

# Alternative Futures for Panama's Systematic Development

Jose Polo  
Graduate Institute of Futures Studies  
Taiwan

---

## Abstract

*This paper is based on research which aims to influence governmental policy, corporate and civil society leaders in Panama to explore alternative futures using a futures thinking approach to challenge the current economic development paradigm and move towards a systematic development model (economic, human and sustainable development). Causal Layered Analysis (CLA) and scenarios are the futures studies methodologies applied here for creating alternative futures. The research results demonstrate that a complete systematic development model with renewed cultural moral values could achieve systematic development in a long-term process. Finally, this research advises of the need for further research. Academics and professionals using the futures studies approach need to take action and initiatives in the real world with concrete results, so people can believe in the effectiveness of this discipline for today's society.*

**Keywords:** Panama, systematic development, alternative futures, causal layered analysis, scenarios

---

## Introduction

Systematic development is "a process of enlarging people's choices; of enhancing 'participatory democratic process' and the ability of people to have a say in the decisions that shape their lives" (Staudt, 1991, pp. 9-28). The role of systematic development is still unknown territory in Panama, Latin America, and among corporate and civil leaders in these regions. The effects systematic development might have on a country are still unclear and many questions remain regarding this model. Therefore, it is important to understand the effects systematic development could achieve in the short and long-term. This understanding could provide Panamanian and Latin American leaders and policy-makers with the confidence to consider the possibility of an alternative type of development concerned with the future.

---

\* He wishes to thank Patricia Kelly, consulting editor to JFS for her considerable assistance in editing this article.

## Purpose of This Research

This paper aims to influence governmental policy, corporate and civil society leaders in Panama to explore different types of alternative futures in the development area that will lead to systematic development. Applying futures studies methodologies such as CLA with its poststructural deep framework and also scenarios with their wide-range of possibilities could create alternative futures. Therefore, futures' thinking with its systematic approach is essential for Panama to achieve systematic development. My approach using futures thinking in this paper is as follows:

- Use the futures thinking approach in Panama to challenge the current economic development paradigm and move towards systematic development.
- Initiate a futures thinking process in Panama that includes citizens, government, corporate and community leaders, and educators.
- Bring about a cultural and social change in Panama by enhancing flexibility of thought, enhancing the view of the long-term and keeping Panama vision-driven.
- Use futures studies methodologies such as CLA and scenarios to understand better the alternatives facing Panama.

The purpose of this study is also a way for Panamanian leaders to continue working on development projects such as the Millennium Project and The Plan Puebla Panama. The latter plan is a regional strategy driven by Central America and Mexico, whose fundamental aim is to:

- Empower economic and social development
- Reduce poverty
- Increase wealth of the human capital
- Increase quality of life

By means of the facilitation of management and execution of diverse projects is intended to improve the connectivity and competitiveness of the region, to encourage economic and social development, environmental responsibility, and to generate new sources of work. This effort is oriented to the 65.6 million inhabitants who inhabit Latin America, 28 million in the southeastern region of Mexico (Guerrero, Puebla, Veracruz, Oaxaca, Chiapas, Tabasco, Logwood, Yucatan, Quintana Roo and Chiapas) and 37 million in Central America (Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica and Panama). Plan Puebla Panama will create a common bond in the history, culture, traditions and values shared in the same geographic space, with renewed aspirations and common goals. The efforts of The Plan Puebla Panama are oriented to benefit the traditionally marginalized populations (Instituto Nacional de Electrificación, 2003, Introduccion, para. 3).

## Statement of the Problem

Panamanian government leaders and policy-makers currently use the economic development model as a mechanism of development, forgetting the importance of human development. Panama and the world do not necessarily have to use economic models to solve the current and future situation of our world (environmental, econom-

ical, political, spiritual, and humanitarian). Instead society (meaning the people) needs to confront the current situation with values and long-term thinking.

Economic development in Panama has not been able to address issues of human rights, sustainability and equity. In February 1, 2008 at the UNICEF's (United Nations Children's Fund) Executive Board meeting, the Panamanian First Lady, "Ms. Fernandez de Torrijos pointed out that disabled people living in her region lack access to socio-economic development" (Okafor, 2008, Section Session news, para.6). These comments made by Panama's First Lady referred to the many poor and extremely poor people that the country has, although has recently progressed in economic development. For example, in Panama approximately 4 in 10 people live in total poverty (37.2%) and, in the total population, 16,7%, or 511.800 Panamanians live in extreme poverty (Ministerio de Economia y Finanzas, Principales Resultados section, 2005, para. 1). It is estimated that the minimum redistributive effort needed to eradicate total poverty in Panama, would involve directly transferring to the poor 3,7% of the Gross Internal Product, which is \$448 millions annually (US dollars). In order for the people in extreme poverty to achieve the condition of non-extreme poverty, the minimum redistributive effort would be in the order of \$104 million annually (US dollars). This group of people would then achieve a level of annual consumption equal to the value of the minimum food basket (MEF, 2005, Brecha de Pobreza section, para.1). The children of Panama, minors of 6 years, are the most affected by poverty. Three in ten are in extreme poverty and more than half are in total poverty (Ministerio de Economia y Finanzas, 2005, Incidencia de la Pobreza por Grupos de Edad section, para. 1). As mentioned above, economic development in Panama has not been able to address issues of human rights, sustainability and equity. With poverty and extreme poverty being more embedded in Panama, it is hard to say that development has happened at all levels. That is why economic development needs to work with sustainable and human development (in whatever order), to act as a systematic development model for Panama leaders and policy-makers to follow.

The systematic development model still has not developed at a local and regional government levels in Panama. Economic growth, power, competitiveness, technology, consumption, and efficiency are some of the factors that are driving a self-sustainable systematic development model in Panama away from its possible development. That is the reason why systematic development in Panama needs to embrace futures thinking integrating economic, human and sustainable principles by "referring to both present and future generations motivated by a real concern for long-term well being of humanity" (Kelly, Sirr, & Ratcliffe, 2004, p.88). Figure 1 is a model characterized by a gradual convergence of three circles, indicating a holistic and co-coordinated approach that fully integrates economy, environment and society (Dooris, 1999).

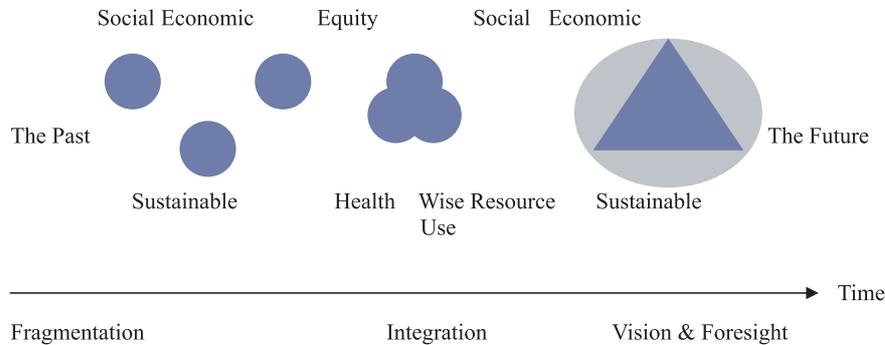


Figure 1. Sustainable – Economy – Society

Note. From Jamie, 2002, cited in Saunders "Futures Thinking to Achieve Sustainable Development at Local Level in Ireland," by Ruth Kelly, Lorcan Sirr, & John Ratcliffe, 2004, *Foresight*, 6(2), p. 81.

Figure 1 proposes a systematic model for Panama to follow. Actually the social, economic and sustainable factors in Panama are functioning as independent models. The goal here is putting together these three important factors to function as one. With the assistance of futures thinking, vision and foresight, integration can occur, enhancing equity, health and wise resource use that will imply that "the reconciliation of long-term socio-economic development, environmental protection and quality of life; essentially is concerned with the future" (Kelly et al., 2004, p.80). The junction of the three circles indicates a systematic approach of integration that is sustainable and also future-oriented.

## Important Concepts of Development

### Systematic development

Systematic development in Panama should be "constructed as a process of enlarging people's choices; of enhancing 'participatory democratic process' and the ability of people to have a say in the decisions that shape their lives" (Staudt, 1991, pp. 9-28).

In Panama systematic development should also be considered as an alternative to ensure a good life in our times and also in the future. Society needs to find numerous possibilities for researching and answering all different questions and critics. The focus of systematic development should be on achieving a better life, and this analysis has to include the nature of the life that people succeed in living (Sen, 1988, p.15). Therefore, some of the objectives of systematic development in Panama are described as follows:

1. Removal of poverty and malnutrition
2. Increase life expectancy
3. Access to sanitation, clean water and health services
4. Reduce infant mortality
5. Increase access to knowledge and schooling (Debraj, 1998, pp. 8-9)

### **Economic development**

Economic development is defined as "the means to 'carry out a nation's development goals' and to promote economic growth, equity and national self-reliance" (Staudt, 1991, pp.9-28). It also helps a nation by providing sense of direction, taking control of their situations, specifying goals and creating ways to fulfill them (Molitor, 2007, p.3). For The World Bank, economic development is "qualitative change and restructuring in a country's economy in connection with technological and social progress" (2004, Glossary section, para. 18). For Panama these definitions imply that it will require economic development to achieve minimal standards for everyone to live in good conditions (Furtado, Belt & Jammi, 1999, p.1). In terms of political development, Panama should take serious consideration key factors in economic development by finding the balance between the political and the non-political, between the old and the new, and the importance of human versus material resources (Kahn, 1979, p.332). In terms of a systematic economic development for Panama, Sen expresses key factors with which economic development should be concerned:

1. Supply of food
2. Clothing
3. Educational facilities
4. Medical services
5. Housing and more (1988, p.12).

Panama's policy-makers, governmental, private and social leaders could also use Prabhat Ranjan Sarkar's spiritual-human approach by thinking that economic development vision in Panama requires basic life need like: shelter, food, clothes, health, education and most importantly the chances for men and women to gain physical security to pursue intellectual and spiritual development (Inayatullah, 1999, p.23).

### **Human development**

Human development not only creates economic development but also should distribute benefits in Panama in an equitable way. Human development is formed by norms, organizations, traditions, attitudes and values that promote unity in a determined society (De Vylder, 1995). In Panama human development should be seen as "a process of enlarging people's choices. Enlarging people's choices is achieved by expanding human capabilities and functioning's" (United Nations, 2004). This will provide development in Panama that also involves improved changes in the economic and political systems to reach specific persons in turn, these persons assume commitment to supporting economic development and the democracy development (Marmolejo, 2000).

It is important to mention that these development concepts could help Panama policy-makers, governmental and social leaders to provide a reciprocal dynamic system between human, economic and sustainable development, in which people trust and support the system, when they perceive the fruits of development and social relations are being built, on the bases of credibility, social participation and solidarity.

### **Sustainable development**

In Panama sustainable development should imply the understanding of the long-term quality of life and socio-economic development; but the future is the most important concern (Kelly et al., 2004, p.80). For The Department of Regional Development Secretariat for Economic and Social Affairs Organization of American States, sustainable development is within a country or region, gradual change characterized by economic growth, increased social equity, and maintenance of the natural resource base (1984, Glossary section). In Panama's case policymakers, government, private and social leaders should apply sustainable development as meeting the requirements of the present without compromising the ability of future generations to meet their own needs (United Nations, 2004).

### **Developing Alternative Futures in Panama**

To begin developing alternative futures in Panama, a CLA analysis is useful in expanding the richness of scenarios (Inayatullah, 2005, p.50). In this case, there will be a double variable scenario with a CLA incasting that will function as a deconstruction of Panama's alternative futures concerning Panama's future systematic development. I explain this below.

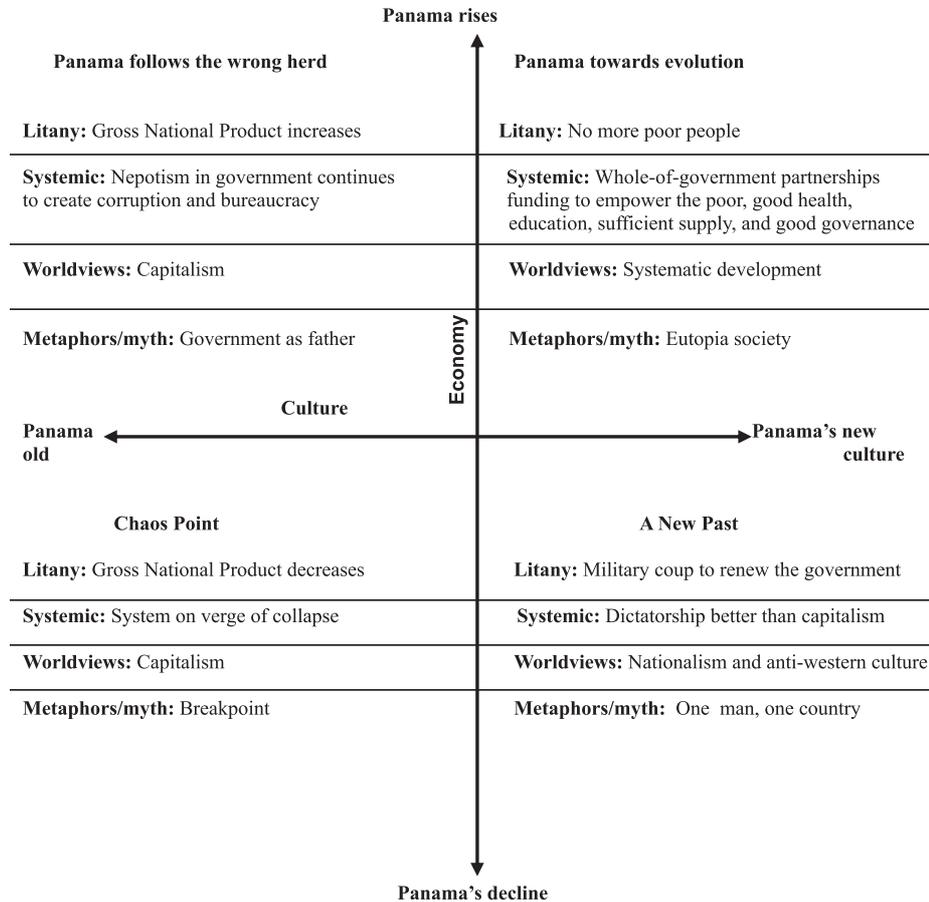


Figure 2. Panama's double variable scenarios with CLA incasting analysis

### Causal Layered Analysis and Scenarios

CLA is designed to investigate multiple levels of consciousness and understanding in a fitting analysis multi-layered (Hambel, 2005, p.78). CLA consists on four layers to the analysis:

1. At the first level is the litany. In this level everyone has the ability to identify the problems, trends, issues and situations in a very simple way. This is the level where everyone sees only the superficial part and it does not require much analysis and thinking. "Seen the superficial part helps create a feeling of helplessness (what can I do?), or apathy (nothing can be done!), or projected (Inayatullah, 2004, p.12)
2. At the second action level is the system. This has to do with everything, from social concerns to economic and political factors. Therefore, the "role of the state and other actors and interests is often explored at this level" (Inayatullah, 2005, p.56). That is why sometimes at this level everything gets paralyzed.

Who likes to be questioned about their work? Who is willing to accept their role in society to be the cause of problem? Who likes to be questioned about their power? This is the level in real life where everything is stopped and no one dares to go deeper, in order to reveal the truth.

3. This third level of worldview/discourse analysis "represents our interaction with our society and what it represents" (Russo, 2003, p.76). One of the tasks at this level is to "find deeper social, linguistic, and cultural processes that are actor invariant (not dependent on who the actors are) and to some extent system-invariant (Inayatullah, 2004, p.12). A Later, task is to analysis the role of the actors questioned at the system level (second level). That is why this "generates the tools needed to deconstruct the first and second levels" (Slaughter & Bussey, 2005, p.181).
4. This level of myth and metaphor is more concerned with the emotional part of the human being rather than the academic. It is the unconscious part which is going to feel and shape issues, problems, situations and more. This helps to create images of the future by "touching the heart instead of reading the head" (Inayatullah, 2005, p.56). Here is where one can find the core concepts of questioning.

The importance of CLA is that "at each level, analysis that can be undertaken to draw out the relevant facts, value system and myths. This allows for the teasing out of issues and ideas, especially those which appear contentious at the litany level" (Morrow, 2007, p.61). "The key point is to understand the kinds of questions that need to be asked in order to engage with the different levels" (Slaughter & Bussey, 2005, p.183).

The type of scenario methodology that can create different types of alternatives futures for Panama is the double variable scenario method developed by Galtung (Figure 2). This method "identifies two major uncertainties and develops scenarios based on these" (Inayatullah, 2008, p.15). The development of this scenario will be supported by the CLA analysis in what it is called incasting. Incasting is a technique which consists in thinking in a detailed description of a possible future based on a general scenario. This means that another task of the CLA analysis is to expand the range the richness and range of scenario development so the scenarios will be more reliable and flexible.

To open up alternative futures for Panama to enhance systematic development, the two critical uncertainties that result from the CLA analysis are:

- UseWorldview concept of development
- UseImpact of social causes

Will systematic development enhance Panama's progress to become a developed country? Or will it be the traditional way of economic development based on capitalism that will ensure Panama's future systematic development? Will Panama stay with the status quo of Latin American corruption culture or will they adopt new images of the future based on paradigms of change towards renewed moral values that will lead them to a sustainable way of life?

**Scenario #1 – Panama follows the wrong herd:** In this scenario inside the litany level is the Gross National Product Rises in Panama. At the systemic layer there is

the classical nepotism model in Panama and Latin American governments that brings corruption and bureaucracy at all levels. The worldview is the model of capitalism that leads only to economic growth and economic development around the world. The metaphor is 'government as father'. For Panamanians the government functions as an extension of the family. Taxes are paid so the government has to work for the people.

**Scenario #2 – Panama towards evolution:** In this second scenario, at the litany level there are no more poor people in Panama. This means a complete eradication of the poor and extreme-poor people. At the systemic level is empowerment made by the Panama government with partnership funding to empower the poor, health, education, sufficient supplies and good governance. The worldview would be an already implemented systematic development with positive effects on Panama's society. The metaphor/myth is a Eutopian society due to Panama's ideal to create a good society with a future-oriented perspective.

**Scenario #3 – Chaos Point:** At the litany level there is a Gross National Product decline in Panama's economy. That is why in the systemic layer Panama's system is on a verge of collapse. This is due to the worldviews of the classical model of capitalism. Finally in the metaphor/myth level it ends with a 'breaking point' of Panama's society. This 'breaking point' means that Panama had the chance to achieve systematic development and also success, but instead, took another way, which led to its social decline without the option of reversal.

**Scenario #4 – A new past:** At the litany level there is a military coup in Panama in hopes of a renewed government. At the systemic level dictatorship is better than capitalism. Panama had its last military coup in 1989 by General Manuel Antonio Noriega, which gave its society an experience on how a dictatorship can change a country's mindset. This will have a direct effect on worldviews, which will be a nationalist and anti-western mindset (is happening in Venezuela and Bolivia). Finally, the metaphor/myth is "one-man one country". This type of government was implemented in Panama in the 70's and 80's with its military government.

## Conclusions

I have demonstrated that Panama has numerous futures alternatives for achieving the systematic development model. However, having these entire alternatives does not assure Panama's leap from a developing country to a developed country; at least not in the short-term. The purpose of creating alternative futures in this research is to help Panama's government, corporate and civil leaders think deeply about why it is in the current situation, to create real-action plans, to care about which future it creates and the consequences.

## Correspondence

Jose Polo  
Graduate Institute of Futures Studies,  
Tamkang University  
0834-00606  
Panama, Republic of Panama  
Email: japololin@gmail.com  
works in Panama as a consulting futurist.

## References

- De Vylder, Stephan. (1995). *Sustainable human development and macroeconomics strategic lines and implications*. New York: PNUD.
- Debraj, Ray. (1998). *Development economics*. Princeton, NJ: Princeton University Press.
- Department of Regional Development Secretariat for Economic and Social Affairs Organization of American States. (1984). *Integrated regional development planning: Guidelines and case studies from OAS experience*. Retrieved June 5, 2008, from <http://www.oas.org/dsd/publications/Unit/oea03e/ch13.htm>
- Dooris, Mark. (1999). Healthy cities and local agenda 21: The UK experience, challenges for the new millennium. *Health Promotion International*, 14(4), 365-375.
- Furtado, Jose, Tamara Belt, & Romachandra Jammi. (1999). *Economic development and environmental sustainability*. Washington, DC: WBI.
- Hambel, Sabrina. (2005). Alternative futures of whiteness. *Journal of Futures Studies*, 10(2), 78-84.
- Inayatullah, Sohail. (1999). *Situating sarkar: Tantra, macrohistory and alternative futures*. Queensland, Australia: Gurukula.
- Inayatullah, Sohail. (2004). Causal layered analysis: Theory, historical context, and case studies. In Sohail Inayatullah (Ed.), *The causal layered analysis (CLA) reader*. Taipei, Taiwan: Tamkang University Press.
- Inayatullah, Sohail. (2005). *Questioning the future: Methods and tools for organizational and societal transformation*. Taipei, Taiwan: Tamkang University Press.
- Inayatullah, Sohail. (2008). Six pillars: Futures thinking for transforming. *Foresight*, 10(1), 4-21.
- Instituto Nacional de Electrificación. (2003). Plan Puebla Panama. Retrieved May 31, 2003, from <http://www.inde.gob.gt/Portal/Home.aspx?tabid=139>
- Kahn, Herman. (1979). *World economic development*. Boulder, Colorado: Westview.
- Kelly, Ruth, Lorcan Sirr, & John Ratcliffe. (2004). Futures thinking to achieve sustainable development at local level in Ireland. *Foresight*, 6(2), 80-90.
- Marmolejo, Miguel. (2000). *Presentacion del informe sobre aplicacion del convenio referido a los asuntos educativos de la poblacion indigena de Panama*. Panama: Ministerio de Educacion.
- Ministerio de Economia y Finanzas. (2005). La pobreza en Panama. Retrieved May 31, 2005, from <http://www.presidencia.gob.pa/senapan/Documentos/pobrezaPma.pdf>

- Molitor, Graham. (2008). Visionary national economic development: Plans, potentials and progress. *Journal of Futures Studies*, 12(4), 93-108.
- Morrow, Rowena. (2007). What is the debate around paid maternity leave really about? Using CLA to delve under the surface. *Journal of Futures Studies*, 11(4), 59-76.
- Okafor, Anwulika. (2008). *Executive board honours first lady of Panama for work with disabled children*. Retrieved May 5, 2008, from [http://www.unicef.org/about/execboard/index\\_42737.html](http://www.unicef.org/about/execboard/index_42737.html)
- Russo, Colin. (2003). The CLA questioning methodology. *Journal of Futures Studies*, 7(4), 73-82.
- Sen, Amartya. (1988). The concept of development. In Hollis Chenery, & T. N. Srinivasan (Eds.), *Handbook of development economics (1st ed.)* (p.10-12). New York: Elsevier Science.
- Slaughter, Richard, & Marcus Bussey. (2005). *Futures thinking for social foresight*. Taipei, Taiwan: Tamkang University Press in association with Foresight International.
- Staudt, Kathleen. (1991). *Managing development: State, society, and international contexts*. Newbury Park, CA: Sage.
- United Nations. (2004). *UN Department of Economic and Social Affairs*. Retrieved December 18, 2007, from <http://www.un.org/esa/sustdev/documents/agenda21/index.htm>
- World Bank. (2004). *Beyond economic growth student book*. Retrieved October 16, 2007, from <http://www.worldbank.org/depweb/english/beyond/global/glossary.html>

