Trump threatens to seize Panama Canal

Patrick Martin 22 December 2024

President-elect Donald Trump told a conference of fascist supporters in Arizona that the United States would demand the return of the Panama Canal to US control if the Panamanian government failed to follow his dictates about the fees imposed for transit and the stepped-up Chinese economic activity around the critical maritime facility.

Trump spoke to Turning Point USA "American Fest" after posting several messages on his Truth Social site denouncing Panama in the style of a loud-mouthed Yankee imperialist bully. He denounced the administration of President Jimmy Carter for signing the treaty in 1977 that ultimately returned the Canal Zone to Panamanian control in 1999.

"When President Jimmy Carter foolishly gave it away, for One Dollar, during his term in Office, it was solely for Panama to manage, not China, or anyone else," Trump wrote. "It was likewise not given for Panama to charge the United States, its Navy, and corporations, doing business within our Country, exorbitant prices and rates of passage."

Panama was abusing the "privilege" of charging tolls for passage through its own canal, he declared. "Our Navy and Commerce have been treated in a very unfair and injudicious way. The fees being charged by Panama are ridiculous, especially knowing the extraordinary generosity that has been bestowed to Panama by the US. ... This complete 'rip-off' of our Country will immediately stop."

Tacitly admitting the weakened position of American imperialism even in its own hemisphere, Trump warned that the canal should not fall into the "wrong hands," a clear reference to China. He called the canal a "vital national asset" that was "crucial" both for US trade and national security.

Returning to this theme in Arizona, he declared, "It was given to Panama and to the people of Panama, but it has provisions, you gotta treat us fairly and they

haven't treated us fairly." While this appeared to be another complaint about the fees being charged, these are the same for American ships as for the vessels of any other country, based on tonnage and type of cargo, not what flag the ship flies.

He added, "If the principles, both moral and legal, of this magnanimous gesture of giving are not followed, then we will demand that the Panama Canal be returned to the United States of America in full, quickly and without question."

When one of his fascist listeners shouted, "Take it back," Trump replied: "That's a good idea."

There is a second aspect to Trump's sudden declaration of interest in Panama. Returning American military forces to the Panama could give them a significant role in the interdiction of the flow of migrant workers across the US-Mexico border.

Millions of these migrants come from South America through the "Darien gap," the jungle region of Panama that borders on Colombia, and then up through Central America. US troops in the former Canal Zone would be in a position to block the migrants either at the canal itself or by pushing further south.

Trump's references to American "generosity" to Panama can only generate disgust and anger in the people of that country and of Latin America more generally. The United States has invaded Panama twice, the first time to ensure the territory's "independence" from Colombia and set it up as a US-controlled puppet state, clearing the way for construction of the 52-mile canal across the isthmus.

The US invasion came in 1989, when the first Bush administration sent thousands of US troops in to overthrow the regime of General Manuel Noriega, a longtime operative for US imperialism who had fallen out with Washington. Thousands of Panamanians were killed by American bombs, while Bush claimed that the invasion was necessary to preserve the "neutrality" of

the Canal Zone. Noriega was brought back in chains to the United States to be tried for drug-trafficking, which he and his CIA controllers had long promoted. Noriega served long prison terms in the US and then France and was eventually repatriated to Panama to die of cancer.

The new crisis in US-Panama relations is being provoked by America's economic decline and the growing influence of China, which now has more extensive trade relations with Latin America than the United States. But US ships still account for the lion's share of the traffic through the Panama Canal, since it is the shortest sea route from the West Coast to the East Coast of the US.

China is the second-biggest user of the Panama Canal, and a Chinese company controls two of the five ports near the canal's two ends, one on the Caribbean and the other on the Pacific.

China has been negotiating a possible new transisthmian canal through Nicaragua, which would take advantage of the largely flat terrain and sizable lakes. Last month Nicaraguan President Daniel Ortega revoked an earlier agreement with a Hong Kong-based consortium and proposed a different route for the canal, this time to be funded on a multinational basis, with both US and Chinese involvement.

There has been growing commercial pressure either for widening the Panama Canal or building the Nicaraguan canal. There was a 29 percent drop in ship transits through the canal over the past fiscal year because of severe drought conditions. This has a global impact, since the canal accounts for fully 6 percent of all world trade traffic.

While Trump's threat to Panama is no doubt connected in some fashion to these specific geostrategic concerns, there is a more general dimension to the foreign policy of the incoming administration, as Trump seeks to overcome the declining world position of American imperialism through a combination of bluster and bullying.

In recent weeks, he has several times gloated over the fading political fortunes of Canadian Prime Minister Justin Trudeau, taunting Trudeau as "Governor Trudeau" and suggesting that Canada should become the 51st US state.

Last month he demanded that Mexico and Canada stop all illegal border crossings into the United States and warned that if they did not do so immediately, he would impose heavy tariffs on their imports to the US market.

"Both Mexico and Canada have the absolute right and power to easily solve this long-simmering problem. We hereby demand that they use this power, and until such time that they do, it is time for them to pay a very big price!" he posted on Truth Social.

He continued this diatribe last week in another Truth Social declaration: "No one can answer why we subsidize Canada to the tune of over \$100,000,000 a year? Makes no sense!" He continued: "Many Canadians want Canada to become the 51st State. They would save massively on taxes and military protection. I think it is a great idea. 51st State!!!"

Perhaps Trump was channeling fond memories from his childhood, when he would have been raised on tales of how grandfather Frederick Trump—an immigrant from Germany who fled to New York City to avoid military service—founded the family fortune by opening bars and brothels in Canada during the Yukon Gold Rush.

Whatever the exact triggers, Trump's musings about bringing territories both tiny (Panama) and gigantic (Canada) under direct American control testify to the aggressive appetites of an imperialist ruling elite that sees military force as the only possible solution to its deepening economic, social and political crises.



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