TRAVEL + LEISURE

NOVEMBER 2005

BEST OF PARIS

PLUS

WHERE TO GO FOR THE HOLIDAYS

BELIZE
VIENNA
ASPEN
NEW ZEALAND
MEXICO
LOS ANGELES
AND MORE

U.S. $4.50 CANADA $5.50
DISPLAY UNTIL NOVEMBER [illegible], 2005

www.travelandleisure.com
aol keyword: travelandleisure

Continental Divide

From a capital city on the make to a seaside retreat in Pedasí to the superverdant cloud forest in Boquete, Amy Wilentz experiences the many facets of Panama, crossroads of the hemisphere

From November 2005

When you get off the plane in Panama City, you have to decide just what it is you're looking for, because Panama is full of possibilities. Panama is really three countries: glitzy, supermodern Panama City; the cool, inscrutable, slow-moving interior (including jungle and cloud forest); and the varied, surfable, fishable coasts—backpacker-land. Like so many places that are at the center of their geographical area, Panama is a dream factory. It is not a dull place of sure bets; it is not a superproduced place, as Costa Rica has become. Many dreams have been made in Panama, and many shattered, but it is a country that has always offered infinite potential. Panama is an opening gambit, and it opens the traveler up.

In panama city, everyone scoots around from meeting to meeting intent on business. In town, there is little sense of tropical becalming, little lolling about. It's a jittery, on-the-go city, a deal-making, black-coffee-drinking haven where something is always going down. But although it explains a lot about Panama, the capital is not the reason for coming. "This town is alive with business; oh, my God, how the Panamanians love commerce! This is the land of import-export," says Jean-Paul, a French tennis-shoe trader who is here for a month. All day long, as I make my way across town, refamiliarizing myself, I marvel at the grandeur of the Panama City skyline. I haven't been to Panama for about a decade, and it seems to me, as I turn my head upward at a 60-degree angle, that three dozen or more new high-rise apartment buildings have gone up in that time.

"More," says my Panamanian friend Berta.

In some neighborhoods, like the exclusive, residential Punta Paitilla, it looks as if there is simply no space left for more construction, and yet you can see a crane peeping out here and there. In the San Francisco area, only a few of the low-slung residential blocks remain. The business district is dense with new hotels and office buildings, and even the shoreline is beginning to fill up with skyscrapers. *Zoning* is not a word that means much in Panama. City planning is not a concept that carries weight.

And there's a dirty little secret—not a very well guarded one, at that—behind a great deal of the new construction. Later that night, I see that large patches of the skyline are unlit. One condominium complex we pass has only two lights burning, even though it has been there for more than a year and is over 15 stories high.

"Why are they empty?" I ask.

"Drug money," comes the response. Drug traffickers build some of these buildings, it turns out.

Dirty money goes into the project, and clean money comes out. It's a perfect plan, and efficient, because the projects are so huge and expensive. Basically, my friends inform me, the building we're looking at is a big washing machine. And so are many of the others.

"Still, some of the people who buy the condos are legit," one friend points out. I guess those are the people at home tonight, with their two lights burning.

Panama has long been a safe harbor for adventurers, schemers, and those with a piratical turn of mind. The country has a tax code that is friendly to foreign business and, until recently, secretive banking laws—like Switzerland's—that have made it easier to hide shady monies and engage in questionable dealings. It has historically attracted a transient population on the lookout for fast financial returns; indeed, many treasureseekers came through Panama at the height of the California gold rush in the 1850's, seeking a quick passage to the free money in the West Coast's dirt. The country has also been a loyal friend to the United States, an ally that was instrumental in the creation of Panama as a nation in 1903 (when the isthmus gained independence from Colombia) and that, a decade later, finished construction of the Panama Canal.

As one of its obligations of friendship, Panama has given asylum to many U.S.-approved dictators: most famously, the shah of Iran. Raoul Cédras, one of Haiti's former strongmen, still lives quietly in Panama City, it is said—in one of those condos. (Many in his brutal regime were graduates of the infamous School of the Americas, the United States–run military academy near Colón, which has outlived its Reagan-era curriculum of psychological operations, death-squad strategy, and torture and is now the big, impressive Meliá Panama Canal hotel; thus does tourism replace history.)

Although it is a connector between north and south, and between east and west, Panama is geographically disorienting, always presenting the traveler with directional conundrums. There are points in the country from which you travel west to east to get from the Atlantic to the Pacific. Still, I quickly learned—in a general sense—where I was in Panama. I was in the center of the Americas. And all this because of the canal. The canal has traditionally governed everything in Panama. It has the biggest cash flow of any business—well, certainly, of any legitimate business—in the country, and fees levied on transiting ships from around the world account for most of Panama's monetary intake. Running the canal is as important a job in many ways as being president of Panama, if not more so. And the canal is intimately tied to Panama's complicated demographics. During the late 1800's and up through the completion of the canal, there were not enough Panamanians available to dig the gigantic and demanding cuts or to build the dams and retaining walls of the project, so workers by the thousands had to be imported. Because so many laborers from around the world immigrated to the isthmus—submitting themselves to harrowing engineering ordeals and murderous epidemics—Panama now has a large West Indian population, a sizable Asian population, and a trader class of

Middle Eastern Jews and Arabs, as well as people descended from conquering Spanish and Native American ancestors, or both. During the canal's American phase—in which it actually got built—workers of different races were tacitly segregated in their own tidy little U.S.-built villages, but since then, there's been plenty of what might be called interpenetration.

At noon on December 31, 1999, after a gradual process of transfer, the U.S. government turned over control of the Panama Canal to the Panamanians, including administration, operations, and defense of the waterway. It was an odd moment. The Canal Zone, a 553-square-mile tract of land, and all the buildings on it, were now completely Panamanian, and the Canal Authority, under the sole management of Panama, could decide how to dispose of the territory and everything it contained. Before this, the Zone had always been a more or less pristine version of American suburbia, albeit in a tropical setting. U.S. soldiers in crisp uniforms patrolled the nearby base, and on weekends, families living in beautiful two-story wooden houses with screened terraces and porches frolicked on their lawns, drinking martinis and eating barbecue, the children gliding through the air on plank swings and playing with cheerful plastic toys. Everything came from the commissary, shipped in by the U.S. government.

But from the moment it fell under Panama's control, the Canal Zone effectively was Panamized, while the rest of the country quickly became more Americanized. Now you can find a McDonald's in every medium-sized town, Pizza Huts and Mail Boxes Etc. dotting the *avenidas,* shopping malls of every stripe in the cities, and Internet service everywhere—even up in the cloud forest. I drive into the canal zone late one afternoon to talk to a man named, improbably, Gilles Saint-Gilles, a French designer with a worldwide practice. The first plans for a canal across the isthmus were drawn up by the Spanish in 1529, but war and exploration diverted the conquistadors. In the late 1800's, the Spanish renewed their attempt and began developing companies to finance construction. The only thing they failed to do was break ground. That was left to the French, who were the first to both dream of a canal in Panama and begin digging one. The original work on the Panama Canal was financed by France in 1880 and undertaken by Ferdinand de Lesseps, the public relations genius and impresario who had—before that—conceived of the Suez Canal, sold the French on that one, and got it built.

Gilles Saint-Gilles is the latest in the series of Frenchmen touched by a crazy Panamanian dream. We sit in the courtyard of his office, which is in an old Canal Zone house. Upstairs, in a cheerfully renovated, modernized work area, careful men wearing spectacles are pasting together architects' models of various dazzling buildings. Outside the office windows, palms spread their dark green fronds. About eight years ago, Saint-Gilles and his wife came to Panama on a lark. They were walking through the Casco Viejo—the elegant, dilapidated colonial quarter of Panama City—"and she looked at it and then at me and said, 'Hmm. Not bad,'" Saint-Gilles says, laughing.

"That meant she had fallen in love."

He had, too. Together they bought some land out on the Azueros Peninsula, on the Pacific coast near a small town called Pedasí. "I chose the place because of the sea," Saint-Gilles says. "The calm, the climate. It's very peaceful. Like Tuscany." And they began building. First, a house.

"It's a small house," Saint-Gilles says. "To paint in, to think in."

A small house, however, didn't satisfy his need to create on a large scale—and so he found himself, as time passed, obsessively continuing construction on his sprawling Azueros property, until, by now, there is the equivalent of a resort there, including a hotel called Villa Camilla. He and his partners hope to turn it into a luxurious, exclusive retreat for the world's wealthiest vacationers. It remains to be seen whether a place like Panama can play to that crowd.

"We think it can," says K. C. Hardin, an American businessman easy to mistake for a surfer, which he also is, who has been working with Saint-Gilles and others to make the Azueros resort a reality. "Panama has everything: beauty, beaches, excitement, adventure."

Panama's head of tourism has other ideas. And he's exactly the kind of person you appoint if you want your tourism chief to have other ideas. His name is Ruben Blades. Arguably the world's most famous living Panamanian (with the possible exception of deposed dictator Manuel Noriega, now languishing in a Florida prison) and arguably the world's most famous living salsa musician, Blades is also a talented film actor who has a house in Los Angeles as well as in the Casco Viejo. But here he is at work in his office in the Convention Center downtown, surrounded by high-gloss tourism photos. His music always had political undertones, and in 1994 he made an unsuccessful but high-spirited bid for Panama's presidency. Blades's friend Martin Torrijos, Panama's new president, was inaugurated in September 2004 and appointed Blades soon after.

Blades approaches tourism not just as a lucrative industry but also as a platform for instituting social justice. It's a new attitude in Latin America, but one that is making some headway in Mexico, Belize, Guatemala, Costa Rica, and here. During the military regime of Noriega, of course, tourism came to a virtual standstill in Panama. Neighboring Costa Rica, seeing an opportunity, surged into the field; while Panama was stalled under the unsavory Noriega, Costa Rica had for its president Oscar Arias Sánchez, a Nobel Prize winner. It made a difference then, and Panama—finally a real democracy—is trying to catch up.

"We want to offer cultural, historical, recreational adventure ecotourism," Blades says. "We don't want the tourist version of McDonald's. When people travel to another country, I don't think they want only to be entertained and sit around the pool with a margarita. Tourism is a spiritual affirmation, or it can be. It should be."

For me, panama already provides just that. As I leave town, I have to drive out through the Casco Viejo, and drive slowly, too, because the streets in the old district are narrow and there is too much congestion (the government has been brooding for years about traffic patterns in the area and about parking, with no visible result). I'm glad the traffic moves slowly because it gives me time to peer out at the glories of this quarter: its second-floor balconies and chipped pastel paint; the regrets that, along with several sharply uniformed guards, stand watch on the landing of the Presidential Palace; the repetitive arches of the old colonial structures; the blue and green interiors of the fluorescent-lit bodegas; and the plastic-tablecloth décor of the nongentrified houses with their doors open to the breeze. The whole place is still so authentic and so full of the past—those archways, the broad sidewalks, majestic old wooden hotels, colonnades, terraces, cathedrals, and plazas—that its profound reality feels almost artificial.

Perhaps the most spectacular thing as you travel around Panama is catching sight of the top of a huge, bulky containership through the leafy green canopy of the jungle. Parrots fly in and out of the sun, and the ship's smokestacks mirror the columns of trees as its prow and cargo-filled deck nose through the fabulous flora, in a bizarre conflation of the man-made and natural worlds. Every aspect of the canal is fascinating: the huge ships (many of them of a size called Panamax, meaning the largest a vessel can be and still pass through the canal); the superstrong metal "mules," vehicles like tanks on tracks, that travel up and down both banks of the canal using thick cables to guide the ships through their passage; the locks, whose gigantic Pacific gates are 82 feet high and weigh more than 790 tons and so are able to check the extreme tidal fluctuations of the sea; and, after all that hugeness, the tiny figures of half-naked Chinese seamen on the stern deck of a transiting freighter, jumping up and down and waving for all they're worth at a pack of elderly American tourists on the shore, and the Americans, in their hats and sunglasses and pastel-colored outfits, waving back.

The road to the cloud forest was long, and I was thirsty. I ducked into a small bodega next to a gas station to search for water and a snack. Instead, the cashier showed me a refrigerator shelf of almost-peeled oranges, with the white inner skin still on and a small hole cut in the top. He demonstrated: You squeeze the sides, gently, and suck from the top. Presto! *Jugo!* This was ingenuity, the orange both the container and the thing contained. I bought two, and they weren't even messy, although by the end you had two pulpy shells to dispose of. Along the way up into the highlands, Berta and I passed by fields of tall sugarcane and fields of low corn. I sipped my orange. Pasted on walls everywhere were posters of Martin Torrijos. Behind him in the picture stood his looming father, General Omar Torrijos (another controversial and popular Panamanian strongman, long dead), smoking his trademark cigar.

I was having breakfast in the dining room of my hotel in Santiago, a provincial town, when a small boy in a baseball cap, about nine years old, came in and plunked himself down at the counter with a big bag at his side. Out of the bag, one by one, came Styrofoam cups, each one loaded to the brim with bright red strawberries—not a tropical fruit—which were battened down with plastic wrap.

"And where are the strawberries from?" I asked him as I forked over a dollar for a cupful.

"Boquete," he said, naming my destination, still some 160 miles away and up in the mountains. And I thought, *of course:* Strawberries. The cloud forest.

We headed up more steeply now. It was hot out. Alongside the road, usually in single file, trooped men and women in traditional indigenous clothing, holding an occasional umbrella for protection from the sun as well as the rain. Inside our air-conditioned car, we were having a heated discussion about Panamanian politics when we drove over an enormous pothole and were rewarded with two flat tires. We pulled over to the side of the road. No one passed for a while. We put on hats. We began to wonder what we should do. Then, fortuitously, a man driving in the opposite direction stopped his flatbed truck and took in our predicament. With grave dignity, he removed our two dead tires and left us there with his wife and little daughter, Cristal, by the side of the road in the bright sun, while he took the tires to the town to be fixed. *Fortuitously* is a good adverb for the tropics. In the tropics, someone always comes to rescue you, fortuitously. We sat at the edge of the forest. There was little refuge from the heat.

A brook was babbling somewhere nearby, but we couldn't see it. Here, only 300 miles north of the equator, the foliage was too dense. I sat on a perilous old log that showed signs of dry rot and insect infestation, because no other seating was available. I sat and sat, with ample time to consider the natural landscape. We heard birds, but none approached. Cristal was sitting on a section of the newspaper. I gazed down at it, but sadly, I could see that it was a part of *La Prensa* I'd already read—something about a $5 billion plan to widen the canal. I opened my book but couldn't focus in the heat. What I watched instead were the butterflies. A big blue one, as big as my fist and blue like the ocean on a globe, landed on a branch next to Cristal, nearly tangling itself in her hair.

I was reminded again, as I sat there being bitten by a large variety of insects, that Panama is legendary for its enormous biodiversity, a sort of crush of species all around you. (Frank Gehry has signed on to create a Museum of Biodiversity on the Causeway in Panama City.) I would see more evidence of this up in Boquete, but even in areas as civilized as the Canal Zone, there were alligators and snakes and parrots and big old turtles. Birders of the world come to Panama, too—carrying water packs, binoculars, walking sticks, and well-worn notebooks, looking like exotic birds themselves, on the alert for never-before-seen species to mark down. Panama is one of the most important avian crossroads of the world: it is to birds what it is to humans, a great and necessary harbor.

We were exhausted when we finally got to Boquete, after the saga of the pothole and all the waiting, the heat, the expense of dollars. But, fortuitously, it's good to be exhausted in Boquete, because Boquete has the Panamonte, one of the oldest hotels in the country and certainly the most charming. It also has one of Panama's most forgiving climates. Boquete was first opened up in the 1840's. The Panamonte, a low-slung complex of butterfly-blue buildings set on green, lushly landscaped grounds, was founded by Joseph Wright, a Texan who left Panama City in the late 1800's because it was insalubrious and who ascended to Boquete by boat and oxcart. He hired five or six local girls to help him with the hotel, and his wife cooked. At that time, the Panamonte could count among its many intrepid guests Charles Lindbergh, the North Pole explorer Admiral Byrd, and Teddy Roosevelt, whose administration presided over the American phase of canal construction. The current owner's mother bought the property from Wright, and during her tenure the place was visited by the shah of Iran and Ingrid Bergman—not together.

One morning, early, I decided to hire Chago, a local birding guide, and he and I set out in search of the resplendent quetzal. The quetzal is elusive and magnificent, an iridescent-green cloud-forest dweller, with a long blue-green tail three times the length of its body, a feathery green head, and a bright red breast. I'd seen many pictures of this legendary bird in tourism guidebooks. Once before, on an earlier visit, I had gone out looking for it with a guide, only to be disappointed and handed a supposed quetzal feather in recompense for missing the bird itself. The feather, I was told, had fallen *right there* on the ground from a quetzal's tail. I remained skeptical and gave the souvenir away to a more committed and more bitterly disappointed birder. For years, I imagined that the resplendent quetzal existed only in myth and in travel agents' sales talk.

As Chago and I drove up into the clouds, I could hear the sound of rushing water all around us. White angels' trumpets and pink impatiens grow wild by the roadside (in the tropics, many annuals are perennials). Here and there, smoke rose up from the cooking fires of native migrant farmworker families. In a few minutes, we were above the clouds, yet still in them. The area of the forest where the theoretical quetzal breeds and lives is on a sprawling coffee finca and is a protected part of the national parks system. Onions are cultivated here, too, as well as potatoes, and there was a sharp, oniony smell in the moist morning air.

"This is not the season for the quetzal, but we shall see," Chago said. I began to feel a sinking sadness. Fallen oranges lay in the gully next to the main road. Chago guided me away from signs of civilization and into the forest through the thick foliage. Clouds moved over and past us, and light rains came and went. The sun barely dappled the underbrush.

"Ah, ah!" Chago said suddenly, listening and looking up. All along he had been making odd chirping noises that I found disturbing coming from a human. (I am not by nature a birder type.) Now something else was calling back. Chago started marching quickly through the brush in some new direction, and I tried to keep up. When I got to him, he turned and wheeled around again, paying me no attention, his eyes upward.

"There," he said, finally, gesturing to a high branch with his binoculars and handing them to me. And there it was, an incredible bird, as mythic in reality as it was in the imagination, although with somewhat shorter tail feathers. My quetzal.

Chago beamed with satisfaction. "He's immature," he said. Why did this not surprise me?

My quetzal sat on the high branch, preening for a minute or so, as if to please me with its presence, and then flew off.

Out of the forest and back in the Canal Zone, Panama's recent history and current development feel raw and immediate. At lunch at the Meliá Panama Canal hotel outside of Colón, I imagine Argentinean general Leopoldo Galtieri or Manuel Noriega getting their lunches in this same dining room, back when it was the mess of the School of the Americas. Both were students here. Today, the hotel's guests fish and kayak in Gatun Lake and visit the Zona Libre, a gigantic free-trade zone, the world's second largest after Hong Kong's. The Zona Libre is basically in Colón but is separated from the city by a high, thick wall and a checkpoint.

"I would not really advise guests to go into Colón," says assistant manager Maritza Lawson, who lives there. "It needs more security. A year ago, it was much worse, but we still need more police." The city is ruled by gangs. It is a beautiful wreck. A mule grazes in Parque Chino, near the bay, watching ships in the harbor waiting to transit the canal. Schoolgirls play ball in their uniforms. In small gardened oases behind high gates and walls with cameras and alarm systems live the people who work and trade in the Free Zone. "The planet is doomed," says K. C. Hardin, the American entrepreneur-slash-surfer, when we first enter this 900-plus-acre zone; it's a container-walled, warehouse-filled, overcrowded, parking-deprived, one-story-high slapdash shopping metropolis. We got out fast.

However, we did find something to do in Colón after visiting the Free Zone. The northern coast of the country is dotted with the ruins of exploration-era Spanish fortresses, and I wanted to see one because, after all, these structures—put up to protect trans-isthmian trade routes—were the first to foreshadow the coming of the canal. We drove from the Free Zone to the nearby San Lorenzo fort in K.C.'s frighteningly large white pickup truck. K.C. calls it El Diablo, and rightly—it can get through anything.

San Lorenzo, or what is left of it, sits on a lonely, magnificent point on the Atlantic that guards the mouth of the Chagres River. The remains of the fortress are all around us, low dark walls (made of coral from the reefs, it is said) and halves of turrets, bits of old dungeon and buttresses with high grasses growing among them. The useless cannons are still pointed at the jungle and the sea. A low sky threatens rain, and then lets the rain come as the sun begins to drop. K.C. says, "Notice: the sun is setting over the Atlantic here."

And so it is. The promontory on which San Lorenzo is located juts out eastward into the Atlantic, creating this disorienting effect. But then, I think, that's what Panama is all about: new points of view in an old geography, new perspectives on old events, new ways to find pleasure, fulfillment. New birds to discover. Below the stone-gray clouds, an orange sun sinks down into blue Atlantic waters, and we climb back into El Diablo for the long ride home.

The information in this story was accurate at the time it was published in November 2005 but we suggest you confirm all details and prices directly with any establishments mentioned. The quality of offerings and services tends to change over time.