

Strike wave in Panama hits pension cuts and Trump's threat to "take back" the canal

Andrea Lobo**6 May 2025**

Panama is experiencing a growing national strike movement against pension cuts, concessions to Trump over the canal and the basing of US soldiers and proposals to reopen a polluting copper mine.

Broad sections of the working class have continued to join after teachers first launched an indefinite strike on April 23.

On April 28, the construction workers union Suntracs and banana workers union Sitraibana joined the strike. University of Panama students and faculty joined the strike movement as well, while public hospital nurses have carried out protests and warned of a national strike starting on May 19. Farmworkers, youth, parents' associations and neighborhood groups have also participated in roadblocks and marches across the country.

As business chambers have urged the government to act against the strike and prevent further roadblocks, President José Raúl Mulino has responded with a police crackdown, forcibly clearing roadblocks and arresting protesters, including at least 30 Suntracs members and 11 Metro Line 3 workers.

Protests were triggered by a series of actions taken by the right-wing Mulino government in the weeks prior. First, on March 18, the government signed Act 462, which overhauls the Social Security Fund (CSS), the state institution overseeing healthcare and pensions.

The law maintains miserable pensions, increases the retirement age, raises payment quotas for workers and creates individual accounts separate from the collective fund. Protesters warn that these are steps toward its privatization.

Strikers also opposed the Mulino administration's capitulation to US President Donald Trump's threats to "take back" the Panama Canal. They are demanding the revocation of the Memorandum of Understanding (MOU) signed during a three-day visit by US Defense Secretary Pete Hegseth to Panama in early April.

Panama withdrew from China's Belt and Road Initiative and initiated audits of port concessions on the canal to a Hong Kong-based company, leading to its proposed sale to

the US-based investment firm BlackRock.

The joint MOU allows US military personnel to deploy to facilities near the canal for training, exercises and other activities, enhancing US strategic access without formally establishing permanent bases. It includes provisions for prioritized and effectively free transit of US warships through the canal. The document has aerial photos of three military bases in the country where it outlines the "installation of US property."

Notably, the Spanish-language version of the joint statement explicitly acknowledged Panama's inalienable sovereignty over the canal and surrounding areas—a clause omitted from the English version.

The Torrijos-Carter 1977 agreements handing the canal to Panama bans the maintenance of foreign military forces within Panama and preferential treatment of the canal's use. US bases in the country were closed in 1999, when the transfer was completed.

Having secured a green light to install US troops along the canal and determine access to other countries, Trump has simply dismissed Mulino's assertions of Panamanian "sovereignty" as trivial. Speaking on NBC's *Meet the Press* Sunday, Trump declared: "Look, the Panama Canal was taken over by China. Now China seems to have left."

Mulino reportedly rejected earlier MOU drafts that indicated full, free passage of US military and commercial ships and permanent military bases, declaring that such an agreement would "set the country on fire."

Beyond the growing protest movement, Mulino already faces negative poll numbers, with two-thirds disapproving his administration's actions, and a lawsuit for "crimes against the international personality of the state."

A former head of the main business association and a political surrogate for the exiled former President Ricardo Martinelli—famous for massacring protesting banana workers and indigenous activists, Mulino brutally defends the interests of a corrupt Panamanian ruling elite that is dependent on US imperialism.

But the ruling class is not blind to the deep anti-imperialist

sentiments among Panamanian workers and broader sections. Mass anti-colonial protests, starting with the 1964 riots sparked by a dispute over the right to fly the Panamanian flag in the Canal Zone, were a key driver behind the Torrijos-Carter treaties. The subsequent 1989 US Marine invasion to capture Manuel Noriega that resulted in hundreds and possibly thousands of civilian deaths remains a live political issue in Panama.

A third issue raised by protesters is the renewed talks between Mulino and First Quantum Minerals about reopening the mining sector. Similar to the canal, Mulino has resorted to the threadbare nationalist claim that “The mine will belong to Panama, nobody else.”

From October until December 2023, teachers again led the charge to demand the ending of the copper mining contract with First Quantum Minerals after it was deemed unconstitutional by the Supreme Court over environmental hazards. Protests shut down much of the economy for several weeks and involved major clashes with the police. Five demonstrators were killed before then President Laurentino Cortizo announced the shutting down of the mine, which accounted for 5 percent of GDP and 75 percent of exports.

Despite repeated claims in the corporate media about Panama’s “economic miracle” and political stability, the underlying ferment for mass strikes and street protests are obscene levels of social inequality and persistent poverty.

Since the 2016 Panama Papers scandal revealed massive tax evasion, one administration after the next has failed to quell the burning sentiment that Panama is a playground for multinationals and the world’s rich to hide their wealth, manage their trade operations, extract natural resources and exploit the working class, while leaving most of the population deprived of any economic security.

Unemployment remains persistently high (9.5 percent), and informal employment (without minimum wage or social benefit protections) is widespread (49.3 percent). Researcher René Quevedo notes that between 2019 and 2024, most new jobs were in the informal or public sectors, while the number of formal non-agricultural jobs declined.

In July 2022, national protests forced Cortizo to freeze price increases on fuel and 10 staples. Corporations were denounced for taking advantage of the COVID-19 pandemic alongside the government to leave thousands of workers unemployed through layoffs, while simultaneously raising the prices of food, medicine and basic services daily.

In October 2024, thousands struck and marched against threats of pension cuts and the potential privatization of the CSS system.

Suntracs organized major protests last February against an earlier version of the bill containing the CSS policies, as

well as opposing Trump’s threats against Panama.

The Panamanian ruling elite has consistently responded to mass opposition and strikes with police state repression.

Mulino has labeled Suntracs a “terrorist organization,” and in February police cracked down on demonstrators, arresting nearly 500 and injuring at least 100. Suntracs filed a report before the International Labour Organization denouncing the torture of its detained members.

While such blatantly dictatorial moves must be firmly opposed, urgent conclusions must be drawn from the long struggle against imperialist oppression as the American ruling elite embraces a Hitlerian drive to turn Panama and the broader region into US protectorates in preparation for world war.

Above all, the Panamanian ruling elite has demonstrated its inability to resist the domination of the country by US imperialism and foreign finance capital. Today, the nominal political “left” is most prominently represented by the Suntracs union leadership and its allies. Since the 1970s, Suntracs has channeled opposition behind appeals before one or another section of the ruling elite, including a close alliance with Noriega during the 1980s.

The union bureaucracy’s political arm, the Broad Front for Democracy (FAD), belongs to the Foro de Sao Paulo, which allies with the “pink tide” movement, including Lula da Silva in Brazil, Nicolas Maduro in Venezuela and the Peronists in Argentina. All these forces have been responsible for imposing brutal austerity measures and heavy police repression at the service of finance capital. As just another garden-variety nationalist party defending capitalism, were it to come to power the FAD would not advance an alternative to the policies demanded by the global capitalist market and imperialism.

Workers in Panama must instead see their struggles consciously as part of a growing offensive by the international working class against the decades of capitalist counterrevolution and the danger of world war, colonialism and fascism. The only alternative is world socialism.



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