## Panama and Japan: A Brief Account of 120 Years of Fruitful Relations

On January 10th, my wife and I had the honor of participating in the commemoration of the 120th anniversary of diplomatic relations between Panama and Japan, by kind invitation of the Embassy of Panama to Japan. This highly significant event was attended by prominent figures from the economic, social, and cultural spheres of Japan, as well as Japanese authorities and members of the Diplomatic Corps. In light of this meaningful celebration, I consider appropriate to review some key events that have shaped the relationship between both countries.

Japan established diplomatic relations with Panama on January 7, 1904, becoming the first Asian country to recognize Panama's independence from Colombia. It is worth noting that Panama was the sixth country in Latin America to establish diplomatic relations with Japan, following Peru (1873), Mexico (1888), Brazil (1895), Chile (1897), and Argentina (1898).

At that time, Japan had already emerged as a significant player in the East Asian region following a process of national modernization culminating in the Meiji Restoration of 1868. In this context, Japan's victories in the Sino-Japanese War of 1895 and the Russo-Japanese War of 1905 solidified its status as a regional power, competing with European powers (England, France, Germany, and Russia) as well as the emerging power of the United States, which had forced the opening of Japan in 1853.

This competition for Asian hegemony ultimately resulted in Japan's defeat in World War II and its subsequent rebirth as a modern, democratic, and industrial state to this day. It should be noted that Panama-Japan relations experienced a rupture during World War II due to Panama's alignment with the United States and were reestablished in 1953 following the signing and ratification of the San Francisco Treaty (peace treaty with Japan).

On the other hand, in 1904, Panama began its process of nation-building under the U.S. intervention, in view of the infamous Hay-Bunau Varilla Treaty, which granted the United States perpetual ownership of the area designated for the construction and operation of the Panama Canal. However, over several generations, the Panamanian people fought for the recovery of the US colonial enclave and finally achieved full sovereignty with the signing of the Torrijos-Carter Treaties in 1977, culminating in the return of the Canal Zone in 1999.

Historically, the first contact between Japan and Panama dates back to 1860 when a Japanese government delegation traveled to Washington to ratify the Treaty of Friendship and Commerce between both nations. During their journey from Japan, the delegation made a stop in San Francisco and then arrived in the city of Panama, crossing the isthmus on the trans-isthmian railroad to Colón, from where they continued on to Washington.

In his memoirs, one of the members of the Japanese delegation highlighted the impact of the immense noise of the interoceanic railroad compared to a steamship. It was the first time the Japanese encountered a railroad, and twelve years after this diplomatic mission in the United States, in 1872, Japan inaugurated its first train line, connecting Tokyo with Yokohama. Since then, Japan has developed an extensive and efficient network of regular and high-speed trains throughout its territory.

The second significant encounter between Panama and Japan took place in 1904, with the formal establishment of diplomatic relations between both countries. This event coincided with the arrival of the Japanese engineer Akira Aoyama in Panama, who played an important role in the construction of the Panama Canal. Aoyama took on various responsibilities, serving as a surveyor, draftsman, engineering designer, and deputy chief engineer. His most significant responsibility was to design and construct the approach wall at the Gatun Locks in the Atlantic Division.

After returning to Japan in 1911, Aoyama was employed by the Ministry of Interior as an engineer and participated in several projects aimed at flood prevention, leveraging the knowledge and skills he had acquired during his 7 years working on the Panama Canal. In particular, he supervised the construction of the Arakawa River Drainage Canal, which put an end to the recurrent floods affecting the city of Tokyo. This historic relationship was solidified in 2000 in Tokyo with the signing of a cooperation and sisterhood agreement between the Arakawa Water Museum and the Interoceanic Canal Museum of Panama.

The third significant encounter in the relationship between Panama and Japan occurred in the 1970s with the arrival of prominent Japanese companies in Panama, including names like Panasonic, Sony, Hitachi, Mitsubishi Corporation, Sumitomo Bank, and the Bank of Tokyo, among others. These companies sought to conduct business operations both in Panama and in the Latin American and Caribbean region, capitalizing on Panama's strategic location as well as its logistical, customs, fiscal, and migratory advantages offered to multinational corporations.

The fourth encounter in the relationship between both nations occurred with the visit to Japan by the President of Panama, Arístides Royo, in March 1980. This visit marked a significant milestone as it became the first time a Panamanian president had visited Japan. Therefore, President Royo was received at the level of a State Visit, representing the highest category in the Japanese state protocol. This visit boosted Panama's ship registry in Japan during the 1980s. In this period, leading Japanese shipping companies such as Nippon Yusen Kaisha (NYK), Mitsui O.S.K Lines (MOL), and Kawasaki Kisen Kaisha (K-Line), among others, began registering their vessels under the jurisdiction of Panama, taking advantage of the country's flexible fiscal and labor regime. Later, Japan became the largest user of the Panamanian ship registry.

Simultaneously, Japan became one of the top users of the Panama Canal and collaborated on various projects related to the Canal, including its participation in the Commission for the Study of Alternatives to the Panama Canal (1986-1993), aimed at the modernization of the waterway. Although Japan did not succeed in the bidding for the expansion of the Canal in 2009, it was the country that contributed the most to the financing of the project, providing the sum of US\$800 million. It is also noteworthy that the locomotives used to move ships through the Panamax locks are of Japanese manufacture and began operating in the Canal around the year 2000.

Prior to President Royo's visit, and considering the maritime role of both countries, the cities of Panama and Imabari established a sisterhood agreement in 1977. Imabari, located on Shikoku Island south of Tokyo, is home to two of Japan's major shipyards and has a technical office of the Panama Maritime Authority to provide services to shipping companies in that region.

In 2017, while serving as Panama's Ambassador to Japan, I had the opportunity to organize a trip to Panama with authorities and shipbuilding entrepreneurs from Imabari to commemorate the 40 years of sisterhood. In 2019, with the support of the Min-On Concert Association, we organized a musical tour featuring Panamanian singer Patricia Vlieg in Japan, including the city of Imabari, on the occasion of the celebration of the 500th anniversary of the founding of Panama City.

Another important event in the relations between Panama and Japan was the inauguration of the office of the Japan International Cooperation Agency (JICA) in 1988. The opening of this office not only expanded Japanese collaboration in Panama but also strengthened the ties between both governments, making JICA a symbol of Japanese development in our country.

Japanese cooperation in Panama has undergone significant evolution, from sending Japanese volunteers and providing technical training to Panamanian to the execution of large-scale projects, such as the construction of the Wastewater Treatment Plant in Juan Diaz (2007-2017), which provides wastewater treatment services to 750,000 residents of Panama City. Additionally, the agreement signed in 2016 for the financing and construction of Metro Line 3 (currently under construction) is in progress, with the aim of improving urban mobility and the quality of life for over 500,000 residents of the western area of Panama.

It is worth noting that the Metro Line 3 project, in which I was involved in the negotiation process (2015-2016), has two relevant aspects: 1) it was proposed during the historic first visit in 2013 by a Japanese foreign affairs minister to Panama, then-Foreign Minister Fumio Kishida (now Prime Minister); and 2) it represents the largest soft loan infrastructure project (US\$2.6 billion) granted by JICA to a country in Latin America and the Caribbean, and it is expected to serve as a model for other nations in the region.

JICA's collaboration has also contributed to the establishment of the Seafood Market on the Cinta Costera in Panama city, where Panamanians and tourists can enjoy excellent ceviche, as well as the Conservation Center for Wild Orchids in the Valle de Anton, where native Panamanian orchids are preserved. In recognition of Japan's invaluable cooperation with our country, then-Panamanian Foreign Minister José Miguel Alemán awarded the President of JICA with a government decoration during an official visit to Japan in the year 2000.

In this account, it is also important to highlight the historic visit that took place in April 2001 in Panama by members of the Japanese imperial family: Their Imperial Highnesses, Prince and Princess Hitachi. Both are known for their appreciation of nature and enjoyed bird-watching in the Soberanía Park.

Furthermore, it is noteworthy that His Imperial Majesty, Emperor Naruhito, holds a profound interest in water-related matters and possesses extensive knowledge of the Panama Canal. In this regard, serving as the Ambassador of Panama in Japan, I had the opportunity to be received in audience by the current Emperor when he held the title of Crown Prince, who shared with me his interest in the history and operation of the Canal, especially in the water management system of the waterway.

During the conversation, I mentioned that the Canal expansion had been successfully completed and that I would send him a Panamanian historical novel about the Panama Railway, as it narrated Japan's first encounter with Panama. Shortly after the audience, I sent him the novel "El Caballo de Oro," generously autographed by its author, Juan David Morgan. To my surprise, the then Crown Prince sent me the book "The Thames As Highway: A Study of Navigation and Traffic on the Upper Thames River in the Eighteenth Century," which he wrote during his university years in Oxford, England. Undoubtedly, the Emperor of Japan's passion for river transportation has led him to appreciate our Canal.

Another interesting point that arose during the conversation was the pleasant memory that Prince Naruhito had of Panama, as his first official function as Crown Prince took place during the reception hosted by his father, Emperor Emeritus Akihito, on the occasion of the first visit by a Panamanian president to Japan.

In addition to the fruitful relationship that has existed between Panama and Japan, it is important to mention that both countries share certain similarities. Both are nations with access to the sea, which has greatly influenced their development and connectivity. Their populations share a deep affinity for rice consumption, which is an essential component of their culinary traditions, and they also have a strong respect and attachment to their cultural traditions.

Another point of convergence is the shared appreciation for nature. Both Japan and Panama find inspiration in their respective majestic elevations: Mount Fuji, with its imposing 3,776 meters, and Volcán Barú, which reaches 3,474 meters in height. These impressive mountains have been a source of inspiration and a symbol of the natural beauty that both nations cherish.

In the political and social sphere, both nations share a commitment to democracy, the free market, the rule of law, and respect for human rights. These fundamental values are pillars of their respective societies and have contributed to the development and stability of their countries. Furthermore, both nations cooperate closely in international forums to address global challenges.

Undoubtedly, these 120 years of relations between Panama and Japan are a testament to a joint journey towards progress and cooperation, and with the recent visa exemption agreement for Panamanian passports, Panamanian tourism to Japan will be facilitated, and the exchange of people in various areas will be expanded.

At this significant moment, I wish to express my heartfelt congratulations to Panama and Japan.

Dr. Ritter Diaz International Consultant/Former Ambassador of Panama to Japan Tokyo, January 31, 2024

## **Notes**

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My opinion articles are food for thought and are intended for family, friends, acquaintances, and citizens, with the aim of reflecting and stimulating discussion on current issues.

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