucked the Latin American leftist trend by electing conservative supermarket magnate Ricardo Martinelli president. Part of the conservative Democratic Change (CD) party, Martinelli was expected to boost big business, but he surprised critics by attacking businesses that evaded taxes and infringed on public lands.

The world economic crisis has left Panama with high inflation. Foreign investors just aren't approaching business opportunities with the same gold-rush aplomb that characterized the first decade of the second millennium. What is certain is that Panama is attracting more and more buzz for its pristine beaches, incredible wildlife and rainforests. While Canadian and US retirees were the first to join the bandwagon, more and more world travelers are following suit.

HISTORY

Lost Panama

The coastlines and rainforests of Panama have been inhabited by humans for at least

11,000 years. Indigenous groups including the Kuna, the Ngöbe-Buglé, the Emberá, the Wounaan, the Bribri and the Naso were living on the isthmus prior to the Spanish arrival. However, the historical tragedy of Panama is that despite its rich cultural history, there are virtually no physical remains of these great civilizations.

Unlike the massive pyramid complexes found throughout Latin America, the ancient towns and cities of Panama have vanished into the jungles. Tales of lost cities survive in the oral histories of Panama's indigenous communities, and Panamanian archaeologists hope that a great discovery lies ahead.

What is known about pre-Columbian Panama is that early inhabitants were part of an extensive trading zone that extended as far south as Peru and as far north as Mexico. Archaeologists have uncovered exquisite gold ornaments and unusual life-size stone statues of human figures as well as distinctive types of pottery and *metates* (stone platforms that were used for grinding corn). Panama's first peoples also lived beside both oceans, and fished in mangrove swamps, estuaries and coral reefs. Given the tremendous impact that fishing has had on the lives of Isthmians, it seems only fitting that the country's name is derived from an indigenous word meaning 'abundance of fish.'

New World Order

In 1501 the discovery of Panama by Spanish explorer Rodrigo de Bastidas marked the beginning of the age of conquest and colonization in the isthmus. However, it was his first mate Vasco Núñez de Balboa who was to be im-