

The diplomatic context between China and Panama and their agreements

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ABSTRACT

In 2017, Panamanian President Juan Carlos Varela established official ties with the People's Republic of China (PRC), deepening such diplomacy without disclosing why, exactly, his government had broken its long-standing relations with the Republic of China (Taiwan) in favor of those with the PRC, what commitments his government had made to the PRC, and how he planned to handle the PRC's strategic interests.

China's objectives, however, are clear. Beijing knows the strategic value of relations with Panama, particularly through its multi-trillion-dollar Belt and Road Initiative (BRI). The Panamanian side, meanwhile, negotiated hastily in a process without consultation, leaving their country in a lurch. Accordingly, Panamanian now need to do the work—to evaluate Panama-PRC agreements, involve all relevant sectors, and move forward according to the country's best interests.

This study analyzes Chinese diplomacy with a focus on Latin America, as well as the content of the PRC's 47 agreements with Panama, ultimately offering a path forward for Panama.

I. INTRODUCTION

The opening of Panama-PRC relations was marked by different political, academic and cultural promotional events that, incidentally, exposing the relationship's contradictory nature. Chinese President and Chinese Communist Party (CCP) General Secretary Xi Jinping embarked on a high-profile visit to Panama, emphasising in numerous public events the relationship's commercial opportunities. Not long afterwards, a public debate erupted about the proposed location of the Chinese embassy on the banks of the Panama Canal; citizen discontent eventually forced the embassy to change locations. This gap, between political and economic opportunism and citizen perceptions, illustrates the challenges facing Panamanians seeks to ensure that relations with the PRC are in their national interest.

On 25 October 2017, the first Chinese ambassador to Panama, Wei Qiang, told reporters gathered at reception in his honour that Panama, with its advantageous position as a global, commercial "hub" in logistics, finance, maritime transport and air travel, was a natural partner for the PRC as it implements the BRI. Ambassador Wei reiterated Panama's strategic value at 7 May 2018 panel on "The new diplomatic and economic relations between the Republic of Panama and the People's Republic of China", held at the Ministry of Foreign Relations, with the participation of experts, including representatives of the London School of Economics and Political Science. The ambassador expressed that his country's interest is in promoting mutual benefit and cooperation, with Panama also serving a peculiar strategic position as a regional entry point for China (Rodríguez P, 2018).

On 11 October 2018, at the Think Tanks and Media Forum at the Parlatino headquarters in Panama, the Panamanian Deputy Minister for Foreign Affairs Nicole Wong noted that "[t]he establishment of diplomatic relations between Panama and the People's Republic of China has been one of the most important achievements in foreign policy . . . It was a strategic and successful decision thinking about the best interest of both countries", also offering twelve specific pillars for cooperation (MINREX, 2018). In economic and commercial matters the pillars incorporate elements including increasing tourists, strengthening the Panamanian merchant marine, maximizing the Panama Canal's value, promoting Panamanian air connectivity, increasing Panamanian exports to China, and promoting Panama as a financial centre (MINREX, 2018).

Li Biwei, the Vice President of the PRC's Association of Public Diplomacy, also spoke at the Forum, stressing the importance of basing relations PRC-Latin America relations on equality, mutual benefit, and common development, with Panama as a bridgehead between the two.

The Chinese representatives made clear their strategic interests, as epitomized by the 21st Century Maritime Silk Road Initiative, in which Panama is a proposed port of entry. Accordingly, Panamanians must review aspects of 'dollar diplomacy' (Foreign policy based on the use of economic power), the PRC's changing diplomacy, and the international context.

II. CONTEXT OF DOLLAR DIPLOMACY IN PANAMA

Under President William Taft, the early 20th century United States adopted ‘dollar diplomacy’—seeking US dominance through the strategic use of its economic power—which Taft perhaps best epitomized by proclaiming his preference for “dollars instead of bullets” (Lagos Suarez, 2020)

It was, however, President Theodore Roosevelt who coined the term, effectively replacing traditional American gunboat diplomacy with that of the dollar, of globalized trade and politics, in Latin America.

In Panama, the United States used dollar diplomacy was after the American occupation and construction of the Panama Canal. Washington also tried to use it elsewhere in the region, namely in Honduras and Nicaragua, where significant capital investments and loans were made to protect US interests and maintain economic and political stability. Today, developed countries continue to use dollar diplomacy as a deceptive means of coercion and domination.

Dollar diplomacy and the history of Panama are intertwined. In 1903, Panama achieved its independence and the following year, the National Assembly of Panama, approved Law 84 of June 28, 1904 that regulated the currency. In this Law, the Executive Branch of Panama is authorized to sign a Convention with the United States, based on the requirements that it established. Under these legal commitments, Panama and the United States, signed on November 13, 1904, the agreement to make the US dollar their legal tender. On the one hand, the United States agrees to maintain the parity of the Panamanian currency with the gold standard of the US dollar, while for its part, the Republic of Panama, had to maintain a deposit in a North American bank that comprised 15 percent of the nominal value. of each minting of balboas, the local currency. (Torres, 2014). Panama and the United States, accordingly on 13 November 1904 signed such an agreement to make the US dollar their currency of legal tender. The United States promised to maintain the parity of the Panamanian currency with the gold standard of the US dollar, while Panama was required to maintain a deposit in a North American bank comprising 15 percent of the nominal value of each minting of balboas, the local currency (Torres, 2014). As a consequence, the Panama has lived without a central bank but still established a successful and stable macroeconomic environment. It has the US dollar as its currency and a strong banking system, which makes economic ties and investments quite tempting. Panama, however, must remain wary of a return to predatory dollar diplomacy.

III. CHINESE SOFT POWER

Soft power diplomacy encompasses politics, culture, economics, cultural exchange and is strengthened by the Chinese diaspora, whose strengthening of cultural and economic ties is reinforced by Chinese government policy. Beijing coupled soft power—influencing others’ behaviour through these realms—with the agent strategic thinking of Sun Tzu to project a positive image of Chinese foreign policy and ultimately force the enemy to surrender without bloodshed.

In 2004, Hu Jintao assumed power in China, soon after introducing soft power to PRC discourse and, in fact, equating its importance to that of economic and military power. Chinese diplomats adopted this change, protecting an attractive and friendly image to the world to disarm fears of PRC predation and dominance.

China’s ‘Harmonious Society’ policy, now applied to internationally as the ‘Harmonious World’ policy, is based on Confucian doctrine and consists of five elements: (1) a win-win strategy, (2) peaceful development, (3) respect for diversity, (4) cooperation and coordination, and (5) peaceful coexistence. Hu-supported

Chinese academics and specialists developed the theory of 'ascent' or 'peaceful development', which represents China as a non-threatening emerging power that seeks not to challenge the status quo, but to construct a 'harmonious world' in which its development is linked by win-win opportunities (Miranda Z, 2016). This image seeks to remove fear and advance political goals.

Moreover, Chinese culture is ancient, complex, and captivating, and its promotion has become a fundamental soft power tool. An example is language, disseminated through the Confucius Institutes, which aim to promote the Mandarin language, Chinese culture, and the facilitation of cultural exchanges.

IV. SETTING THE AGENDA FOR DIPLOMATIC CHANGE

In 2008, the PRC published its first document outlining Chinese policy toward Latin America and the Caribbean (LAC), setting out the objective of establishing a China-LAC partnership of comprehensive cooperation based on equality, reciprocal benefit, and joint development.

On July 17, 2014, in Brasilia, during the meeting of Chinese-Latin American and Caribbean leaders, with the assistance of Chinese President Xi Jinping, a Joint Declaration was adopted, announcing the establishment of a Forum between China and the Community of Latin American and Caribbean States (China-CELAC Forum), and the decision to hold the first ministerial meeting of the FCC in Beijing. This Forum has provided a new cooperation platform, allowing a new phase of joint and bilateral cooperation to begin, to develop in parallel and to support each other. Since 2013, Chinese leaders have also proposed important initiatives and measures to strengthen relations and cooperation in various areas with LAC. Between January 8 and 9, 2015, the First Ministerial Meeting was held in Beijing, which begins the official launch of this forum.

The 2018 China-CELAC Forum produced three key documents: the Santiago Declaration, a CELAC China Action Plan for the period 2019-2021, and a Special Declaration on the BRI. These documents are necessary knowledge, as they define China-CELAC cooperation strategies in terms of pragmatism forms and the spirit of openness and inclusion (China CELAC Forum, 2018).

The plan includes eight areas, which have been defined the PRC-Panama relations. These include:

1. Political cooperation;
2. Economic and commercial cooperation;
3. Social cooperation;
4. Cultural and humanistic cooperation;
5. International coordination;
6. Cooperation on issues of peace, security, and justice;
7. Broad bi-lateral cooperation; and
8. Tripartite cooperation.

The China-CELAC Forum agenda corresponds to the PRC's five-year national economic plans, which aim to build a prosperous and sustainable society by deepening reforms and launching with BRI to promote infrastructure construction and financial cooperation spanning three continents (Europe, Asia and Africa) and now, with its engagement with Latin America, a fourth.

2016 marked the beginning of a new Chinese diplomatic stage, with the XIII Five-Year Plan for that year through 2020 being a decisive document for both its context and its content and expectation to drive China's transition to grander global involvement. Wei Qiang, China's ambassador to Panama, made this point clear

when discussing Panama and the BRI, saying: ‘The exceptionally advantageous geographical position of Panama gives the isthmic country an extremely important role in international trade. China, which considers Latin America as an essential partner in the construction of the Belt and the Road, has no doubts regarding the potential that Panama has of becoming a key pivot for the natural extension of the Maritime Silk Road of the 21st Century to this region’ (Wei, 2019).

China is now incorporating what some authors identify as diplomacy of the great periphery; in her political chess for Latin America, China is undoubtedly taking advantage of Panama’s maritime connectivity. (Méndez & Alden, 2019). By examining the experiences of other countries in reference to Chinese strategic diplomacy, this article will offer a Panamanian path forward.

On the issue of BRI debt-trapping, China’s soft power projection is clear. ‘There has been no shortage of dissenting voices against the Initiative on the international stage: that it is nothing more than a geopolitical tool for China, which may well create debt traps for the countries involved’, Ambassador Wei offered in rebuttal to widespread criticism. ‘They are, obviously, due to a lack of objective and fair understanding of the Initiative, misunderstandings, wrong judgments or even prejudice, which prevent us from seeing that the Belt and Road is an initiative of economic cooperation, designed to support all countries’ (Wei, 2019).

Amid the harsh rhetoric on both sides, the article analyses China’s objectives, strategies, plans, and agenda in Latin America, specifically in reference to Panama. Our challenge is to analyse this context and review the experiences of other nations to define Panamanian priorities moving forward.

Indeed, we are seeking to combat the widespread domestic ignorance of the impacts of Panama’s agreements with China, and to ultimately debates in which Panamanians have not yet been included.

V. EVALUATING PANAMA’S AGREEMENTS WITH CHINA

China, through the BRI, seeks to use Panama as a strategic platform: to gain access to the Panama Canal, which acts as a gateway to Latin America. Although the 47 signed Panama-PRC agreements are not binding and can be modified by the current government, we believe that any reform must set up mechanisms for public participation, in no small part because these decisions affect citizens both directly and indirectly.

Sensitive issues like agriculture, phytosanitation, energy, infrastructures, free trade, the environment, customs, and maritime affairs, must be analysed so as to include Panamanian approaches with the participation of all sectors while accounting for scientific evidence to adopt the best decisions for the sustainable development of the country.

In reference to maritime issues, specifically, decisions involving the administration, maintenance, use, construction, utilization, expansion, water use, development of ports, and any other work or construction on the banks of the Canal will require the prior authorization of the Canal Authority, based on Article 316 of the Political Constitution of the Republic of Panama (National Assembly, 2012).

Moreover, the National Assembly of Panama has power for approval or disapproval, any international treaty or agreement, as enshrined in Article 159, paragraph 2, which lists among its functions: “To approve or disapprove, before their ratification, the international treaties and conventions that the Executive Body concludes”. To date, only two agreements have been submitted (National Assembly, 2012).

On its website, the Panamanian government lists the legal nature, subjects, and dates of the signed documents (<https://www.mire.gob.pa/index.php/es/acuerdos-panama-china>). This list includes the agreements so far approved and the two that have become law: the lease of goods for embassy headquarters and civil air transport.

According to the Panamanian constitution, International Conventions and Treaties can only enter into force if they comply with the National Assembly's legislative approval process in accordance with article 159, number 2 (National Assembly, 2012). But Panamanian authorities have spoken about Chinese agreements signed in general way, so as to exclude them from this formality; so far, only two have become law. Indeed, Panama and China have signed 23 Memorandums of Understanding (MOU) that while referring to decisions that express the will of both parties for future negotiations are not binding; most refer to issues of Development Cooperation or the Human development. Sixteen other agreements, however, are pacts or negotiations of different areas, some of which impose obligations for both parties. Three protocols establish sanitary regulations in customs matters, Exchange of Notes from the Consulate in Shanghai, and non-reimbursable cooperation funds. Another communiqué formally initiates the establishment of relations with China.

The PRC-Panama agreements reached in 2017-2018 comprise 16 areas:

1. Diplomacy;
2. The 21st Century Maritime Silk Road;
3. Merchant Marine;
4. Air Transportation;
5. Cooperation for Human Development;
6. Development Cooperation;
7. Infrastructure;
8. Electric Power;
9. Economy;
10. Agriculture;
11. Phytosanitation;
12. Banking;
13. Customs;
14. Tourism;
15. Cooperation in Economic and Commercial Zones; and
16. Science, Technology and Innovation.

Table No.1 makes known the most relevant commitments included in each agreement.

TABLE NO. 1
Commitments acquired by Panama in the agreements with China, by thematic area

AGREEMENT AREAS	COMMITMENTS
Economy	Formalized bilateral assistance to attract investment from China to Panama and facilitate the opening of the Chinese market for Panamanian exports. Panama and China have begun studying the feasibility of a free trade agreement
Economic, commercial and investment cooperation	Established a Mixed Commission led by the Ministries of Commerce of both countries to strengthen and promote bilateral cooperation economics, trade, and investment. Signed MoU for cooperation in electronic commerce.
Cooperation on economic and commercial zones	Agreed to strengthen special economic zones, prioritizing cooperation in logistics, warehousing, processing, manufacturing, industries, technology, and services. Plan to establish a framework for economic and commercial cooperation to strengthen the special economic zones.
Banking	<p>Agreed to create a collaboration platform in economic, commercial, productivity, investment and financial affairs and establish an effective communication and information exchange mechanism.</p> <p>Plan to promote and finance large infrastructure projects including highways, bridges, power plants, airports, port, and logistics parks.</p> <p>Lay the groundwork for the establishment of a China Development Bank headquarters in Panama.</p> <p>MoU formalizes cooperation mechanism between Panama and the China Import-Export Bank.</p> <p>Both countries will encourage investment and strengthening in the areas of infrastructure, energy, logistics, the agricultural sector, among others.</p> <p>MoU formalizes cooperation ties between the Banco Nacional de Panamá and Bank of China.</p>
Development cooperation	<p>Framework agreement by which Panama and China will promote production capacity and cooperation in areas of common interest, especially infrastructure, the service industry, industrial and economic cooperation zones, manufacturing, agriculture, and food processing.</p> <p>Formed a Steering Committee led by the Ministry of Economy and Finance of Panama (MEF), Panama's National Development and Reform Commission (NDRC), and China.</p> <p>Both countries will encourage companies and other organizations to carry out cooperative projects through direct investment, joint ventures, construction, management and transfer, project contracting, equipment supply, joint study, exchange of experiences, technology exchange, and technical support.</p> <p>Both countries have signed a Framework Agreement for Cooperation in Science, Technology and Innovation.</p>

AGREEMENT AREAS	COMMITMENTS
Phytosanitation	MoU signed to facilitate compliance with phytosanitary measures, according to agreements signed by both countries within the framework of the World Trade Organization. This will allow Panama to adopt measures to make its products suitable for export to the Chinese market.
Electric power	China Import-Export Bank will grant financing to Electric Transmission Company (ETESA) for the direct or indirect purchase of Chinese products and services for projects of the national energy plan. The Bank of China will support investment projects of the Government of Panama in the matters of electrical transmission, also including the potential granting of long-term facilities to finance ETESA's investment plan.
Agriculture	Both countries have signed an MoU for the development of agriculture and livestock, allowing for the export of agricultural products from Panama to China. Includes technical cooperation and exchange of experiences on germplasm, food safety of plant and animal origin, sanitary and phytosanitary regulatory system, land use and soil nutrition, irrigation of farmland and water saving, agricultural environment and climate change, animal nutrition, diagnostic technology in the agricultural sector, protected horticulture, agricultural processing and logistics, and related areas in the form of joint research projects, technical guidance, and other activities that can increase capacity for commercialization.
Tourism	Panama receives the status of Approved Tourist Destination by China, significantly increasing the entry to Panama of Chinese tourists, the largest tourism market in the world and with the highest rate of spending.
Air Transport	<p>Panama and China are laying foundations for the establishment of direct air routes. Both nations may include up to three destinations in each country, opening the space for the establishment of commercial and cargo flights between both countries.</p> <p>Both parties will be granted traffic rights to open new routes to and from Panama and China. Any designated airline may enter into cooperative marketing agreements such as the exchange of codes or blocked spaces, which will increase trade between the two countries.</p>
Merchant Marine	<p>Panama will receive Most Favoured Nation status, while ships with Panamanian registration will receive benefits in ports of the People's Republic of China. This grants Panama the benefits in port rates and preferential treatment that ships of international registrations receive today, which will be applied to Panamanian-flagged ships that arrive at ports in the China.</p> <p>The agreement also contemplates the reciprocal recognition of the titles of the seafarers issued by Panama and China, as well as their temporary landing when they touch ports in China and Panama.</p> <p>Likewise, the cooperation agreement will be a vehicle for the exchange of information to improve the merchant marines of each country.</p>

AGREEMENT AREAS	COMMITMENTS
21st Century Maritime Silk Road Initiative	<p>The two countries have reached a MoU under which Panama adheres to the Chinese 21st Century Maritime Silk Road Initiative, enhancing its role as “the great connection” with the Panama Canal and a possible railway to the western border.</p> <p>This MoU seeks the exchange and integration of development and planning policies, facilitation of connectivity through infrastructure construction, promotion of free trade and financial integration, and the development of people-to-people links. The initiative covers land routes and maritime routes, thereby joining the Panama Canal.</p>
Infrastructure (It comprises 3 relevant topics)	<p>Rail transport system China supports the Panama-David passenger and cargo transport system initiative. This one of the priority areas of cooperation between the two countries, with the intention of contributing to geographic and commercial integration, but the current Panamanian government does not consider it a priority.</p> <p>Leasing of real estate and land The parties agreed to lease real estate and land for the location of the respective diplomatic missions. Said lease will be for a period of 70 years, laying the foundation for the permanent establishment of these diplomatic missions.</p> <p>Cooperation for the financing of feasibility studies of railway projects in Panama. Through this agreement, the Chinese Ministry of Commerce will finance a feasibility study of the passenger and cargo train that connects the capital with Chiriquí, with non-reimbursable cooperation to carry out feasibility studies of a rail system across Panama.</p>
Customs	<p>The Ministry of Agricultural Development of Panama (MIDA) and the General Administration of Customs of China have agreed on protocol on inspection, quarantine, and veterinary sanitary requirements for cobia and black barrel imports.</p> <p>Protocol on inspection, quarantine and veterinary sanitary requirements for the export of meat from Panama to China. Between MIDA and China General Administration of Customs.</p> <p>Protocol for the export of fresh pineapples from Panama to China reached by MIDA and China's General Administration of Customs.</p>

AGREEMENT AREAS	COMMITMENTS
<p>Cooperation for human development (It includes several agreements)</p>	<p>Journalists Seminar Seeks to strengthen communication on the impact of diplomatic relations between both countries, as well as the mutual promotion of their attractions and culture. More than twenty journalists will benefit from an exchange with authorities and counterparts from the PRC.</p> <p>Economic and Technical Cooperation The PRC grants non-reimbursable cooperation for the execution of development projects framed in the National Cooperation Plan for the development of human resources.</p> <p>Exchange of Notes for Non-Refundable Cooperation in Educational Matters. Panama and China are finalizing financing of the educational cooperation agreement, particularly for the strengthening and development of human resources through educational opportunities such as scholarships, seminars and other projects in technology and research.</p> <p>Strengthening of Cultural Cooperation. Agreement will strengthen cultural exchange in areas such as painting, folklore and cinema, as well as the academic exchange between researchers, professors, craftsmen and others in order to promote intellectual and cultural dialogue. In addition, it will stimulate cooperation between cultural companies, cultural industry associations, and academic institutions.</p> <p>Radio and Television Cooperation Plans for cooperation between Panama's State Radio and Television System and the PRC's State Administration of Radio and Television.</p>
<p>Diplomacy</p>	<p>Establishment of the Political Consultation Mechanism. Agreement signed by the Vice President and Chancellor, Isabel de Saint Malo de Alvarado, and the Chinese Chancellor, Wang Yi, during the first visit of this Chinese diplomat to the Republic of Panama to institutionalizes the political dialogue between the two nations. The first political consultation mechanism was developed in September 2017.</p> <p>Establishment of the Consulate in the City of Shanghai. The PRC has consented to the opening of the first Panamanian Consulate in Shanghai. The document establishes that China may open a Consulate in Panama.</p> <p>Mutual Suppression of Visas in Diplomatic Passports, Official and Consular Services. This agreement facilitates the exchange of official visits by both parties.</p>

Source: Own elaboration from the Agreements Signed between Panama and China.

The recommendations of various Panamanian academics and sectoral associations must be taken into account. Indeed, we must rethink how these agreements position Panama: Do we want to support a hegemonic political program such as the BRI, lest our geographical position and vocation of services to the world be deteriorated, thereby undermining our commitment to the values and principles of peace, democracy, security, sovereignty, solidarity, mutual cooperation, and respect for human rights?

Panamanian foreign policy must focus on our needs and social reality. The world is facing the effects of the COVID-19 pandemic, which we cannot ignore. We must respond to the priorities of the people, especially those living in poverty. As [insert name] writes: 'The analysis of inequality must not be separated from all the peculiarities and meanings that are built in each society where factors, economic, cultural, political, social citizenship, globalization, markets, state power and democracy intervene' (Herrera M, 2010).

Of the total of 47 agreements, 30 were signed in 2017 and 17 in 2018. Moreover, the 13 June 2017 joint communiqué that established this relationship proclaimed: 'Panama recognizes a single China in the world, ... and Panama commits to stop having any official relationship or contact with Taiwan'.

On the one hand, a Memorandum of Understanding on BRI was signed on December 11, 2017, which is motivated to strengthen bilateral cooperation to jointly build the Economic Belt of the Silk Road and the Maritime Silk Road of the 21st century. by fostering closer commercial and economic ties.

Days later, on December 17, 2017, the Maritime Cooperation Agreement is signed, which operates within the framework of the Joint Development of the Maritime Silk Road of the XXI Century, where the BRI MOU is addressed, a reiteration of the issue that expresses the interest of China, which includes: state control of ports, control of maritime traffic, training and certification of seafarers, promoting and facilitating maritime transport for both parties, promoting mutual support before international organizations in proposals and initiatives that can be positive for both countries, among others. None of these have been debated by the Panamanian maritime sector, nor by unions and related sectors.

It should be noted that the Maritime MOU that is signed in 2017; When raising the issue to a Convention, it must be submitted to the National Assembly, which has to approve or disapprove international conventions, by constitutional mandate, according to article 159, numeral 3. Thus, in 2018 two agreements were presented to comply the formality; the Agreement to establish embassies in both countries, approved by the National Assembly of Panama, through Law No. 22 of March 20, 2018; and the Maritime Silk Road Agreement, approved by Law No. 24 of March 20, 2018, but none were submitted to prior consultation.

The agreement on Science, Technology and Innovation, signed in December 2018, includes 14 articles with a term of five years that is extendable in the modality of shared costs. In article 2, fifteen areas of cooperation are listed, with the possibility of others to be defined by mutual agreement. The promotion of scientific research related to the social sciences, hard sciences, technology, and innovation have not been contemplated. Most of these agreements are in areas of Chinese interest: energy, renewable energy, water resources, logistics and transport, marine resources, natural resources, rational use of energy, agriculture, health, nutrition, food security, information, and communication technology.

The Environmental Agreement, signed on December 3, 2018, includes contained 11 articles. Its term is for five years, with the potential for renewal. Within the framework of the Sustainable Development Goals one topic that draws attention is Article 2, paragraph 5, which indicates that China will offer '[s]upervision of the application of watershed ecosystem planning'. In our opinion, Panama does not need to be supervised in executing this matter.

In our opinion, Panama could benefit from training and training of human resources, but it does not need to be supervised in its institutional functions in environmental matters, the first thing is that it is not clearly defined, what such supervision involves and how it is guaranteed that it is not used for different purposes; because we are talking about drinking water sources and national development; such as hydrographic, aquatic, coastal-marine, freshwater basins, among others, so it must be analyzed from the scientific knowledge of the natural and social sciences, the implications that such a decision entails, and our responsibility as a State, to protect the environment and natural resources.

The majority of agreements, even though they are Memoranda of Understanding (MoUs) and are not legally binding, are negotiation frameworks that are automatically extended. Accordingly, authorities must analyze each one and consult the people so that these agreements are truly in line with the national interest.

CONCLUSIONS

Panama has been no stranger to dollar diplomacy. Since its first years of independent life, developed countries have used dollar diplomacy defend their economic and political interests in Panama.

As of 13 June 2017, Panama has had relations with the PRC and recognized the existence of a single China, also committing itself to the BRI. The PRC, meanwhile, has Five-Year Plans and a strategic agenda in international politics, which it promotes through cooperation agreements, including priority issues for Latin America and the Caribbean, using the CELAC platform.

The topics included in cooperation agreements with Panama correspondent with the PRC's goal to advance its hegemonic and strategic advancement in Latin America. Indeed, the 47 agreements signed between Panama and China contemplate sensitive areas which require that all sectors affected by the issues be consulted. The government of President Laurentino Cortizo Cohen must lead on this front.

Any analysis must bear in mind that priorities have changed due to the effects of the pandemic, namely the exacerbation of extant social inequality. Indeed, the number of issues and areas covered in the agreements need wide and serious consultation to verify with the people and the key actors to reconcile these agreements with the national agenda. This is nothing less than a democratic and ethical imperative. Panama must encourage citizen participation, modify these agreements where necessary and guide future conversations by the Panamanian agenda. ■

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