



Panama Canal

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The US and Panama have **formalised a new defense and security pact** aimed at countering **China's expanding influence over the [Panama Canal](#)**.

- China **operates two [major ports](#) at the Panama Canal**, raising US concerns about Chinese influence on global shipping, **though Panama denies any Chinese control**.
- **Panama Canal:** The Canal was **originally constructed (1914) and controlled by the US**.
 - In **1979, control of the Canal** was transferred to the Panama Canal Commission, a joint agency of the US and Panama, and eventually, in **1999, full control was handed over to Panama**.
- **Strategic Importance:** It is one of the **two most strategically significant [artificial waterways](#)** in the world, the other being the [Suez Canal](#).
 - It **connects the Atlantic and Pacific Oceans** through the narrow [Isthmus of Panama](#), significantly **reducing the distance** between the US east and west coasts by **about 8,000 nautical miles**.
- **Operation/Functioning:** It uses a system of **locks and water elevators** to transport ships from one ocean to the other.
 - This design is necessary as the **Pacific Ocean is slightly higher (~20 cm) in elevation than the Atlantic Ocean**.
 - The locks operate by **flooding (to raise elevation) or draining (to lower elevation)** and act as water elevators to lift or lower vessels.



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