



# Panama: 2024 Elections and U.S. Interests

### May 7, 2024

On May 5, 2024, Panamanians elected José Raúl Mulino, the right-wing candidate of the Realizing Goals (RM) and Alliance parties, as their president. Mulino captured 34.3% of the vote, almost 10 points ahead of the second-place candidate (**Figure 1**). Panamanians also cast votes for all 71 seats of the unicameral National Assembly; results show that no single party will have control over the legislature (**Figure 2**). Mulino's five-year term is set to begin on July 1, 2024.

The 118<sup>th</sup> Congress has demonstrated interest in Panama, particularly in terms of its role in international trade, transnational migration, and China's influence in the Western Hemisphere. Congress may assess how the elections might affect these and other issues of commercial and strategic importance to the United States.

## **Domestic Context**

Over the past five years, President Laurentino "Nito" Cortizo (2019-present) and legislators affiliated with his center-left Democratic Revolutionary Party (PRD) have controlled Panama's executive and legislative branches. Cortizo has faced a series of political and economic setbacks (e.g., the COVID-19 pandemic and a series of nationwide labor strikes and protests) that contributed to an 88% disapproval rating in February 2024.

The 2024 elections came at a political and economic juncture in Panama:

- In November 2023, Cortizo announced the closure of Cobre Panamá, a copper mine run by Canadian miner First Quantum, following the Supreme Court's ruling on the unconstitutionality of the contract with the company, as well as protests pushing for the mine's closure. The International Monetary Fund expects Panamanian economic growth to slow to 2.5% in 2024, from 7.5% in 2023, largely due to the decision.
- A historic drought linked to the El Niño climate phenomenon has resulted in daily transit restrictions through the Panama Canal. (Approximately 72% of transit is either to or from U.S. ports.)
- Large-scale northward migration through the Darién Gap of the Panama-Colombia border continues to be a humanitarian and security concern for Panama. More than 520,000 migrants crossed through the Darién Gap in 2023, and in 2024 there have been 144,635 irregular migrants recorded in Panama as of May 6.

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## **2024 Election Results**

President-elect Mulino, 64, previously served as former President Ricardo Martinelli's (2009-2014) government and justice minister (2009-2010) and public security minister (2010-2014). Mulino began the electoral campaign as Martinelli's vice-presidential candidate, but Martinelli was constitutionally barred from the presidency after Panama's Supreme Court upheld a money-laundering conviction sentencing him to 128 months in prison.

On May 3, Panama's Supreme Court rejected a constitutional challenge to Mulino's candidacy that argued he could not run for president since he was not elected in the RM primary election. Although Mulino was lesser known than Martinelli, the former president backed him and was central to his campaign, which used the slogan, "Martinelli is Mulino, Mulino is Martinelli." Mulino also pledged to restore the economic prosperity experienced during Martinelli's administration.

Mulino won the election with just over a third of the electoral vote, which was divided among six main candidates (**Figure 1**). Incumbent Vice President José Gabriel Carrizo finished sixth, reflecting the widespread discontent with the outgoing PRD government.



Figure 1. Results of Panama's 2024 Presidential Election

Source: CRS, based on data from Electoral Tribunal of Panama, with 99% of votes counted.

Mulino's RM and Alliance parties together won 15 seats in Panama's 71-seat National Assembly. That is to be the single largest bloc in the new legislature, with the exception of independent representatives, who won 21 seats (**Figure 2**). The ruling PRD party, which during the 2019 to 2024 congressional term held 35 legislative seats, won 12 seats in the election.



Figure 2. Results of Panama's 2024 Legislative Election

Source: CRS, based on data from Electoral Tribunal of Panama, with 98% of votes counted.

## **Implications for U.S. Policy and Congress**

The United States and Panama have maintained close ties during the Cortizo administration. In July 2023, the Biden Administration announced a bilateral partnership with Panama to explore opportunities to strengthen the global semiconductor supply chain under the CHIPS Act of 2022 (P.L. 117-167). Some Members of Congress have called for enhanced U.S. engagement with Panama and other members of the Alliance for Development in Democracy regional bloc (e.g., S.Res. 357).

On May 6, Secretary of State Antony Blinken congratulated Mulino, committing to continued bilateral efforts on "common goals of inclusive, sustainable economic growth, bolstering citizen security, and cooperatively curbing irregular migration through the Darién." It is unclear how Mulino's close ties with Martinelli, who in January 2023 was designated by the State Department for his "involvement in significant corruption" and barred from entering the United States, may affect U.S.-Panama relations.

Mulino, who has said that the U.S. southern border "moved to Panama," is likely to support bilateral efforts to manage and stem northward migration through the Darién Gap. The U.S. Department of Homeland Security currently maintains a transnational criminal investigative unit in Panama and supports an International Biometric Information-Sharing Program enabling Panamanian officials to detect potential security threats. Mulino has stated that he intends to "close the Darién" and repatriate migrants traveling through the dangerous jungle region. Congress may assess whether or not to support repatriation initiatives or collaboration on other migration matters with Panama after Mulino takes office.

It is unclear how Mulino will approach Panama's relationship with the People's Republic of China (PRC), which has been of concern to some Members of Congress. Shortly after the establishment of diplomatic relations in 2017, Panama was the first country in Latin America to join the PRC's Belt and Road Initiative, which aims to develop China-centered global infrastructure, transportation, trade, and production networks. Although the Cortizo administration has paused free trade agreement negotiations with China, in March 2024 the Panamanian government broke ground on a fourth bridge over the Panama Canal, constructed by a consortium of PRC state-owned companies. Congress may assess developments in Panama as it considers bills (e.g., H.R. 7571 and S. 3878) intended to compete with the PRC and promote stronger U.S.-Western Hemisphere relations.

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