

Lesson Fifty-Two

Panama — A Westward Passage

LESSON IDEA

To describe early efforts to build the Panama Canal, and to show why it is one of the world's most important canal routes.

WHEN NEWS that gold had been discovered in California reached the East Coast in 1848, men from all walks of life quit their jobs, bought axes, pots and pans, and other supplies, and headed for the California hills to strike it rich. They traveled by ship, stagecoach, horseback, and on foot. They didn't much care how they got there, so long as they made it alive.

Travel across the prairie, however, was risky business. Indians were still scalping intruders whenever the opportunity arose. Yet there was an alternative route that had been used for more than 30 years to reach the Pacific. Do you know what it was?

It was across the Isthmus of Panama, 50 miles of sultry, bug-infested jungle in Central America. [Ask if someone can define "isthmus." and be sure that family members know where the Isthmus of Panama is located.] The 50-mile trek through swamps and over treacherous mountain passes was truly onerous. But many travelers preferred taking a chance with malaria and crocodiles rather than having their hair end up as a trophy dangling from an Indian's belt.

Not everyone moving to California during the gold rush planned to pan for gold. Miners required the services of bankers, barbers, doctors, lawyers, merchants, and many other professionals and businessmen. One such entrepreneur was Judson Ames, who speculated that the '49ers would want a newspaper. Leaving Baton Rouge, Louisiana soon after hearing about the gold strike, he arrived in Panama in January of 1850 with a few suitcases and a 1,200-pound hand press. Ames hired eight natives to help him move the press up river on a barge, but no sooner was it pushed into the river than the barge tilted. The press slid over the side, coming to rest on the sludgy bottom.

Ames remained undaunted. He had come that

far with the press and was not going to give up now. Borrowing some rope and grappling hooks from a steamer, he spent the rest of the day striving to lift the press back onto the barge. His native helpers could not budge it. Ames finally became so exasperated, the story goes, that he jumped into the water, lifted the press by himself, maneuvered it onto the barge, and continued on his way.

ONE YEAR AFTER the California gold rush began, three shrewd New Yorkers organized the Panama Railroad Company and received permission from the Colombian government (which ruled Panama at the time) to begin construction of a rail line across the Isthmus. The project posed a plethora of troublesome engineering problems. One of the worst obstacles was the dreaded Black Swamp, a mucky, mosquito-infested area several miles wide. Engineers attempting to measure the depth of the swamp eventually reached solid earth at 180 feet.

Using thousands of tons of earth, the workmen began filling-in the swamp to the point that it would support railroad track. When each small right-of-way was completed, another set of tracks would be laid, the train would cautiously inch forward to test it, and to dump more earth for the next phase. Seven miles of track were laid in this manner, at a cost of over \$1 million. But even when the line opened for limited travel, problems remained. In one instance, when a crew left a train to hunt animals, they returned to find that the swamp had opened up and swallowed the engine and six huge dump cars.

There were also difficulties with the transverse ties used to keep the rails in line. The workmen had used local wood at first, but found that by the time they set the last ties, the first would begin rotting in the humid, tropical climate. The only viable solution was to import hardwood ties to replace those they had already laid.

Crocodiles, mosquitoes, sinking swamps, and rotting railroad ties were not the only dangers

and difficulties facing those who worked on the Panama Railroad. They also had to watch for roving bandits who raid and loot the railroad camps, often killing the workers. A former Texas Ranger named "Ran" Runnels solved that problem by organizing a posse to track down the thugs. Runnel's rough measures, which included hanging 20 or 30 bandits at a time, soon made thievery an unpopular pastime in that part of the country.

THE RAILROAD finally opened for business in 1855, but was hardly an ideal means of moving men and materials from one ocean to the other. A major drawback was that everything had to be unloaded from ships on the Atlantic side of the Isthmus, transferred to railroad cars, then hauled across Panama to the Pacific, where the entire process had to be repeated. What was urgently needed was a canal through Central America.

When President Ulysses S. Grant delivered his first message to Congress, he strongly recommended that the United States build such a canal. Grant knew from firsthand experience about the need for one, because in 1852, as a supply officer with the 4th Infantry Regiment, he had spent time in Panama on his way to California.

Grant's recommendations to Congress did not go unheeded. American representatives began negotiations with Nicaragua for construction of a canal, but after months of discussions very little was accomplished.

Meanwhile, the French government had received permission from Colombia to build a canal through the Isthmus of Panama. The Frenchman selected to supervise the formidable engineering task was Ferdinand de Lesseps, who had also constructed the Suez Canal. It was thought that if anyone could build a Panama Canal, de Lesseps was surely the man. Unfortunately, however, he turned out to be more promoter than engineer. To

FOR SERIOUS STUDENTS

For additional information about the fascinating history of U.S. construction of the Panama Canal, the following books (among many others) are recommended: *The Strength To Move A Mountain* by W. Storrs Lee, *The Chagres: River of Westward Passage* by John E. Mintner, *The Untold Story Of Panama* by Earl Harding, and *Panama Canal: Part Of America's Security* by Jon Speller.

guarantee favorable newspaper coverage of his exploits, for example, he secretly guaranteed five percent of his \$6 million budget for the first year to French newspapers. He also signed a contract with Gustave Eiffel, designer of the Eiffel Tower, to construct the canal locks. Although Eiffel never actually built so much as a single lock, he was guaranteed a payment of \$25 million.

The Panama Canal Company that de Lesseps organized was racked by mismanagement and corruption. It began work on the canal in 1881, but after five years and the expenditure of millions of dollars, work ceased and the company was nearly bankrupt. In 1891, the French government sent a commission to Panama to survey the extent of de Lesseps' dishonesty. Its members returned to France in shock.

All along the canal route the commissioners had



Before the United States built the Panama Canal, ships had to travel 13,000 miles around the tip of South America to go from the Atlantic to the Pacific. When the Canal was opened for shipping in 1914, the distance from New York to San Francisco was only 5,300 miles. The Panama Canal is one of the most valuable trade routes in the world. And the United States owns it.

found rusting machinery, in serious disrepair, sinking in mud. In one warehouse they discovered 15,000 kerosene lamps waiting for use during the canal's opening celebration. Dozens of locomotives from Belgium were stacked atop one another, useless because they were the wrong size to fit the existing fit the tracks. The commissioners even found thousands of snow shovels, in a country where nighttime temperatures seldom dropped below 90 degrees F. An American magazine later described the scandal in these words:

There is no richer digging in the ruins of an ancient Rome or Pompeii than along the deserted route of the canal. . . . Why this endless amount of machinery was shipped there, no one could explain; but it was all accepted, paid for, and then left to rot in the hot, moist climate. There were locomotives, scoops, buckets, steel rails and machine tools by the acre from all parts of the earth.

After the commissioners issued their scathing report about de Lessups' corrupt mismanagement, the French opted to abandon the project. Philippe Bunau-Varilla, a representative of the Panama Canal Company, offered to sell the entire mess to the United States. At the time, our government was still planning to build a canal through Nicaragua. But after some questionable wheeling and dealing on both sides, our representatives agreed to purchase the French property and the French rights to build the canal through the Panamanian Isthmus.

AFTER CONGRESS APPROVED purchase of the French property for \$40 million, another hitch developed when Colombia would not allow the French to transfer their rights. The Colombian government obviously hoped to make even more money on the transaction by pressuring its way into the negotiations. Its desire to be paid twice led to further backroom bargaining by the canal's promoters. Finally, in 1903, Colombia's bartering position was shattered by a by a revolution on the Isthmus, in the wake of which the Republic of Panama declared its independence.

On November 18, 1903, the United States signed a treaty with the new country to build a

U.S.-financed and owned canal through Panama. The agreement was known as the Hay-Bunau-Varilla Treaty, after John Hay, our Secretary of State, and Philippe Bunau-Varilla, the new Panamanian government's representative.

The terms of the treaty were clearly understood by those who negotiated it and by the U.S. Congress that approved it. Nevertheless, beginning the mid-1940s there were attempts by some U.S. and Panamanian officials who favored transferring the canal to Panama to foster widespread misunderstanding about U.S. rights and responsibilities under the treaty. So let us see exactly what the treaty says.

Article I states, in part, "The United States guarantees and will maintain the independence of the Republic of Panama." Panama has never had to spend money on an Army or Navy, since the U.S. pledged to protect the country militarily, as we did during World War II.

Article II declares, "The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for the construction, maintenance, operation, sanitation and protection of said Canal.... .."

Article III asserts, "The Republic of Panama grants to the United States all the rights, power and authority within the zone mentioned and described in Article II of this agreement ... which the United States would possess and exercise if it were the sovereign ... to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."

THE HAY-BUNAU-VARILLA TREATY granted to the United States sovereign power within the Canal Zone in perpetuity. [Ask someone to define "perpetuity."] To make sure that there no misunderstanding of the terms, in May 1904 Tomas Arias, Secretary of Government of Panama, delivered a letter to the new governor of the Canal Zone which stated: "The Government of the Republic of Panama considers that upon the exchange of ratification of the treaty for opening the interoceanic canal across the Isthmus of Panama, its jurisdiction ceased over the zone."

The United States signed the treaty because it gave us unambiguous title to all property within

the Canal Zone — forever. The U.S. paid for the Panama Canal Zone with \$10 million in gold, plus an annual fee of \$250,000 (increased to \$1,930,000 in the 1950s), and has invested around \$32 billion in it since. The Zone is as much American property as is Hawaii or Alaska.

Looking Ahead

The moment of truth had arrived for the United States. We were committed to digging a ditch through Panama, from the Atlantic to the Pacific, that would eventually be 50 miles long, 300 feet wide, and over 40 feet deep. It was an immense undertaking that would involve thousands of men from all over the world for a decade. How American engineers blasted their way through mountains, hacked their way through jungles, and shoveled their way through swamps — all the while fighting yellow fever, cholera, and malaria — is a truly incredible story. Next week we will recall how American determination and ingenuity overcame the obstacles that defeated so many others.

DURING THE WEEK

Assign family members to locate some articles and/or news clips about construction of the Panama Canal, and negotiation of the Hay-Bunau-Varilla treaty, for discussion during dinnertime. An encyclopedia would be one source of basic information. More detailed analyses may be found in the following articles published in *The New American* magazine: "The Panama Canal Giveaway," by William F. Jasper (June 21, 1999); "Save Our Canal!" by Admiral Thomas H. Moorer; "Building America's Modern Marvel," by Michael E. Telzrow (December 6, 1999); and, "Reclaim Our Canal!" by William F. Jasper (January 31, 2000).