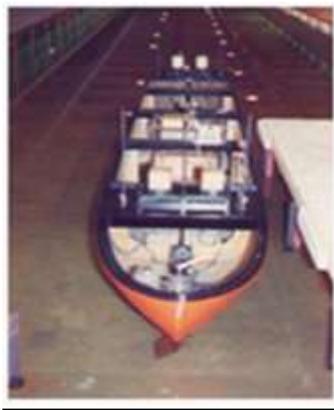


A STUDY ON 150 YEARS OF SUEZ CANAL – ONLY WATER CANAL BETWEEN ASIA AND EUROPE

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Abstract

The Suez Canal is a counterfeit ocean level stream in Egypt, associating the Mediterranean Sea to the Red Sea through the Isthmus of Suez and isolating Africa and Asia. In 1858, Ferdinand de Lesseps shaped the Suez Canal Company for the express reason for building the trench. He developed this waterway to considerably lessen the cruising distance and time among Europe and East Asia. This study aims at searching the importance of Suez Canal on global economy. This study also aims to find out what is the impact of Suez Canal on global economy. This study is based on the secondary sources of data. This is mainly descriptive in nature. Secondary sources mainly includes past research papers, articles, journals etc

Key words- Suez Canal, Red Sea, Mediterranean Sea.

1.Introduction

In the present situation the investigation of Suez Canal is vital in light of the fact that more than 2/3 of the worldwide exchange passes however this trench. The exchange of unrefined petroleum from center east to Europe is additionally passes however this channel as it were. It

is one of the busiest 'channel on the planet and it is the entryway for Asia to Europe. thus, this report is essentially on the significance of Suez Canal on the worldwide economy.

1.1 Importance on global trade

The Suez Canal has been considered is the main supply route and stream for world exchange among East and West. About 12% of world exchange goes through the trench every year, everything from unrefined petroleum to grains to moment espresso. “Without Suez, a supertanker conveying Mideast raw petroleum to Europe would need to travel an extra 6,000 miles around Africa's Cape of Good Hope, adding some \$300,000 in fuel costs (despite the fact that there would be reserve funds from keeping away from the Suez entry tolls, which can run a huge number of dollars.)” Because it has no locks, it can even deal with plane carrying warships. It is the main stream for moving petrol between the creation sources and utilization markets.

1.2 Which type of goods transported through this canal?

Just about every good imaginable, adding up in 2019 to 1.03 billion tons of cargo, according to the Suez Canal Authority. That’s roughly four times more than passed through the Panama Canal. The canal’s location makes it a key link for shipping crude oil and other hydrocarbons from countries such as Saudi Arabia to Europe and North America. Among other goods, 54.1 million tons of cereal passed through the canal, 53.5 million tons of ores and metals and 35.4 million tons of coal and coke in 2019.

1.3 Importance of Suez Canal for Egypt

The 150-year-old trench was constrained by British and French interests in its underlying years, however was nationalized in 1956 by Egypt's then chief Gamal Abdel Nasser. Throughout the long term, the trench has been augmented and developed. In 2015, Egypt declared designs to additionally extend the Suez Canal, planning to decrease holding up occasions and twofold the quantity of boats that can utilize the trench every day by 2023. As per an AFP report, the channel is a significant type of revenue for Egypt's economy, with the African nation acquiring \$5.61 billion in incomes from it a year ago.

2. Review Literature

2.1 Shupe.et.,al (1980) focuses on a new conflict analysis technique of employed to analyze the international crisis that was created when Egypt nationalized the Suez Canal in 1956. The Suez Crisis involved the use of strategic surprise by the Egyptians and it is clearly demonstrated how this type of situation can be readily modelled by utilizing contemporary methods from conflict analysis. The analysis algorithm provides a procedure for systematically studying the implications of the Suez Crisis and also for predicting what possible scenarios could have taken place.



2.2 McKenzie(2016) highlights that Suez Canal is the main pathway of introduction of non-indigenous species into the Mediterranean Sea. The successive enlargements of the Suez Canal have raised concern over increasing propagule pressure resulting in continuous introductions of new non-indigenous species and associated degradation and loss of native populations, habitats and ecosystem services. The United Nations Environment Programme (UNEP) through its Barcelona Convention has pledged to protect the biological resources, habitats and ecosystem services of the Mediterranean Sea, and have committed to spatial protection measures. We call attention to the failure of an environmental policy that left the entire Mediterranean Sea prone to colonization by highly impacting non-indigenous species, including poisonous and venomous ones. Scientific research has been documenting this bio invasion for over a century, yet beyond the ambit of marine scientists there is a lack of awareness of the scale of Mediterranean-wide consequences and scant appetite to enact the necessary environmental policies.

2.3 Barash & Danin(2013) examines about the presence of Indo-Pacific Mollusca in the Mediterranean has been observed since the opening of the Suez Canal: 45 species (26 Gastropoda, 19 Bivalvia) are known to date, nine are recorded for the first time in this paper. Seventeen Indo-Pacific species represented by only one or a few shells are evidently occasional

in the Mediterranean. Twenty-eight species which are collected live or as shells over a period of years, may be regarded as residents in the Mediterranean. Most of the Indo-Pacific species which have migrated to the Mediterranean occur in the Suez Canal and all of them are found in the Indo-West Pacific region. The northernmost limit of Indo-Pacific Mollusca in the Mediterranean is the Ionian Sea. The migration of Mediterranean species of Mollusca into the Suez Canal is discussed. A list of molluscan species identified from a collection from the Suez Canal is appended.

- 2.4 Shefer et.,al (2004) focuses on the biota of the eastern basin of the Mediterranean Sea has experienced dramatic changes in the last decades, in part as a result of the massive invasion of Red Sea species. The mechanism generally hypothesized for the 'Red-to-Med' invasion is that of natural dispersal through the Suez Canal. Findings reveal two distinct lineages of haplotypes, and five possible explanations are discussed for this observation. It shows that the genetic exchange among the Mediterranean, Gulf of Suez and the northern Red Sea is sufficiently large to counteract the buildup of sequential genetic structure. Nevertheless, these basins are rich in unique haplotypes of unknown origin.
- 2.5 Zeng et.,al (2019) highlights about one of the advantages of Arctic shipping or the Northern Sea Route (NSR) over the traditional Suez Canal Route (SCR) is its comparatively shorter transport distance between the Atlantic and the Pacific, which makes North East Asia and North Europe seemingly closer geographically and economically. The economic development of the North-East Asia brings further potential for the commercial applications of the NSR. Meanwhile, China's "Belt and Road" Initiative (BRI), the Railway Transport between China and Europe (Railway) has also been developing rapidly. This has led to the possibility of route competition among the NSR, the SCR and the Railway in freight transport between East Asia and Western Europe. In this paper, the market shares of the three transport routes are analyzed using bootstrapped multinomial logit (MNL) model. Further, scenario analysis is provided to examine the change of market share of the NSR under varying development trends related to

economic conditions, natural conditions, and shippers' preference. Based on the results, policy implications and suggestions are discussed.

2.6 Bulfin(2011) examines about that , In 1859 Ferdinand De Lesseps began his great endeavour to sunder the isthmus of Suez and connect the Mediterranean with the Red Sea, the Occident with the Orient, simultaneously altering the geography of the earth and irrevocably upsetting the precarious global balance of power. Ten years later the eyes of the world were upon Egypt as the Suez Canal was inaugurated amidst extravagant Franco-Egyptian celebrations in which a glittering cast of international dignitaries participated. That the opening of the canal would be momentous was acknowledged at the time, though the nature of its impact was a matter for speculation, as the question posed above by Punch implies. While its codevelopers France and Egypt pinned great hopes on the canal, Britain was understandably suspicious of an endeavor that could potentially undermine its global imperial dominance—it would bring India nearer, but also make it more vulnerable to rival powers. The inauguration celebrations were thus followed closely in Britain, the journalistic coverage characterised by speculation about the canal's effect on empire, with Punch's verse exemplifying the pessimistic view.

2.7 A. Morcos(1980)- Highlights the problem of the tidal currents in the Suez canal is scarcely treated in oceanographic literature. It is only in LEMASSON (1908) & GRUVEL (1936) that direct observation of the currents in the canal were studied. The present work is a part of a study on the regime of currents in the canal at different months, to find out its effect on the seasonal variation and distribution of salinity along the canal.

2.8 STEINITZ (1966) concerns about the biological phenomena associated with the Suez Canal exist for not more than a hundred years. Although they are of great general importance, they have not been given the attention they deserve. However, it appears that a new phase of interest in this unpremeditated Large-scale experiment is beginning. It is hoped that a preliminary discussion of some of the biological problems involved, will contribute to a more precise

definition of the subject. The notion of the passageway is but one aspect of the biological functions of the Suez Canal. Its function as a habitat is not less essential. It is a habitat of a very special kind: relatively recently established, its occupation by living organisms was a protracted process still going on. Drastic changes on the hand of man must have been followed by changes in occupancy and in population structure.

OBJECTIVES

To study the importance of Suez Canal on Global Trade.

RESEARCH METHODOLOGY

This study is based on the secondary data. It is basically descriptive in nature. The data have been collected from various sources like research papers, journals, government reports, newspaper articles, magazines etc.

ANALYSIS/ FINDINGS/ DISCUSSION

It was investigated based on past examination that Suez Canal has assumed an indispensable part on worldwide exchange particularly on Indian exchange. Practically 12% of the all-out worldwide exchange passes however the Suez Canal. On the off chance that Suez Canal was not created it will hamper the nation's absolute economy coming about into high swelling in the market because of lack of supply according to request. The presence of Suez Canal also impacts the crude oil prices because a big junk of crude oil traded through this Canal. This waterway nearly saves a week or so to reach from Asia to Europe as far as possible however Africa through cape town to Europe. In 2018 there were 18,174 travels of the Suez Canal, as indicated by the Suez Canal Authority. That number rose to 18,880 out of 2019, or about 51.5 each day. Compartment boats and big haulers made the biggest level of travels during those years. The Egyptian government should have to make a parallel route by which the traffic on

Suez Canal could be avoided and if in future any blockage will happen the ships doesn't need to wait, they can use the parallel route.

CONCLUSION

Economically the Suez Canal has benefitted in the sea trade between the countries like north and west Europe and nations previously. It also need to be considered whether the goods to be transported could be the cost of canal tariff according to today's information from the shipping companies the route from Singapore to the Rotterdam through Suez Canal will be shortened by 6000km and by 9 hours and in terms of environment by opening the canal it leads to invasion of species from red sea into Mediterranean sea by the canal it create an impact on ecology and injuring and endemic species, around 300 species from the dead sea have been identified in the Mediterranean sea and there are probably the other yet unidentified.

Considering the situation, Suez Canal has wide scope in near future for India and all over the world since it is both profitable to the economic and the environmental impact to our country and sustain the future trade related to Suez Canal.

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