The Unfortunate Statements by Trump and the Geopolitics of the Panama Canal

In 2017, during my tenure as Ambassador of Panama to Japan, I expressed my concerns to the national government regarding the termination of diplomatic relations with Taiwan at a time when the Trump administration was intensifying its rhetoric against China. While I understood the inevitability of moving toward the normalization of relations with China, I believed the timing was less than ideal given the emerging confrontation between the two major powers.

At the time, President Trump accused China of unfair trade practices, job losses in the United States, intellectual property theft, and the forced transfer of technologies from American companies operating in China. This tense climate resulted in a trade war that, initiated during his administration, escalated under President Biden, evolving from a commercial dispute into a broader geopolitical confrontation.

Trump's inauguration in January 2017 marked a significant shift in the U.S. establishment's perception of China. Previously, the prevailing view was that integrating China into the global capitalist system would foster its democratization. However, this perspective was reevaluated, failing to account for China's millennia-old heritage, its Confucian idiosyncrasies, and its historically vertical and authoritarian governance model. Furthermore, President Xi Jinping's strategy, aimed at restoring China's historical greatness and global influence as the "Middle Kingdom," has reinforced its central role in contemporary geopolitics, evoking its civilizational legacy in Asia, similar to the Greco-Roman impact in Europe.

In this context, Trump's recent and unfortunate remarks criticizing the Panama Canal must be analyzed with prudence and resolve, beyond the issue of tolls, by understanding the geopolitical role and significance of this interoceanic route. It is worth recalling that for years, U.S. senators have expressed concerns over Chinese control of ports at both ends of the Canal, managed by a Hong Kong-based company. This occurred around 1997, when the United Kingdom transferred sovereignty over Hong Kong to China under the principle of "one country, two systems," which guaranteed the territory's administrative autonomy and the coexistence of capitalist and socialist systems under Beijing's sovereignty for 50 years.

However, this dynamic shifted with the enactment of the 2020 National Security Law applicable to Hong Kong, which significantly consolidated Beijing's control over the territory and undermined the principle of "one country, two systems" by eroding administrative autonomy, its legal system, civil rights, and freedoms. This legislation, along with other national security-related measures, grants authorities extensive powers to request information from private companies in the context of national security investigations without judicial review to assess the legality or arbitrariness of such investigations.

Furthermore, the Chinese Communist Party employs internal organizational structures as a mechanism to supervise and align private sector operations with state interests, thereby reinforcing political control and creating the perception that any private Chinese company, including those with international operations, could be required to collaborate with the Chinese government to advance its political and strategic interests globally.

In light of Trump's statements and the current landscape, Panama must develop a comprehensive diplomatic strategy to navigate prudently in this scenario of escalating global tensions, widely regarded as a second version of the Cold War.

This context reflects the resurgence of power politics, a paradigm once thought to have been surpassed in relations between states. Under this framework, state actors prioritize power as the primary instrument to achieve and maintain their national interests, exerting influence or control over other states through the use of material resources, military might, or economic leverage. The Trumpian version of power politics appears to take shape under the slogan "Peace through Strength," combining confrontational rhetoric with the considerable economic, political, and military power of the United States to exert pressure on other nations and secure strategic advantages.

It is imperative for our country to fully comprehend the gravity of this geopolitical confrontation between the United States and China. This is evident in the technological restrictions imposed by Washington on Beijing in strategic sectors such as semiconductors and other critical technologies for national security, as well as joint military exercises conducted by Japan, Australia, and the United States in the waters of the East China Sea and the South China Sea. These actions take place amidst growing concerns about a potential Chinese military intervention for the reunification of Taiwan, which some analysts estimate could occur by 2027, based on internal Chinese political dynamics and actions Taiwan might take to alter the island's status quo.

Finally, I commend the measured and dignified response of President Mulino to Trump's statements. In this complex scenario, Panama must commit to deep strategic analysis and proactive diplomacy that safeguards its national interests, reaffirms its neutrality, and projects its relevance in an increasingly polarized world.

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