

Atlas



Empowered lives.
Resilient nations.

of Local Human Development: **Panama 2015**

Colón

Guna Yala

Emberá
Wounaan

Chorrera

Darién





*Empowered lives.
Resilient nations.*

ATLAS

of Local Human Development:
Panama 2015

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Foreword

The Atlas of Local Human Development: Panama 2015 is a contribution to the discussion of the challenges facing Panama as a country of upper-middle income within the new development agenda.

Panama has been characterized in recent years by its rapid growth and progress in social and economic matters, but it is facing a situation of remaining a country with contrasts and inequalities or making a leap forward to become a nation which progresses with equality and opportunities for all its people.

Just a few months ago, Panama took the lead in convening for the first time 35 countries of the continent in the historic Seventh Summit of the Americas, "Prosperity with Equality: The Challenge of Cooperation in the Americas." This was a good opportunity to remember that prosperity has not happened equally for everyone, and it served as a platform to propose a change in development towards a more inclusive and sustainable model.

The year 2015 is a perfect time to rethink and commit to new goals and challenges for Panama since it now has a new Strategic Plan of Government and a new Framework for Cooperation between the United Nations System and the Government of Panama. 2015 also provides a unique opportunity to define the New Global Agenda, with new sustainable development goals (SDG's) that attempt to mobilize governments, civil society, the private sector and the international community in light of a universal and transformational agenda for the elimination of poverty by 2030, as well as the fulfillment of the goals of prosperity, equality and sustainability.

For the United Nations Development Programme (UNDP), this is the new way to a more sustainable future, one in which there is less poverty, better prospects for development and a healthy environment, a future which starts thinking globally and acting locally. The idea is to create a model of sustainable development within the communities that does not undermine the opportunities for progress for future generations and that expands the capabilities of the entire population, facilitating access to knowledge and new technologies of information and communication (ICTs).

The first chapter of the Atlas of Local Human Development: Panama 2015 is a tour of the characteristics of the population in each of the provinces and communities, highlighting the challenges and opportunities presented by each stage of the life cycle, differences that can be incorporated into public policies in order to make them more effective and better directed towards the needs of different areas of the country.

The second chapter reviews the status of human development in the country and includes, for the first time, the innovation of having a multidimensional poverty index and an index of gender inequality. Both concepts help to understand that economic growth is not enough to ensure the quality of life of people, and that a more inclusive and sustainable Panama is not possible without achieving gender equality and the empowerment of all women and girls, which is why policies tailored to their needs, aspirations and life contexts must be created.

The third chapter explores the potential of local development, recognizing the productive capacities of different areas and describing the role of public investment, local governments and the social capital of the communities themselves as assets in order to achieve inclusive social and territorial development. In many cases, an investment of B/.200.00 per person each year in social services can make the difference between multiple poverty and human development if it focuses on the needs of the people and strengthens their capabilities in education, health and basic services. A similar investment in economic services can also promote a more balanced and sustainable development in the country.

If an active effort on the part of local governments and the social capital of the communities were added to this effort of public investment, oriented through social programs, many goals of development could be achieved. The main message here is that it is possible and necessary to build development on local strengths.

Finally, this research effort is aimed at all the sectors that should be involved in the formulation of public policies: the government, academia, political parties, civil society and the private sector, and it is especially dedicated to all those who suffer inequality and who have failed to benefit from the country's progress. For this reason, it is these people who should be the priority population for the new national public policies and the global agenda for sustainable development and inclusion



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INTRODUCTION

The National Human Development Reports (NHDRs) are instruments that invite governments and citizens to reflect upon issues that are critical for national development. The feature that distinguishes a NHDR analysis from other reports and research is the conceptual framework of Human Development which, without downplaying the importance of economic growth, shows how this is not the only condition for achieving development, and how the link between them is not automatic. Thus, both the quality of this growth as well as the equality of its distribution are essential dimensions in order to achieve real human development and are the focus of the results for the people.

On the one hand, growth is a means to promote processes that expand the capabilities and freedoms of people to achieve a decent life. This process must benefit the entire population and therefore it must be equitable. It is also necessary that all people use their skills to contribute to their own welfare and the development of the country, and therefore the process must be inclusive.

Panama's Human Development Index is the highest in Central America and one of the highest in Latin America. However, analysis reveals that, despite the efforts and achievements, some persistent deficiencies need to be addressed to favor a more comprehensive and inclusive human development.

There are areas in Panama that show significant progress, but there are also high levels of inequality reflected in human development indicators that are advancing slower, and which will not change unless efforts towards reducing the conditions that generate vulnerability are increased.

Development policies are the tools needed to produce a leveling of the field of opportunities for all people and they must be focused on the creation of the capacities that enable people to forge their own development from their own potential, the networks built within the social environment, and the productive and sustainable use of the resources around them.

Thus, the focus of the Atlas of Local Human Development: Panama 2015 is definitely on local development. This is a process that seeks to continually improve the quality of human life, conditioned and built upon local capacities, understanding that each territorial unit has different strengths and advantages that allow each of them to achieve a transformation in their environment. Although it begins with internal factors in each place, local development also recognizes the importance of its relationship with dynamics on a regional, national and international level.

This research proposes an analysis from the local perspective, identifying regional imbalances that, besides being factors that maintain social inequality, also imply imbalances for the development of the country, limiting the opportunities for progress of the entire population.

An atlas of this type is an analysis of the diversity of geographical and socioeconomic contexts, providing tools with which to work with this diversity in the field of public policy, and it also points out the strengths, weaknesses and priorities for social investment, as well. This atlas combines the socio-demographic variables

that describe the characteristics and needs of the population according to their life cycle, with performance indicators that point out the achievements of people in key dimensions of human development.

It also provides the incorporation of contextual factors influencing development opportunities for progress, such as the local production structure, public social investment and social capital, which are resources that can facilitate or limit human development on a local level and which can act through public policies designed to empower them.

The United Nations Development Programme (UNDP) believes the Atlas of Local Human Development: Panama 2015 constitutes an essential tool to guide local and national actors in the design of public policies that not only improve the indicators and redistribution of opportunities but also take advantage of local resources to enhance local development in a sustainable manner.



EXECUTIVE SUMMARY

CHAPTER I

PANAMA'S FUTURE IS IN ITS PEOPLE: STRUCTURE OF THE POPULATION

Panama is currently experiencing major changes in its population structure, changes that are typical of its stage of demographic transition.

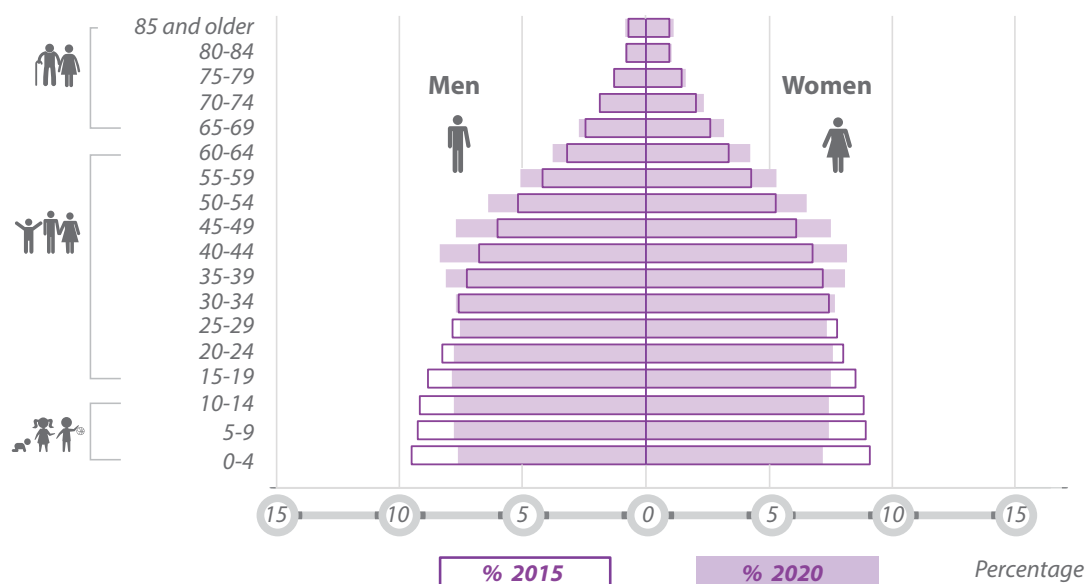
According to 2015 projections, the population of Panama is composed of 27% children between 0-14 years of age, 65% adults between 15 and 64 years, and 8% of elderly adults. In the coming years, it is estimated that the population of children and young people will

grow at a slower pace while the relative weight of the working-age population and elder adults will increase.

The relative increase in the working-age population, which is expected to contribute to economic growth and improve living conditions of the population, represents a window of opportunity for Panama known as a demographic bonus.

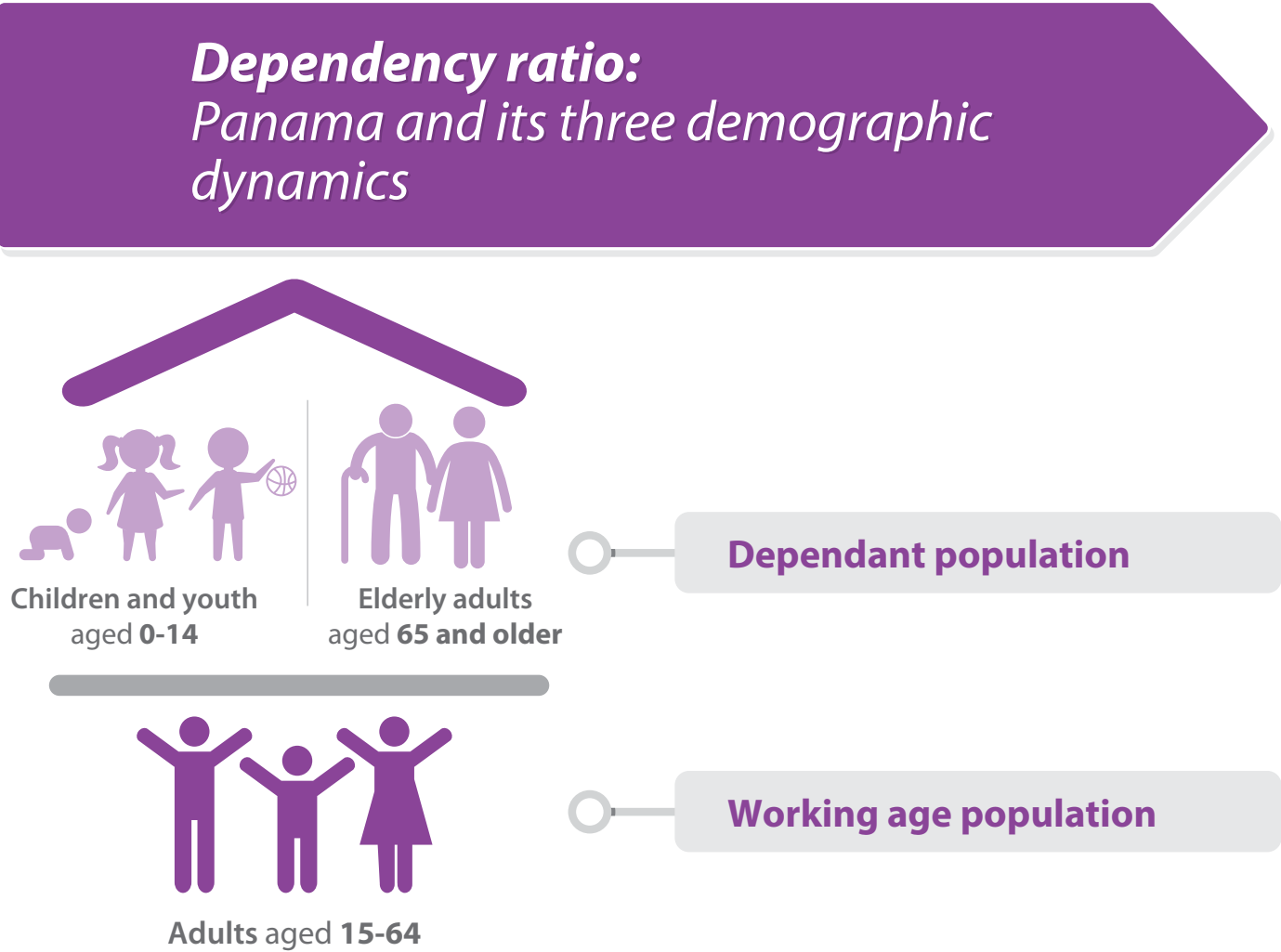
Population pyramids of Panama (2015 - 2020)

Graph 1



Source: Bulletin 14. Panama population estimates and projections per province and indigenous community, by sex and age. Years 2000-30. (INEC).

Panama finds itself in a unique period of prosperity in which, for years to come, it will have a growing labor force composed of mostly young adults. Therefore, this opportunity is conditioned by the investment made today by families and the government in children and young people to meet their needs and create opportunities that will allow them to participate and to be beneficiaries of their country's development.

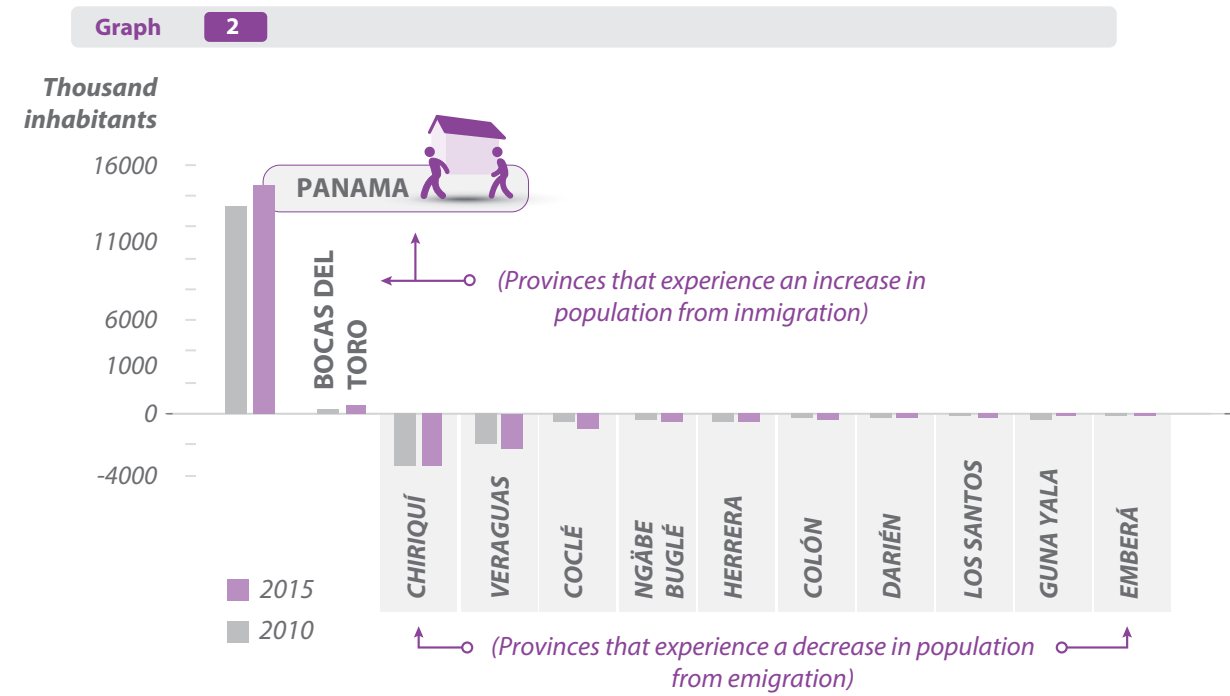


While it is true that Panama is in full demographic transition, on a local level there are three rates of change of the population structure. Recognizing this heterogeneity in the process of demographic transition in each area is essential to identify the priority needs and demands according to each stage of life.

The first group consists of provinces and communities with a high rate of child dependency, such as is the case with Bocas del Toro and the Emberá Wounaan, Guna Yala and Ngäbe Buglé communities. These provinces should prioritize their actions in education as well as infant and health care.

The second group consists of Panama, Colón, Chiriquí, Coclé, Darién and Veraguas, and is characterized by a process of expansion of the productive age group, while the young people population decreases slowly. Of these provinces, Chiriquí, Veraguas and Coclé already reflect a strong migration, suggesting the urgent need for creating employment opportunities for this growing segment of the population and for investing in training to create more prepared citizens and workers.

Net migration balance (2010 y 2015)



Source: Bulletin 14. Panama population estimates and projections per province and indigenous community, by sex and age. Years 2000-30. (INEC).

Herrera and Los Santos are part of the provinces that have a rapidly growing population of older adults and a diminishing population of young people, while the number of those of working age remains the same. These are provinces that must plan to adapt their health system to offer specialized services, and to create policies that meet the care needs of a growing elderly population that lives longer and thus has a higher incidence of chronic diseases.

CHAPTER II

AN ANALYSIS OF DEVELOPMENT RESULTS

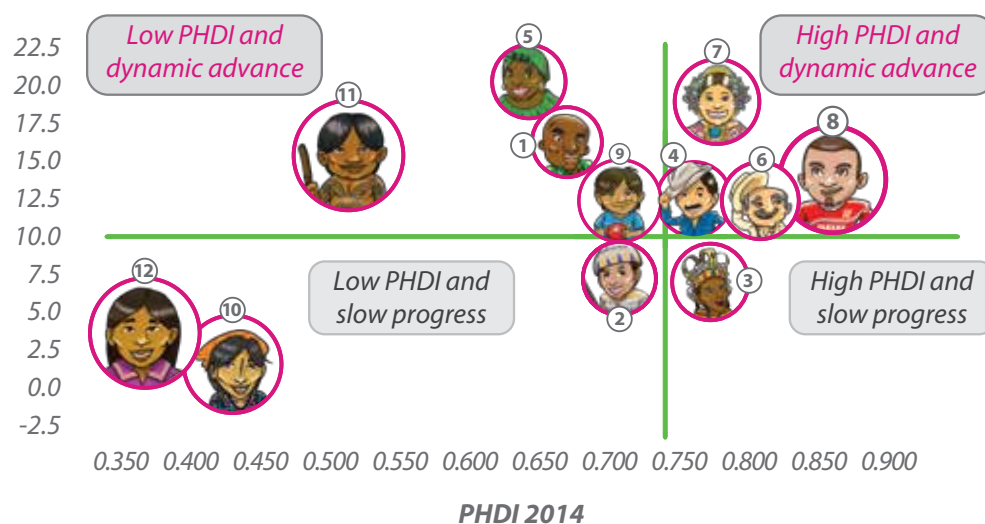
Human Development and quality of life.

There are differences in the level of human development in the provinces and communities of the country, but inequality is also reflected in the growth rate. Based on these premises, a classification of the provinces and communities in four groups was carried out, taking into account the Panama Human Development Index (PHDI) and ranking them as below, equal or higher than average, as well as if their % of progress or advance is lesser or greater than the country average:

- 1) Low PHDI and slow progress
- 2) Low PHDI and dynamic advance
- 3) High PHDI and slow progress
- 4) High PHDI and dynamic advance

PHDI Achievement and level of progress (2014)

Graph 3



Source: own analysis based on Household survey and demographic information. (INEC).

Those areas with lower PHDI show more inequality between components, especially high are the gaps in living standards, which presents a major challenge for the country in terms of access to basic services and quality jobs.

A high ratio between the coverage of basic services and life expectancy was identified, which reveals the effect of water services, sanitation and electricity in the health of the population.

It also showed that the technology gap is larger than that of basic services. While the use of mobile phones has become widespread, computers and Internet access present a greater gap: in Panama and Colón around 50% of the population have access but in the indigenous communities it is below 20%, and less than even 10% in the Ngäbe Buglé community.

Furthermore, it can be observed that, while there is a high level of employment in the country, not all jobs reach the desired level of productivity and wages, and in the case of the communities it shows that the economic dynamic has not been effective in improving accessibility to employment and higher incomes, while the contribution of transfers and subsidies has increased.

Water coverage rates of 2014 show a positive trend, although much of the service is provided by rural aqueducts that do not always offer the correct treatment for drinking water. Aqueducts of the Institute of Aqueducts and Sewers that provide drinking water have a higher proportion in urban areas of greater development.

Panama has a medium-high average of Human Development, but with marked differences between provinces, especially in the dimension of standard of living that evaluates the access to basic services, income and employment. This indicates the need to pay more attention to this area, considering its effects on other dimensions such as health and education.



The trend showed a high dynamism in the country, but has also been uneven, providing evidence that the limitations to progress are in the very conditions of the development. Therefore, advances must be made to equalize opportunities in different areas and communities in the country in order to take full advantage of the capacity to build and benefit from a more humane, inclusive and sustainable development.

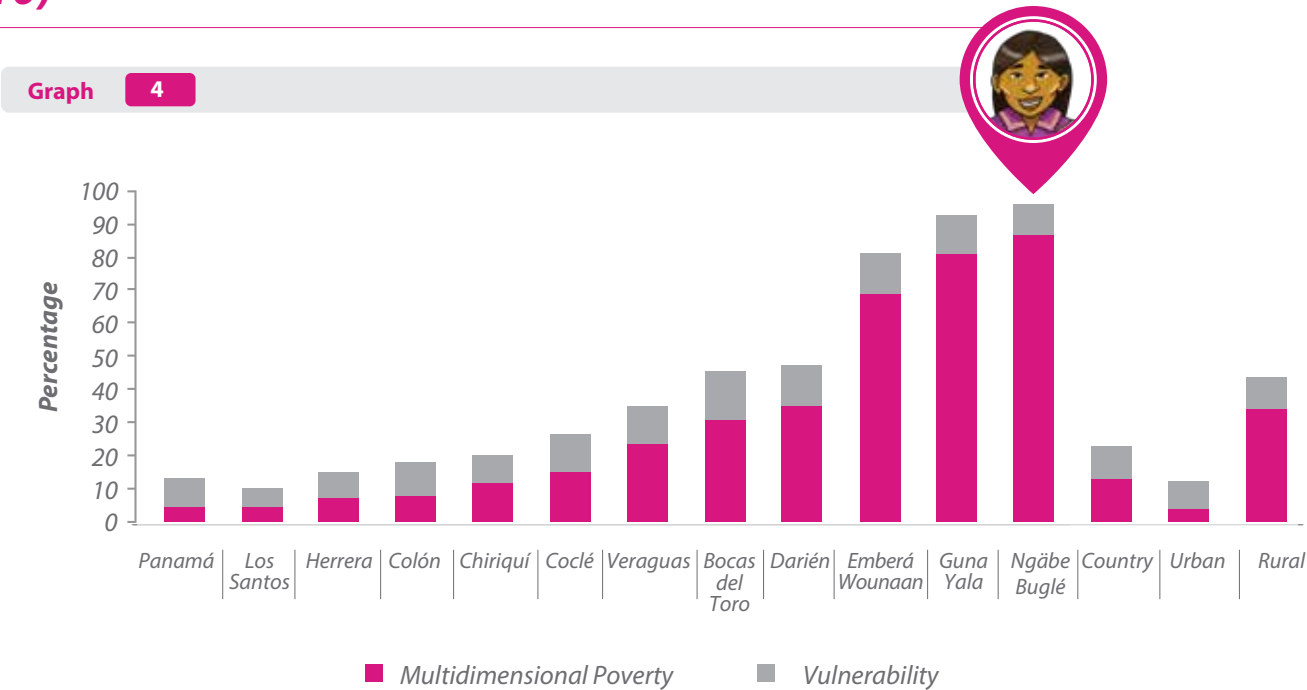
Multidimensional Poverty

Income is not a sufficient representation of the needs of people. The Multidimensional Poverty Index (MPI) identifies multiple individual deprivations in education, health and standard of living.

The Multidimensional Poverty Index (MPI) in the country was 14.1% as a national average, but it fluctuates on a range from 4.2% in Panama to 89.5% in the Ngäbe Buglé community.

If the vulnerable population is added, a population near the limit of MP, the national average rises to 23.3% of the population in multidimensional poverty and vulnerability.

MPI and vulnerability by province and community (2010)



Source: Own analysis based on population and housing census 2010. (INEC).

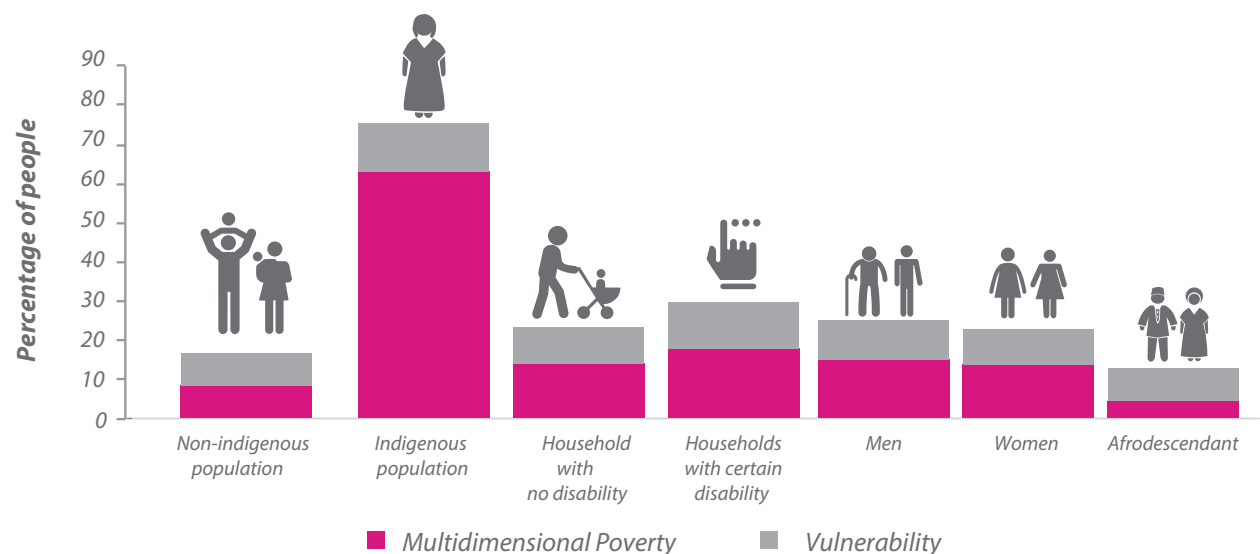
By adding both populations, the Ngäbe Buglé community approaches 98%, Guna Yala exceeds 90% and Emberá Wounaan is above 80%.

Multidimensional poverty helps visualize the persistence of inequality and the fact that there are people and communities who are unable to benefit equally from the progress the country enjoys. These are the priority populations, which must receive special support through public policies: children in poverty conditions, out-of-school youth, women outside the labor market, people with disabilities and indigenous populations in vulnerable conditions.

MPI and vulnerability by group (2010)

Graph

5



Source: Own analysis based on population and housing census 2010. (INEC).

The Challenge of Gender Inequality

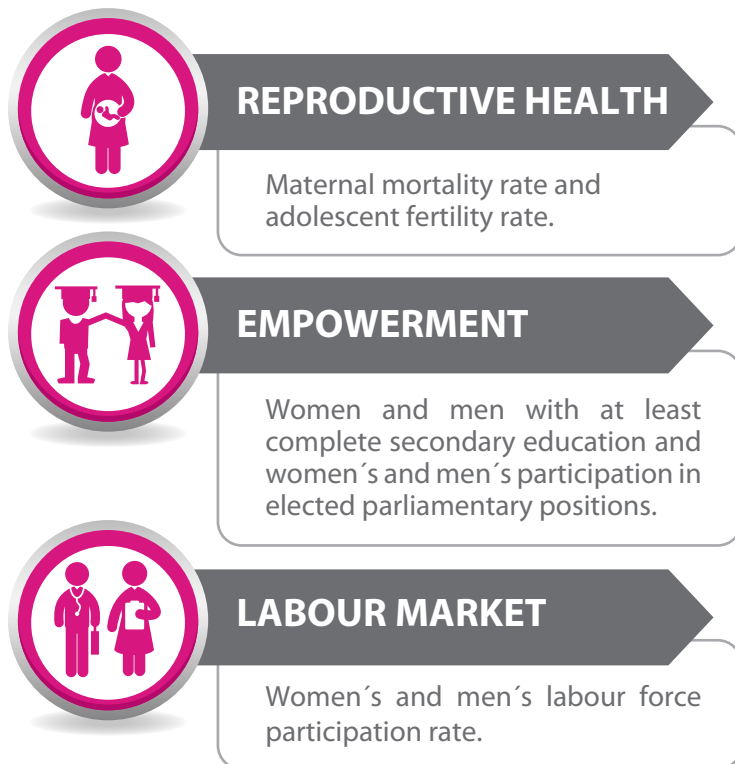
The Gender Inequality Index (GII) was developed by the United Nations Development Programme (UNDP) in 2010 to measure the disadvantages that women may experience compared to men in three dimensions: reproductive health, empowerment and the labor market.

The GII shows how women face significant disadvantages in all provinces in Panama and their human development losses exceed 54% in all cases. Gender inequality in Panama is high and increased between 2009 and 2014. In addition, women face different levels of inequality according to the province where they live.

The analysis reports dynamic progress and losses in different dimensions, however, the labor market is the only one that shows little variation and, in many cases, a worsening trend in many of the provinces. On the other hand, the dimension of empowerment presents the greatest gender inequality in our country, as in no province does it exceed 0.5. Both dimensions require more efforts in creating policies that facilitate access, improve the quality of employment for women and facilitate their political participation.

The GII measures three dimensions

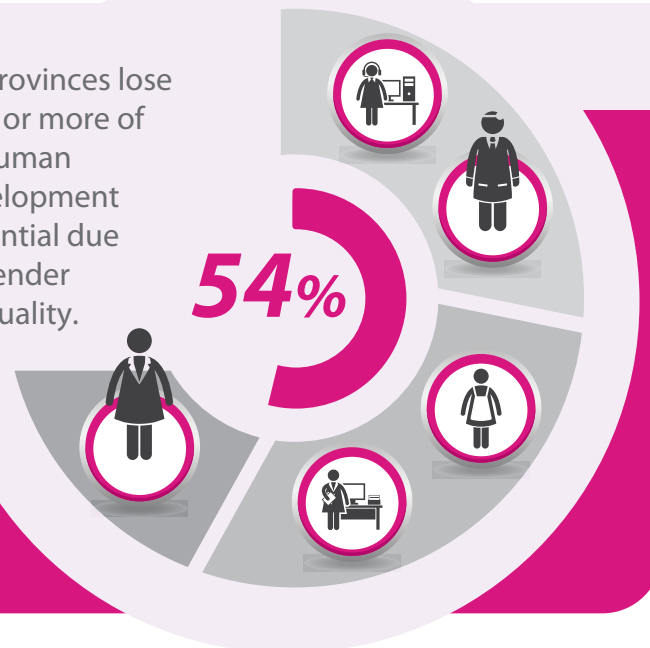
Gender Inequality Index indicators:



The dynamic is of both progress and losses, with some provinces making great strides toward equality and others that reflect significant losses. To reduce inequality, the country should improve the empowerment of women, a dimension that shows the lowest levels. A second challenge is the labor market, as progress in this sector is almost zero and some provinces show a tendency to worsen.

All provinces lose 54% or more of its human development potential due to gender inequality.

54%



Bocas del Toro

Municipality	PHDI 2010
Changuinola	0.658
Bocas del Toro	0.602
Chiriquí Grande	0.575

1

Comarca Ngäbe Buglé

Municipality	PHDI 2010
Kusapín	0.400
Ñürüm	0.375
Nole Duima	0.369
Müna	0.356
Mirono	0.352
Kankintú	0.339
Besiko	0.309

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Chiriquí

Municipality	PHDI 2010
David	0.789
Dolega	0.780
Boquete	0.732
San Félix	0.724
Bugaba	0.706
Remedios	0.697
Boquerón	0.695
Gualaca	0.681
Barú	0.681
Alanje	0.661
San Lorenzo	0.632
Renacimiento	0.604
Tolé	0.580

4

Coclé

Municipality	PHDI 2010
Agua Dulce	0.780
Natá	0.712
Antón	0.689
Penonomé	0.676
La Pintada	0.590
Olá	0.558

2

Veraguas

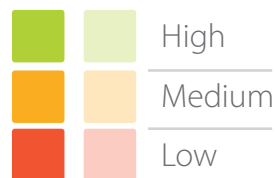
Municipality	PHDI 2010
Santiago	0.792
Atalaya	0.731
Montijo	0.676
Río de Jesús	0.663
Soná	0.610
Mariato	0.600
La Mesa	0.580
Calobre	0.570
San Francisco	0.561
Las Palmas	0.506
Santa Fé	0.489
Cañazas	0.467

9

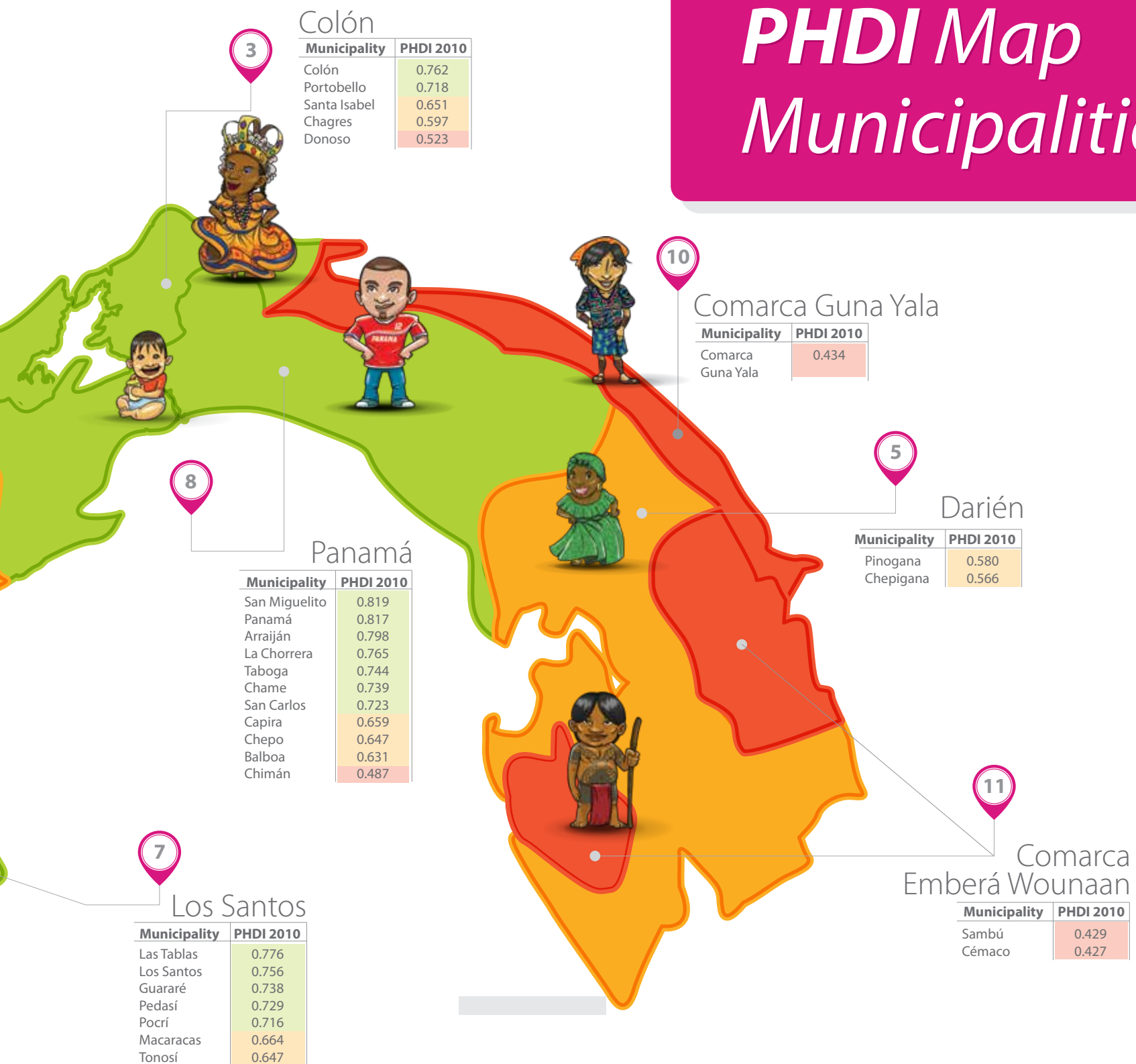
Herrera

Municipality	PHDI 2010
Chitré	0.801
Santa María	0.737
Parita	0.718
Pesé	0.713
Ocú	0.679
Los Pozos	0.628
Las Minas	0.564

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PHDI Map Municipalities



Bocas del Toro

Municipality	MPI 2010
Changuinola	33.1
Chiriquí Grande	42.3
Bocas del Toro	50.7

Comarca Ngäbe Buglé

Municipality	MPI 2010
Nürüm	74.2
Nole Duima	85.0
Kusapín	89.8
Müna	90.7
Kankintú	90.9
Mirono	90.9
Besiko	95.3

Chiriquí

Municipality	MPI 2010
Dolega	4.8
David	5.5
Boquete	10.3
San Félix	10.9
Boquerón	12.4
Bugaba	13.6
Barú	15.2
Gualaca	16.0
Remedios	16.1
Alanje	22.4
San Lorenzo	25.1
Renacimiento	28.4
Tolé	42.9

Coclé

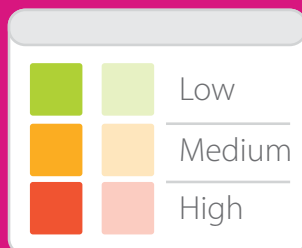
Municipality	MPI 2010
Agua Dulce	3.2
Antón	10.6
Natá	12.6
Penonomé	21.5
La Pintada	27.5
Olá	36.6

Veraguas

Municipality	MPI 2010
Santiago	4.2
Atalaya	7.0
Montijo	8.5
Río de Jesús	14.8
Mariato	23.7
Soná	28.2
Calobre	34.8
La Mesa	38.2
San Francisco	42.8
Las Palmas	55.7
Santa Fé	59.0
Cañazas	63.5

Herrera

Municipality	MPI 2010
Chitré	2.2
Pesé	4.2
Parita	4.9
Santa María	5.2
Ocú	14.4
Los Pozos	16.2
Las Minas	41.8



MPI Map Municipalities

Colón

Municipality	MPI 2010
Colón	4.2
Portobello	5.5
Santa Isabel	10.4
Chagres	35.8
Donoso	58.2



Comarca Guna Yala

Municipality	MPI 2010
Comarca Guna Yala	82.3



Panamá

Municipality	MPI 2010
Taboga	1.6
San Miguelito	2.0
Panamá	2.9
Arraiján	3.8
San Carlos	4.0
La Chorrera	5.8
Chame	6.1
Balboa	15.4
Capira	19.0
Chepo	24.9
Chimán	49.6



Darién

Municipality	MPI 2010
Chepigana	36.1
Pinogana	37.0



Comarca Emberá Wounaan

Municipality	MPI 2010
Cémaco	75.3
Sambú	53.2

Los Santos

Municipality	MPI 2010
Las Tablas	2.2
Los Santos	2.9
Guararé	3.5
Pocrí	3.5
Pedasí	5.0
Tonosí	10.8
Macaracas	11.9

CHAPTER III

CONTEXT OF DEVELOPMENT

The country's wealth, measured by the Gross Domestic Product (GDP), is highly concentrated. Panama province, with a little more than 50% of the population, produces 71% of GDP, followed by Colón and Chiriquí, which in 2012 altogether made up 89.4% of the wealth and 70% of the population.

In the country there are three main models of economic activity: a model centered in services (Panama, Colón and Bocas del Toro); a more diversified model (Chiriquí, Herrera and Coclé); and another model of primary activity (Los Santos, Veraguas and Darién). The latter model also includes the indigenous communities, although no GDP data are available for them.



The provinces of Darién, Veraguas, Herrera and Los Santos present a significant contribution in the agricultural, cattle and fishing industries. Herrera and Los Santos also stand out for its contribution in the social services sector.



Coclé, besides agricultural, cattle and fishing activities, contributes significantly in the industrial, hotel and restaurant sectors.



Bocas del Toro and Chiriquí present a high contribution in the primary sector, but also in the activities related to electricity, gas and water.



Colón shows a vocation in activities related to commerce, industry and communications.



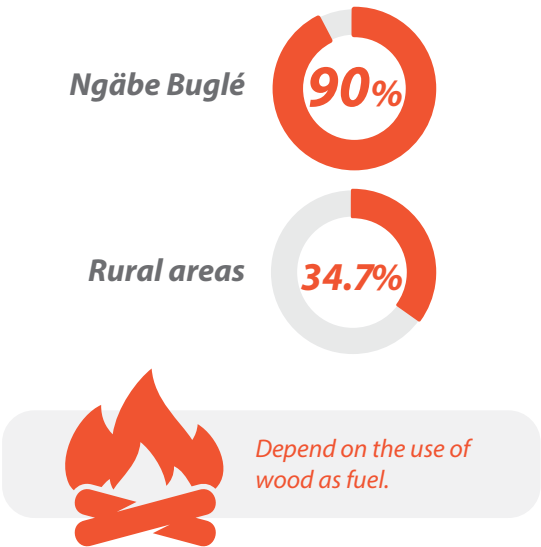
Panamá stands out in all sectors, but especially in the activities related to mining and quarries, construction, financial intermediation, real state, social services and private health services.

As mentioned, the production of GDP is highly concentrated in the metropolitan area and in the service sector, but from the perspective of per capita GDP, taken as a measure of productivity per person, Los Santos, Bocas del Toro, Herrera and Coclé also excel in their ability to generate wealth with different economic development patterns.

The challenge of sustainability exists for all these models, which implies both the efficient use of natural resources, with emphasis on renewable energy sources, as well as the development of capacities within the population to allow them to migrate to activities focused on the generation of knowledge and the inclusion of friendly technologies that allow for the generation of surplus value with an efficient use of resources.

The use of wood as fuel has been shown to still be of importance, and on the average 34.7% of the population in rural areas depends on it. Another indicator of low sustainability is the management of solid waste.

On average, 33.2% of the population stated that it eliminates waste directly into the environment. In rural areas, this percentage rises to 77.6% and in indigenous communities it is almost 100%.



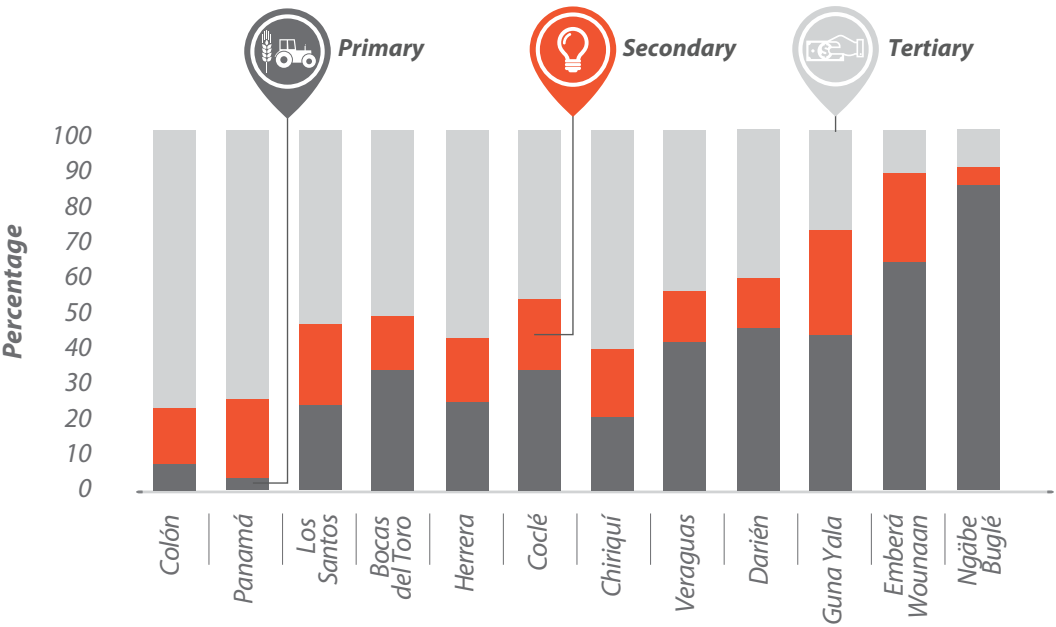
The highest income, observed in Panama and Colón, was seen to respond to a structure of employment in which the predominant activity is of tertiary services. Middle-income areas have a more diversified structure, while lower income areas have a structure of employment centered in the primary sector.



Distribution of the economically active population by sector. Provinces and indigenous communities sorted by income in descending order. (2014)

Graph

6



Source: Own analysis based on National Accounts and demographic information. (INEC).

The areas that reveal the highest level of inactivity, including unemployment, are Panama, Los Santos, Coclé, Colón and Chiriquí, indicating the presence of a greater population of dependent people. Most of the population in all areas is inserted into the labor market, with figures ranging between 50 and 60% of the population. The population in school includes between 15 and 25 %, and the group whose main activity is taking care of a home fluctuates between 10 and 20%, which represents a high percentage, close to the population that studies, but which is an activity that is invisible, unpaid and not protected by social security.

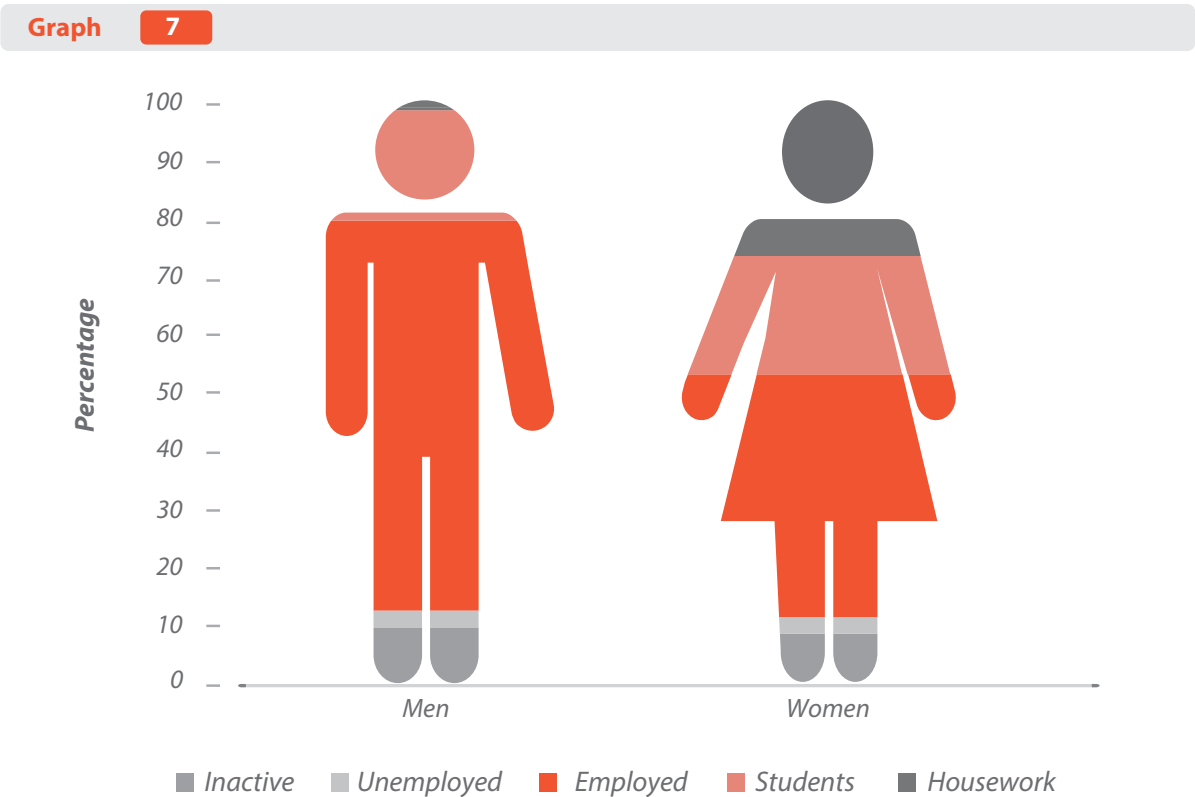
The main activities of men are work (67.7%) and study (19.3%), while women work (41.9%), engage in domestic activity (26.2%) and study (20.5%). The fact that they engage in housework explains the lower employment rate of women.

With regard to social security, the highest level of coverage is to be seen in Panama where it exceeds 60%. A group of provinces, including Los Santos, Herrera, Bocas del Toro, Colón and Chiriquí, have between 50 and 60% coverage. Coclé and Veraguas are close to 40%, Darien has 20% and the communities of Guna Yala, Emberá Wounaan and Ngäbe Buglé have a lower coverage of 10%.

Darien has 20% and the communities of Guna Yala, Emberá Wounaan and Ngäbe Buglé have a lower coverage of 10%.

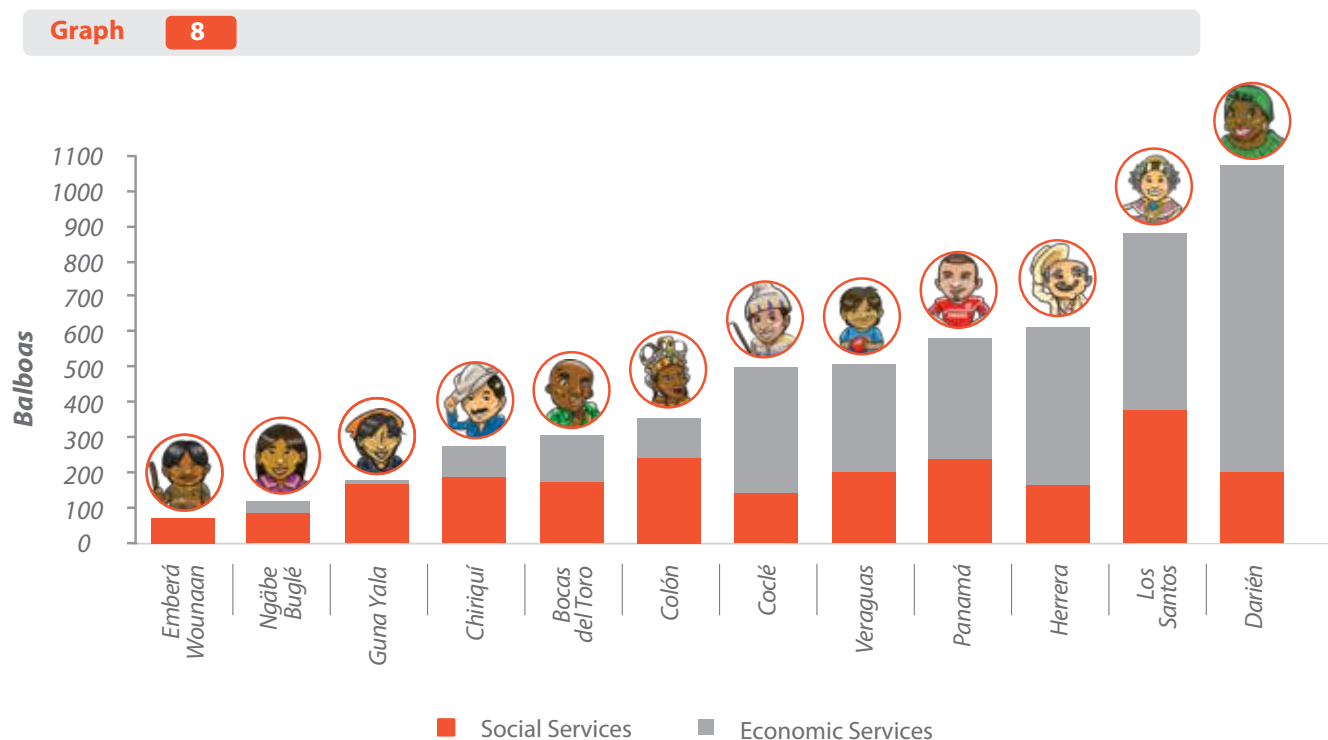
The analysis of public investment reveals that there is a clear association between greater social investment per capita and greater achievement in human development, with the highest results in the upper range of 200 balboas, a range in which only Los Santos, Colón and Panama are to be found. On the other hand, the communities of Guna Yala and Emberá Wounaan, with the lowest PHDI, are those with less social investment per capita.

Condition of activity by sex (2014)



Source: Own analysis based on household survey. (INEC).

Annual investment per capita, by province and indigenous community (2013)



Source: Own analysis based on information provided by the Nation's Budget Office. (MEF).

It was also found that the greater the total public investment (economic and social) per person, the more dynamic the progress in human development. That is, investment targeted to social services would lead to an improvement in the PHDI while general investment accelerates the rate of progress in different areas and regions.

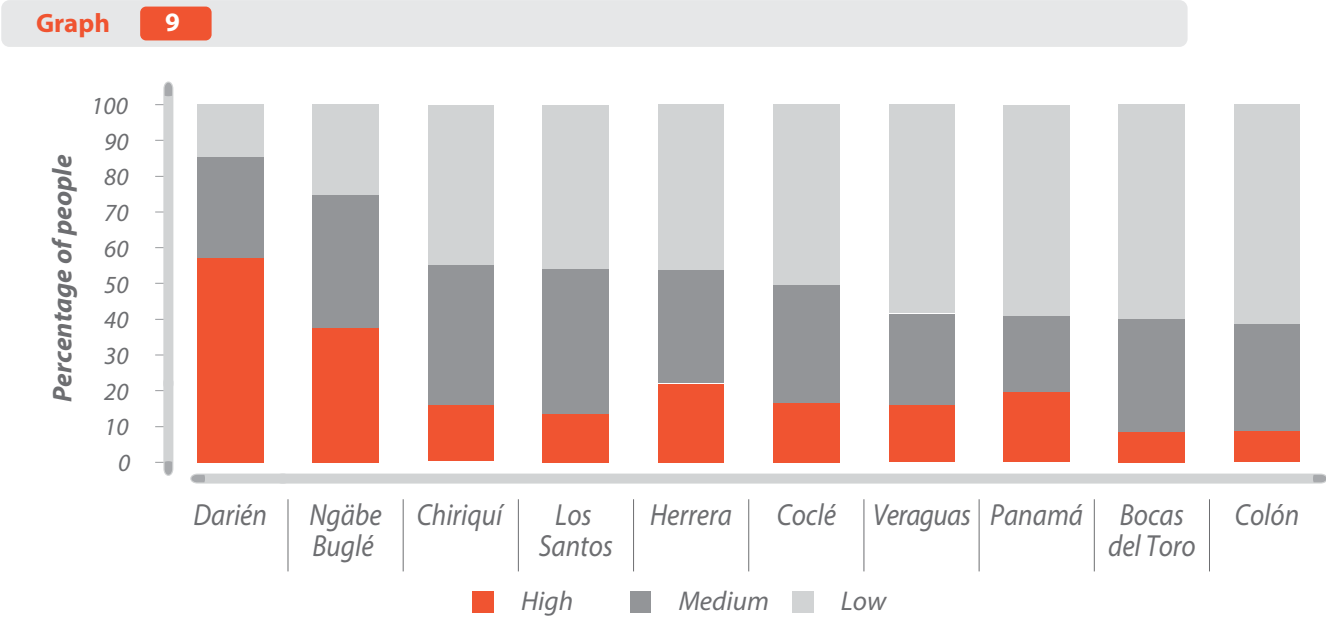
The Atlas also shows that there are imbalances in the distribution of the per capita municipal budget on a provincial level. This inequality also affects municipalities in the same province, as in the case of Colón, where Donoso has the highest per capita municipal budget in the country (B/380) while Chagres has just B/20.

In addition, a greater municipal budget is associated with higher levels of human development, while it bears little relation to the satisfaction with municipal services, whose levels remain low in most provinces.


Social capital in most provinces is between 40 and 55%, which leaves a significant margin for action to begin to

improve interpersonal trust and, especially, social participation that tends to have lower levels. A lack of social cohesion in regions of high human development can be observed, which could pose a risk to peaceful coexistence and the sustainability of good results in other dimensions of development.

Level of social capital (2014)



Source: Own analysis based on Americas Barometer Survey . LAPOP 2014. Vanderbilt University.



In researching the link between development and security, it was found that a greater level of progress in human development is associated with higher levels of victimization. Darién, Bocas del Toro and Panama, provinces with more progress in human development, showed the highest crime rate. This situation could reflect an unequal distribution of benefits and the need to strengthen the local capacity to manage security in light of imbalances that arise from rapid and often unexpected progress.

Another analysis reveals that those provinces with a greater PHDI showed a lower perception of insecurity. This relationship could be explained by the fact that communities with greater human development have their own resources to protect themselves, as well as institutional resources in which the government has a greater capacity to respond to vulnerability.

CONCLUSIONS

Atlas of Local Human Development: Panama 2015

Atlas of Local Human Development: Panama 2015 allows for the identification of characteristics of the population and also shows its development context, considering aspects that function as facilitators or constraints on progress, such as the production structure and the labor market, public investment, municipal capacities and social capital.

People have different demands and capacities according to their place in the life cycle, characteristics that should be considered when planning public policies. There are areas that demand more attention to early childhood and youth, areas that have a large population group of working-age people that require employment programs, and provinces where there is a growing elderly population that requires care, health and social security policies.

Panama has a medium-high level of human development, but with marked differences between provinces, especially in the dimension of standard of living that evaluates access to basic services, income and employment. Those areas with a lower Panama Human Development Index (PHDI) show more inequality between components, and the gaps in decent standard of living are especially high, which implies major challenges for the country in access to basic services and quality jobs. A high ratio between the coverage of basic services and life expectancy was identified, which reveals the effect of water services, sanitation and electricity on the health of the population.

The trend also showed a high, though uneven, dynamism in the country, which indicates that the limitations to progress are part the very conditions of the local environment.

Progress must be made in equalizing opportunities in different areas and communities of the country in order to take advantage of all the capacity people have to build and benefit from a more humane, inclusive and sustainable development.

Multidimensional poverty helps visualize the persistence of inequality and reveals that there are people and communities who are unable to benefit equally from the progress their country enjoys. These are the priority populations, which should be especially supported by public policies: children in conditions of poverty, out-of-school youth, women outside the labor market, people with disabilities and indigenous populations in vulnerable conditions.

The inequality of human development achievements in Panama is also reflected in the Gender Inequality Index (GII), which measures the dimensions of reproductive health, empowerment and labor market. The country's GII shows an unfavorable evolution, revealing a high inequality in Panama in which heavy losses in human development potential are accumulated through the inequality in achievement between women and men.

The greater the total public investment per capita, the more dynamic progress in human development is observed. Investment targeted towards social services would allow for improvement in the index, and general investment would accelerate the rate of progress in different areas or regions. Therefore, resource allocation based on criteria of equality is needed in order to allow more resources to be used to promote development in the most backward areas.

Social capital is also a vehicle for human development. As more people increase their participation and control over decisions that affect them, they will have more power of action to achieve solutions and improve the efficiency of programs and projects.

Provinces with high levels of human development, such as Panama, Herrera, Los Santos and Colón, do not present high levels of social capital, a fact that is a warning of deterioration in the social fabric and quality of civic life. Darién and the Ngäbe Buglé community are the only areas that have high social capital, which could be explained by their status as rural areas, in which less urbanization and modernization, as well as greater cultural links, facilitate social integration and stimulate collective initiatives.

Panama must strengthen its social capital, including social participation, which is weak in several provinces, strengthening social fabric, which in turn is linked to the reduction of crime and the strengthening of citizen-based security based on models of democratic coexistence that will allow people to actively participate in making decisions that affect their development. Urban transformations and investments should also be planned better and be carried out in an inclusive and participatory way in order to reduce negative effects on the social fabric.





ATLAS

of Local Human Development:
Panama 2015



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Bocas del Toro

Ngäbe-Buglé

Chiriquí

Veraguas

Coclé

Herrera

Los Santos