



**SHALL WE
GIVE AWAY
THE
PANAMA
CANAL?**

**By
JOSE MA. HERNANDEZ**

A CHRISTIAN CRUSADE PUBLICATION

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ONE . . . WHY IS PANAMA IMPORTANT?

Between North and South America lies Central America. Here are small countries, peppered by volcanoes and lulled to immemorial ease by the moon on the Caribbees. Here are coconut palms swaying when the trade winds blow. Here too are long, green miles of banana plants beneath which, at moonset, the clever monkey still disputes with the more clever turtle, ownership of a golden bunch of ripening fruit.

This is Central America . . . and as we listen to the tales of the Spanish Main, we hear the names of Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and, yes, Panama. Look at the map. Just north of Central America is Mexico, next-door neighbor to the United States, and south of Panama is Colombia, the first country in South America.

Look again at Panama. It's out on a limb. It should be a part of Costa Rica, but it is not. It should be a part of Colombia, which, of course, it was, long ago . . . until it became free, independent and sovereign with the help of the United States . . . and, lest we forget it, with the building of the Panama Canal.

There is the big question.

By virtue of the 1903 Bunau-Varilla-Hay Treaty, the United States holds sovereignty, jurisdiction and control over the Panama Canal. But American presence in this neck of land, known in history as the Isthmus of Panama, has been disputed vocally and violently by the Panamanians. If the truth could be told without embellishment or purpose of evasion, these same Panamanians gained their independence because U.S. President Theodore Roosevelt prevented Colombian troops from suppressing the Panamanian Revolution.

After spending billions of dollars to build, maintain and protect the Panama Canal, the United States is now being told in angry and unequivocal terms, "Gringos, go home."

There has been much bitterness and there has been

recrimination between Americans and Panamanians in the past sixty years. More than ever today, this thorny question is being painfully discussed by pro-revision and anti-revision advocates of the 1903 Treaty.

Let us look at the record.

The Background

This only means "Let us look at the past." It means going back to the 15th century, that is, many years before the arrival of the *Mayflower* at the New England shore, to those halcyon years when Christopher Columbus came to the Caribbean and thought he had discovered a way to the East by sailing West.

In those dark days when the world seemed much smaller than it is today, when the Pacific seemed a totally unknown quantity, Columbus saw Darien, the long and narrow stretch of mosquito-infested jungle and rain-carpeted mountains which was the home and habitation of what was to be the Panama Canal.

Here at Nombre de Dios and Portobello, on the Caribbean side of Darien, an aging, disillusioned, disenchanted, short-tempered Columbus saw fit to end his life-work. This was his fourth voyage. He would never come here again. Buffeted by adverse winds and unknown seas, and humiliated beyond measure by the perfidy, duplicity and ingratitude of men whom he had helped to rise in seamanship and even in wealth, here was Columbus, a completely broken man. He certainly did not anticipate that this piece of earth was to be the bone of contention between strange men of the north and leaders of a small nation here in Darien, nearly five hundred years later.

Darien. What is this Darien that even John Keats, the British Romantic poet wrote about it?

Keats wrote:

"Much have I traveled in the realms of gold,

.....

Oft of one wide expanse had I been told,

That deep-browed Homer ruled as his demesne:

Yet did I never breathe its pure serene

Till I heard Chapman speak out loud and bold:
Then felt I like some watcher of the skies
When a new planet swims into his ken;
Or like stout Cortez when with eagle eyes
He stared at the Pacific — and all his men
Looked at each other with a wild surmise —
Silent, upon a peak in Darien.”

There it is . . . Darien. But this piece of excellent poetry suffers from a gross mistake. It was not Cortez who saw the Pacific for the first time, it was Balboa. And that was in 1513. But it was Magellan who gave that vast body of water its name . . . Pacific, when he crossed it for the first time in 1520. The fact that hundreds of typhoons and terrible monsoons have made that ocean the graveyard of many a sea-going vessel; and since in the twentieth century it became the theatre of some of the bloodiest battles on the sea, air, and under the sea — it is highly questionable whether that ocean is pacific after all.

But Balboa saw it. He waded in it. And he declared all lands touched by its waters to be colonies of Spain. Balboa was one of the wisest and most merciful of the Spanish conquistadores. He was governor of Darien but was succeeded by the cruel and harsh Pedro Arias de Avila, better known as Pedrarias, who ordered Balboa beheaded.

What is of great pith and moment to us now is that the Spaniards had discovered another sea and between that and the Atlantic there was only a narrow neck of land known then as Darien. The Spaniards then proceeded to build a road from Portobello to Panama, on the Pacific side. This was the rough, swampy, muddy, winding road which for many, many years was used for the transportation of goods from Spain which had been landed on Portobello. It was also utilized by the Spaniards when they had gold, silver and other precious products from Chile, Ecuador and Peru to send to the almost always bankrupt throne of Spain. And these products had to cross the Isthmus from Panama to Portobello.

In either case, Indian labor and the dependable but slow mule were put to good use in season or out of season. Two important items need to be noted at this juncture. This route

across the Isthmus was the main artery of trade between Latin America and Spain; and because Spanish ships were heavily laden with gold as they left Portobello on their way to Spain, they attracted the interest of buccaneers like Hawkins and Drake. Ultimately the rivalry of England and Spain over mastery of the sea culminated with the destruction of the "Invincible Armada" by the more highly maneuverable ships of Queen Elizabeth I. The second thing to remember is that the galleon trade from the Far East, where the Philippines was the farthest Spanish outpost covering all Asia, never made use of Panama but Acapulco in Mexico.

So there was a trail connecting the two oceans . . . the precursor of the Panama Canal.

However, the first man ever to mention the possibility of opening a canal across the Isthmus was Alvaro de Saavedra in 1555. Saavedra was a Spaniard, a cousin of Cortez, the conqueror of Mexico and of the Aztec chief, Montezuma. Saavedra had gone to the Moluccas where he picked up cloves and other spices and was on his way back to Panama to tranship his cargo to Spain. But he died on the way. The chronicler of the voyage, the governor of Ternate in the Moluccas, a Portuguese, wrote in his book, *The Discoveries of the World*, that Saavedra had mentioned the possibility of building a canal across the Isthmus of Panama in any one of four locations.

These locations are: (1) from Panama to Nombre de Dios; (2) from the Gulf of San Miguel to Uraba; (3) through the Lake of Nicaragua; and (4) through the Isthmus of Tehuantepec in Mexico.

It is remarkable that in spite of the discoveries and inventions of all these centuries since Columbus, discussion has been limited to only these four routes. The present Canal has been constructed from Nombre de Dios to Panama.

The world cherishes long memories of the Canal. As early as the 16th century, Charles I of Spain had sent explorers to study the possibility of digging a Canal to link the Pacific and the Atlantic.

Costa Rica, lying just beyond the short border of the land of the Panamanians, was not interested in any talk about a

Canal. Costa Rica, predominantly white, wished only to be left alone.

Hence, as we look back at Darien, we behold once again, this thin ribbon of land separated from Colombia by impenetrable jungles, steaming in the sun and humid in the ceaseless and copious pouring of the forest rain, with mountain ranges that teem with the terrible puma and the constantly singing cicada. This was the slim waist of the capricious lady with the hour-glass figure, known as the Western Hemisphere.

Only this slender but inhospitable land separated two oceans. To get them together in a spirit of trade and commercial amity . . . what could be more logical than a Canal?

“Oh, East is east and West is west, and never the twain shall meet . . .,” sang Rudyard Kipling in another context. But here the two great oceans have met . . . and although there has been bitter and often irreconcilable argumentation in Panama and in Washington, it is the honest hope of all thinking men that in the end, harmony will be established and justice will be respected by all participants in the debate.

Who Will Build the Canal?

For a good many years, the trail between Panama and Portobello was used painfully but profitably by Spain in bringing manufactured goods from European countries, to be sold by force to the natives of Latin America, and in carting away, on mule’s back, the gold and silver from the mines beneath the Andes.

Baron Alexander von Humboldt explored Mexico, Central and South America between 1799 and 1804. He recommended that a Canal be constructed across the Isthmus. In 1827, the aged Goethe read the recommendation and advanced the view that the United States should open such a waterway, adding, “Would that I might live to see it!”

But nothing was done by the United States regarding this matter. When the gold rush started, numberless people, mostly from the eastern part of America, went to Portobello or the relatively new city of Colon, paid substantial toll to the

Panamanians who gave them passage to Panama via the mule road, and from there the forty-niners went to California.

In 1848, two Americans were given a concession by Colombia to build a railroad across the Isthmus. This railroad was finished in 1855. It was a most profitable venture. In 1868, its dividend was 44 per cent.

There was keen rivalry between the U.S. and Great Britain over the possibility of building the Canal. Neither country desired the other to establish its predominance and superiority over the Canal. A treaty was signed by the two nations providing that should the Canal be constructed, America and Britain would exercise joint control of the project, with the further proviso that there would be no fortification, colonization, or exercise of sovereignty over the area by either party.

But this was all talk and noise. Meanwhile, Count Ferdinand de Lesseps of France, who had successfully constructed the Suez Canal, organized a French company and began digging in 1878. In 1889, this French venture was given up as a total failure because of lack of funds, engineering incompetence, bad luck, financial juggling and dishonesty. A new French company took over, not to continue digging but just to dispose of the rusty machinery and other property of the first company.

America Steps In

In 1898 when the United States got into the Spanish-American War, she became a world power. She was convinced that the Monroe Doctrine of 1823 was not enough. It was a mere declaration. It must be backed up by effective means to protect and defend the interests of the Western Hemisphere. Her assumption of responsibility as a world power was a simple manifestation of "manifest destiny."

Consequently, when the opportunity to open the Panama Canal under the most favorable circumstances came, America grabbed it. The President of the United States then was Theodore Roosevelt and the Secretary of State was John Hay.

The United States made possible the success of the

Panamanian Revolution and thus paved the way for the establishment of the Republic of Panama. The revolt broke out on November 3, 1903; on November 6, the United States recognized the Republic of Panama; and on November 18, a treaty was signed between the U.S. and Panama (represented by Bunau-Varilla) so that construction of the Canal, as we know it today, could be started.

With a system of locks, the Canal was built by American engineers. American money has been poured into the building of the Canal, in maintaining it, in protecting it from envious interlopers, in paying for the services of Panamanians in the ten-mile wide Canal Zone. Americans have freed the Isthmus of malaria and yellow fever, and have raised the amount paid annually to the Panamanian Government from \$250,000.00 to \$1,900,000.00.

America has sunk \$6 billion into the building and maintenance of the Canal. Of this amount, only \$1 billion has been returned to the U.S. Treasury.

America opened the Canal in 1914. Since then it has been used to advantage by the U.S. Navy in two world wars. But the bulk of the shipping that goes through the Canal comes from Latin America.

Already the Canal has become too narrow for some aircraft carriers and supertankers and some other ships on the designing boards. But America wants to keep the Panama Canal because in peace, as well as in war, she needs the short way through the slim waist line of the Western Hemisphere instead of the long, although romantic, route of Magellan around the Tierra del Fuego and Patagonia.

The intricate details of the Treaty of 1903 and the developments in the past seventy or so years will be taken up in full in the following pages.

What do the Panamanians aim to do regarding the Canal?

The Spotlight, a Washington weekly, says this on June 28, 1976:

“PANAMA — Omar Torrijos Herrera, supreme leader of the Marxist Revolutionary Government of Panama expects to nationalize the Canal Zone in November.

“Panamanian Jorge Illueca will preside over the National Security Council of the United Nations during the month of November. United States senators and congressmen will be in their respective constituencies preoccupied with the national elections.

“The plan calls for Panamanian officials to walk unarmed into the U.S. Canal Zone. Torrijos will occupy the Administration building. Other Panamanian ministers will occupy Albrook Air Force Base, the Cristobal Piers, Coco Solo Naval Station and other strategic U.S. installations and proclaim Panamanian sovereignty on the basis of the unauthorized Kissinger-Tack Agreement of 1974.”

There is the evidence of the immediate importance of the Panama Canal to the United States and to the world at this very minute. From June to November . . .

TWO . . . THE FRENCH CANAL

The sun of the Spanish empire was sinking in the west. But before the Spanish conquerors left their strongholds in Latin America, many significant events took place in the Isthmus which paved the way for the building of the present Canal.

The Spanish trail across the Isthmus was used extensively. David Howarth says in his book, *Panama*:

“No one has ever computed the enormous wealth that came over this muddy track. All the gold that was seized from the Incas crossed it, all the pearls of the Pacific, all the silver of Bolivia. For the silver, an estimate exists: between 1545 and 1600, 20,000,000 kilograms, 200,000 tons. As for the gold and jewels, even if the quantities were known, one could not possibly give them a modern value.”

The riches seemed to promise immense power and world dominion, but since the sovereigns of Spain were always bankrupt, since they were engaged in many wars in Europe and because the raw materials from Latin America were processed not in Spain but in Belgium, France, and other more industrialized countries, Spain ended her colonial empire as poor as when she started.

Francis Drake, loyal subject of Queen Elizabeth I, intrepid sailor and nemesis of Spanish sailors and traders, went to the Isthmus for theft and revenge. He succeeded in carrying out both purposes. After the defeat of the Spanish Armada, Drake went back to the Isthmus with Hawkins. Hawkins died on the Isthmus and Drake had to carry on his depredations. But in his last years, Drake could not fulfill his promise to the Queen . . . to bring gold and a great victory over the Spaniards. He died at sea near Portobello.

The Scots got interested in the Isthmus and even fought long bloody battles with the Indians and the Spaniards. They raised considerable sums of money and lost many men in the process of finding gold and other precious metals in the New

World. They used the Isthmus for many years but, in the end, they had to return to Scotland without having conquered Darien.

The English buccaneers came to plunder, steal and destroy the Indian civilization on the Isthmus. They too made use of the muddy trail and the rivers and lakes between Portobello and Panama.

After the Buccaneers came Prussian Baron Alexander von Humboldt. He was a traveler, explorer, geographer, philosopher, historian. And he wrote about the possibility of building a Canal across the narrow neck of land between Portobello and Panama. This was in 1799.

In one of the writings of this German explorer, he speaks of a Canal for small boats that extended from San Juan River to the Pacific and from San Juan to the Atrato River to the Caribbean. This was the Rospadura Canal. Whether this small canal, precursor of the present Panama Canal did exist or not is a part of the investigator's problem. An English traveler said that the Canal of Rospadura had been dug in truth, but that it was filled up again on orders of the king of Spain because it might rival the trail from Portobello.

Then the Railroad

Spain had kept the secret of the Isthmus of Panama for over 300 years, despite the incursions and expeditions of the Elizabethans, the Buccaneers, and the Scots. Now in the early part of the 19th century, Spain had folded her tent like the Arab and had returned in inglorious defeat to the Iberian peninsula.

The new republics that had arisen in Latin America, mainly as a result of the work of Bolivar and San Martin, were struggling for dear life. For the first time in their history, they were free to carve their own destiny. Sink or swim, do or die. But they were in dire need of money.

Therefore, they were all eager to earn an honest fee by selling concessions to any foreign government that asked. Darien, Panama, and Veragua (where Costa Rica and Nicaragua

are now) became parts of Colombia. Hundreds of people went to Bogota, the capital of Colombia, to get concessions to build a canal across the Isthmus. Some of the projects were simply impossible since they were the fevered dreams of crackpots, charlatans or cranks.

An American naval commander, Lt. Isaac G. Strin, thought he had found a way to build a canal across the Isthmus, following the reports made by an Irish doctor named Cullen and of a British technician, Lionel Gisborne. It turned out that the reports were untrue and misleading.

Then the gold rush in California came. Thousands upon thousands of Americans, eager to find nuggets of gold in many, untouched fields in California, traveled by overland trail in the United States, by ship around Cape Horn, and by canoe across the Isthmus and from Panama by ship, to California. And all were eager, impatient and excited. They must reach California in a hurry.

And so they came to Portobello, traveled by boat to the Chagres River and from there to Panama by mule. These forty-niners certainly were boisterous, used unrefined language, drank outrageously, and cursed at the drop of a hat. It did not matter if the food they ate was bad, the bunks they slept on were miserable, and the way of the mule, certainly not paved with roses. Beyond the steamy jungle and the mosquitoes, beyond the heat and the discomfort of Panama was California and . . . gold.

Nor was this mere speculation and empty dream. For here in Panama, they found out, the ship that would take them to California had left and they saw men who were on their way home to the States bearing with them valuable nuggets of pure gold. So they became more impatient and eager.

Therefore, George Law and William Henry Aspinwall, (Americans) possessors of a concession from Colombia, thought that as long as the gold rush fever existed there would be money in a railroad venture across the Isthmus. But it was two American engineers who proceeded to build the railroad, not from Portobello but from Limon Bay, near the city of Colon where Columbus took shelter in 1502.

In 1851, the *Panama Star*, a newspaper issued in English, stated that it was possible to cross the Isthmus by railroad in a single day . . . that is to say, from Panama to Colon, but not the other way around for that trip took at least two days. The *Panama Star* did not mention the hardships encountered by the American laborers and Indian workers who had to clear the jungles, drain the marshes, level the ground in many places, and toil in the broiling sun with veils on their faces!

Of course, they did not know that malaria and the yellow fever came from mosquitoes. They wore veils because they wanted the pestilential vapor of the jungle kept away.

It was only in 1855 that the railroad was completed. It was a railroad from coast to coast. In 1851, the way was part railroad and part river trip. After five years of hard, backbreaking labor in which Irish, English, French, German and Austrian Nationals, together with 1,000 Chinese coolies (imported from China), participated with might and main — there it was, the Panama railroad, from Colon to Panama.

\$8,000,000 had been spent for 45 miles of track.

It had earned \$2,000,000 before it was finished.

In the seven years since it began operating from Limon Bay to Gatun, it had earned \$6,000,000.

This Panama Railroad prospered until the continental railroad of the United States began its operation and took traffic away from it. To go to California, why must one go to the Isthmus of Panama?

The French Canal

Between 1870 and 1875, surveys were made, mostly by the U.S. Navy, of possible routes for the building of a canal across the Isthmus. But they were not in-depth studies. Americans were interested in a Nicaraguan Canal as a rival to the Panama trail. But the possible expense was calculated to run into millions and so nothing concrete was done about these surveys.

Until Count Ferdinand de Lesseps came into the picture.

This is the story.

There was a Frenchman, Lucien Napoleon Bonaparte Wyse,

probably the last of the "commercial adventurers," who thought it might be profitable to get a concession for a Canal from the Government of Colombia and then sell the concession. He was not going to build the Canal. He was just going to sell the concession to someone who had the money and the ability to bring the Canal dreams to successful fruition.

Wyse discovered that the American railroad company had only bought a concession to build a railroad. Nevertheless, he would have to get the consent of the railroad company since the Canal route would probably run into parts of the territory covered by the railroad.

Wyse went to Bogota and got the concession.

Ferdinand de Lesseps was 75. He had just successfully built the Suez Canal. He was considered, in France and in other parts of the world, as a great genius, a man of honor, integrity and honesty. He was not an engineer, he was not a financier. "Nowadays he might be called a fixer," says Howarth. Or a promoter.

The building of the Suez Canal was a glorious triumph for France. And de Lesseps was simply known as "the Great Frenchman." He was justifiably famous and to become doubly so when the opportunity for the Panama Canal project was brought to his attention. He was being dissuaded by his friends and by his own family. But . . .

At the time he was the President of the Geographical Society of Paris. In 1879, that body called an international congress to study the academic aspects of an Isthmian canal. The discussions narrowed down to two possible routes: Nicaragua and Panama. The American delegates recommended Nicaragua; Wyse strongly urged the Congress to consider Panama. The Nicaraguan way was going to cost less but would need locks, whereas the Panama route, said Wyse, would be a sea-level Canal without locks.

De Lesseps favored Panama because he had succeeded in building the Suez without locks. It was a sea-level Canal. Besides, Panama was being recommended by Wyse, a Frenchman. And the concession at Panama was owned by Wyse and his company.

Against all odds, de Lesseps proceeded to implement what the Congress wanted done: "to cut an inter-oceanic canal at sea level . . ." and that "it should be built from Limon Bay to the Bay of Panama." This resolution was passed by 78 delegates out of a total of 138. There were 8 abstentions, 12 against and 40 absent.

De Lesseps bought Wyse's concession for \$2.5 million or 10,000,000 francs. It was an expensive venture, for it did not cost Wyse a cent except the cost of the trip to Bogota and perhaps a bribe to hasten the transaction. Besides the concession, to be effective, must be approved by the railroad company. Thus to get the railroad company to agree, de Lesseps had to pay \$25,000,000 for the railway track.

Then de Lesseps formed a company to build the canal. He appealed to small investors for 400,000,000 francs but was able to collect only 30,000,000 francs which he promptly returned to the poor investors.

He went to Panama to make a personal survey of the terrain and thus make a more convincing appeal to prospective investors. From the very beginning, the French Canal seemed doomed to fail. The driving of the ceremonial first nail was symbolic of failure. But de Lesseps was undaunted. He went to the United States where he met President Hayes and where he was received cordially, but not a single American was willing to invest in the venture.

However, upon his return to France, his appeal for funds was a success. The people of France believed him in every way and concluded that because de Lesseps had been to Panama and had said that a sea-level canal was possible, the Panama Canal would soon be a reality.

Why the French Canal Failed

The French built comfortable homes for officials and workers at the Panama project. They built hospitals with self-sacrificing and efficient nuns as nurses.

Nevertheless, many of the laborers digging on the Isthmus died because of yellow fever, malaria, cholera and dysentery.

They did not see the connection between the mosquitoes that multiplied in stagnant pools, in decorative bodies of water in the hospital gardens, and even in the tins of water used to prevent ants from climbing up the hospital beds and the fevers (malaria and yellow) that killed from 15,000 to 20,000 men on the Isthmus.

Four chief engineers had been named to carry on the work. Two of them died at the work site. One had to go home. The last one was Philip Bunau-Varilla, a man who played such a great role in subsequent developments of the Panama question.

The French company workers dug deep and wide in order to build a sea-level Canal. But the more they dug the more they felt how difficult the task was. When they reached the vicinity of Culebra, Bunau-Varilla discovered that the trees above his head were teeming with black tarantulas. The Chagres River was flooded during the rainy season and at Culebra they must dig a ditch a mile long, with an average depth of more than 300 feet.

The work near Culebra was tremendous. It was undertaken by men of different nationalities including American and with small steam shovels in use at that time. Culebra was covered with layers of thick, sticky clay and shale. During the rainy season the mud was terrible and it simply made the work most difficult. Sometimes for weeks, no progress could be made.

Meanwhile the money was exhausted and de Lesseps, who did not go back to Panama, had to raise additional funds in France. From 1881 to 1885, de Lesseps tried to use every means to raise the necessary funds to make his Panama dream come true.

De Lesseps could have shifted to a system of locks, for the sea-level idea could not apply to Panama. But he was not in Panama and did not know what actually was happening. Besides, a lock system could have been undertaken better in Nicaragua, and that was out of the question. Moreover, thousands of Frenchmen had placed their savings in the de Lesseps venture, and the honor of France was at stake. This last point is most important since it was to be of major consideration in later discussions of this project.

In 1886, de Lesseps must have seen that money was being wasted in useless digging for a sea-level canal. To convert the project to a system of locks would not be economical since much of the work already finished could not be used for the lock system. But de Lesseps seemed imperturbable.

The work went on for two more years. Then people began talking about the impossibility of the sea-level Canal. But Ferdinand de Lesseps insisted, with great enthusiasm and optimism, that he would succeed. He and his son Charles, who stood by him through thick and thin, went to different parts of France, lecturing and trying to raise the much needed monetary support for the Canal. To no avail. This method of raising contributions had run dry.

At last, in 1887, de Lesseps agreed to shift to a lock system in his projected canal. M. Eiffel, the builder of the Eiffel Tower in Paris, was to construct and supply the lock gates. All that de Lesseps needed was a lottery that would give him 600,000,000 francs and three more years of work!

But the Chamber of Deputies disapproved the measure.

What was to be done? His son Charles was told by some politicians that the battle was not lost. They could still have the lottery by talking to the right people, by greasing the palms of willing helpers, and actually bribing officials.

But the measure was doomed. By now de Lesseps had many enemies. And a great many persons suspected that the Panama Canal could never be built. De Lesseps was naive and foolish but there was wickedness around him and the wicked took advantage of him. Some politicians were bribed and the lottery was on. But the value of the lottery bonds fell by 25%. Then there was not enough money even to pay the prizes. The lid was off. There was a big scandal and naturally there was a noisy inquiry by the Government of France. Many Ministers were involved but the man who suffered the most was an aged, ailing, non-politician . . . Ferdinand de Lesseps.

He was charged with fraud, together with his son Charles. And so was M. Eiffel. They were pronounced guilty but a legal means was discovered to save de Lesseps from serving his sentence. Charles was sentenced to stay in jail for five years.

One day de Lesseps, whose memory was fading away and whose physical stamina had left him, a man who would stay in front of a fireplace looking with lacklustre eyes at the dying embers, was visited by his son Charles. Charles was accompanied by two guards, one of whom insisted on sitting down at the dinner table with Charles. Nobody told de Lesseps who the stranger was. After the meal, he was given a newspaper to read. It was three years old. That was the end of the Great Frenchman who "loved not wisely but too well."

Were the French Incompetent?

Critics from both sides of the Atlantic have thrown brickbats at de Lesseps and the various contracting companies that tried and failed to dig a sea-level canal across the Isthmus of Panama. Now an impartial student of the whole operation, after a detailed study of all the drawings, maps, and pertinent documents together with the equipment used by the French, must be convinced that the surveys and the studies and the actual labor were not only conscientious but competent. Every Frenchman who went to the Isthmus was like a soldier fighting for the honor and the glory of France. And many a French laborer never saw his home in France again.

A close study of the factors that led to the French failure in Panama will reveal that they were defeated by the mountains and the jungles and the rain forests. How different indeed these were from the relatively flat lands around Suez.

Then there was the unpredictable flooding of the Chagres River and other streams in the path of the projected Canal. They would rise to about sixty feet above sea level after two days of torrential rain. The floods would sweep away everything in their path, including the results of painstaking labor by the French. In addition there were terrible land slides — specially at the Culebra Cut.

Finally, there was the anopheles mosquito that spread malaria and the stegomyia mosquito that caused the yellow fever. The French never saw the connection between these mosquitoes and the multiplex deaths, not only among the

workers but also among the French officials and engineers. The death toll was roughly 20,000 men whose lives were sacrificed to failure.

At this point, it is good to recall that Gerstle Mack wrote the following lines which explain more than anything else the difference between Suez and Panama.

“The experimental nature of the work was something that de Lesseps failed to foresee. He had envisaged another Suez — in fact an easier Suez since the experience gained in Egypt could be applied to the American Isthmus . . .

“In one feature only — total length — did a comparison favor Panama: the Suez waterway extended about 100 miles from sea to sea and required some eighty miles of artificial excavation while the Panama Canal measured less than fifty miles. In every other respect Panama presented far more difficult conditions. The maximum elevation on the Suez line was but fifty feet above sea level, at Panama 330 feet. At Suez most of the digging took place in sand and soft earth; at Panama much hard rock was encountered, and slides vastly increased the total amount of excavation. The problem of the Chagres River with its erratic floods had no counterpart at Suez . . .

“Lastly, the deadly fevers of Panama were almost unknown at Suez . . . It soon became evident that experience at Suez was more of a drawback than an asset at Panama. Almost everything had to be unlearned.”

THREE . . . THE PANAMANIAN REVOLUTION and the 1903 TREATY

In recent years, much has been said and written about the Treaty of 1903 which grants to the United States sovereignty, jurisdiction and control of the Panama Canal **in perpetuity** . . . NOT for fifty or a hundred years. A Panamanian leader said that nothing but God is perpetual; everything, including jurisdiction, is temporary. Therefore, the United States has no place in the Panama Canal. The Yankees should go home, lock, stock and barrel.

In all this highly emotional argumentation, the Panamanians and their American defenders and apologists do not deny that there is a treaty. But, they add, with all vehemence, that the agreement was an unjust and unfair covenant and that it was signed under false pretenses. Therefore, invoking international law, Americans, they assert, do not have a leg to stand on in Panama. They should leave that poor country and let it develop in accordance with the principle of self-determination and with the help of Cousin Fidel Castro and his Soviet masters. There is a Red Star over their destiny. So America must let that star shine in all its glory.

Who knows if it may yet shine over the whole Western Hemisphere? The Monroe Doctrine has been cast into the sea of oblivion and Russian submarine bases have been established on the island of Cuba. Communist agents are already at work in Latin America, in Panama, and in the United States, once known as the very arsenal of democracy.

Hence, the reasons and the circumstances that gave rise to the Bunau-Varilla-Hay Treaty of 1903 are of immediate concern to all who must know the truth.

Panama, as it has been pointed out, was out on a limb separated from Colombia by impenetrable jungles and rain forests. But Panama was a part of Colombia and was governed from Bogota, the capital of Colombia. The population of

Panama was small, hardly a million at the time when the French were digging hopelessly across the Isthmus to duplicate the success of the Suez Canal.

A wave of nationalism was sweeping across the whole of Latin America. Self-governing democracies were springing like mushrooms from below the Rio Grande, which separates Mexico from Texas, to the Tierra del Fuego at the Straits of Magellan. The people of Panama thought that the time had come for them to strike for freedom. They must rise in bloody revolution against Colombia. They must set up the Republic of Panama.

But their most critical problem was money. How can a Revolution succeed without funds? They did not even have enough to pay the Colombian troops stationed in Panama and who were sympathetic with their libertarian cause.

Bunau-Varilla and Cromwell

When the *Compagnie Universelle* of Ferdinand de Lesseps failed in the gigantic project of digging the sea-level Panama Canal, the assets of the company were taken over by a new company. This was the *Compagnie Nouvelle*.

De Lesseps was dead, but not his dream.

Efforts were being made to save whatever could be saved of the machinery, the buildings, the trains, and locomotives, which lay in the isthmian jungle, ruins of a vision that never could come to reality. Many of the laborers had left for home and the British had shipped many of the unemployed workers to the West Indies. But some of the men who had worked their fingers to the bone remained in the jungle and lived in run-down shacks as squatters.

Now a great drama unfolded. Philip Bunau-Varilla, the last chief engineer of de Lesseps, wanted to sell the usable assets of the *Compagnie Nouvelle*, uphold the honor of France, and justify to the whole world the vision and the dream of Ferdinand de Lesseps.

But he was not alone.

He had a rival. This man was William Nelson Cromwell, a

small, handsome American attorney, a tried and tested lobbyist, the American counsel of the *Compagnie Nouvelle*.

The Americans were always interested in a Canal but, through Nicaragua, since it was nearer the United States, it offers a more stable government, and the route would be much shorter for ships from either the Pacific or the Atlantic. In fact, there was a Nicaraguan Canal Association, with headquarters in New York, which had dug a Canal three-fourths of a mile long 280 feet wide, and 17 feet deep. Then this company went bankrupt.

In 1898, when the Spanish-American War had started, the United States wanted its battleship *Oregon* transferred from San Francisco to the Caribbean. There was no other way but to round Cape Horn. This she did, arriving at her destination when the War was practically over.

Thus Senator John T. Morgan introduced a bill for the construction, operation and fortification of a Canal through Nicaragua.

But this would not do. Bunau-Varilla wanted the French-begun Panama Canal completed, to defend the honor and the name of the French who had lost lives, money and equipment in the venture. And, of course, Cromwell said NO to Morgan because he was counsel to *Compagnie Nouvelle*.

Both Bunau-Varilla and Cromwell campaigned against Morgan and his bill but separately and for entirely different motives.

Then as ill luck would have it, Mount Pelee in Nicaragua erupted, causing the loss of 30,000 lives. A few days later, another volcano erupted. Bunau-Varilla sent every member of the U.S. Senate a copy of his pamphlet *Panama or Nicaragua?* He also sent data on volcanic disasters to the *New York Sun*. The Nicaraguan Government replied that the volcanoes along the route of the proposed canal were extinct. Bunau-Varilla retaliated by sending the Senators Nicaraguan stamps, graphically showing volcanoes in eruption.

The Senate voted for Panama.

The bill allowed President Theodore Roosevelt to purchase

the property of the French company for not more than \$40,000,000, to acquire from Colombia a strip of land six miles wide through which the Canal would be built, and to draw up a treaty to authorize the construction of the Canal. But, in case the Colombian and/or French Government would prove difficult or recalcitrant, the President could reopen negotiations with Nicaragua.

The present-day reader should analyze most carefully the provisions of this bill.

The Plot Thickens

It was quite evident that the first step was to acquire the land from Colombia. Then after this, the United States would purchase the assets of the French company, the *Compagnie Nouvelle*.

So Secretary John Hay negotiated a treaty with Thomas Herran, the Colombian Charge d'Affaires in Washington. It was a treaty granting the United States administrative control of the land needed for the Canal for 100 years; in return, Colombia was to be given an immediate payment of \$10,000,000 in gold and an annual payment of \$250,000 from Canal tolls. The treaty was signed by Hay and Herran and it was ratified by the U.S. Senate. Then there was trouble.

The Colombian senate sat on it for weeks, months, years. They wanted to have some more money from the United States. They wanted to do some more bargaining.

The Panamanians grew restive. They wanted the Canal built so they could improve economically. And they wanted to be free. The Government of Colombia was informed about the danger of secession by the people of Panama. Little importance was attached to these reports.

Bunau-Varilla found the conditions favorable. He had tried to sell the property and the concession of the *Compagnie Nouvelle* to the French Government, to Russia and to Great Britain. Not one of them was interested. Perhaps it was providential that Russia did not get into the scene . . . then. If it did . . .

Bunau-Varilla knew that the United States was his last hope. And now if Colombia refused or hesitated too long in the consideration of the treaty granting Americans the privilege of building the Canal, then surely he must deal with another government that was only too ready to give the land away. In his mind, this was the real state of affairs and he proceeded to follow the gleam of his desires as expeditiously as possible.

The Panamanians sent Dr. Manuel Amador, the medical officer of the Panama Railroad, to Washington to find out if recognition would be accorded the new Republic as soon as the Revolution was started and whether there would be money and military aid for the Revolutionists. Amador met Cromwell once, but Cromwell had to leave for Europe in a hurry since the Government of Colombia had given notice of its intention of cancelling the French concession if and when she discovered that the *Compagnie Nouvelle* was engaged in inciting a revolt by the Panamanians.

Dr. Manuel Amador, who was a very simple man, a good medical practitioner who knew not the meaning of intrigue and double meaning, walked along the streets of New York, avoided by the *Compagnie Nouvelle*, ignored by American officials and followed by Colombian secret agents. Then, at this juncture, he met Philip Bunau-Varilla. The date: September 22nd, 1902.

Bunau-Varilla befriended Amador. He talked to both President Roosevelt and Secretary Hay. He assured Amador of American recognition of the revolutionary government, of American military aid in the Panamanian struggle for freedom, and as to money, he, Bunau-Varilla would give it to the revolutionists. In fact, he showed Amador a check for \$100,000.00. Provided, he said, that the Panamanian Republic named him ambassador-extraordinary, giving him full powers to negotiate a treaty in Washington for the completion of the Canal.

Amador did not like this arrangement. This was blackmail. The people of Panama did not like it. They did not trust Bunau-Varilla. Where did he get the money? How could they be sure that American help would come in case they rose in bloody revolt?

But they were caught between the horns of a dilemma. If they did not accept Bunau-Varilla's help, they could never be free. If they agreed to Bunau-Varilla's proposition, it would be like selling their birthright for a mess of pottage. It would seem like bartering their sovereignty and their patrimony for thirty pieces of silver. And yet . . . how could they ever hope to break the bonds of slavery to Colombia?

Then on the same day that Colombian troops arrived on Limon Bay, the *USS Nashville* steamed into the harbor. To the Panamanians, this was proof that the U.S. meant to help them gain their freedom.

The Colombian troops disembarked and were to be taken by train to Panama. But there was only one coach at the Limon Bay terminal. All the other coaches had been sent to Panama by the railroad company. The only coach at Limon Bay brought the Colombian generals to Panama at full speed. In Panama, these officers were immediately put under arrest.

The Colombian troops left at Limon Bay were taken by a Colombian officer, who had been bribed by the Panamanians, to a place of safety where they could do no harm. The Panamanian Revolution was on. There were only five shots fired. Within 48 hours, the United States had given recognition to the new republic.

Amador now demanded the \$100,000 from Bunau-Varilla. Bunau-Varilla demanded his appointment as minister-extraordinary. The revolutionaries disliked the idea of appointing a foreigner as the country's first ambassador but the Frenchman would accept nothing less. Amador needed money to pay the troops. So there was no way out. He had to accept Bunau-Varilla's terms.

Bunau-Varilla rushed to Washington and impressed upon Secretary John Hay the necessity of having the treaty signed before a Panamanian delegation could come. Bunau-Varilla knew there was such a delegation on its way to the American capital and did not want any delay. This was his finest hour. When the delegation from Panama arrived — Amador, Boyd and Arosemena — the treaty had been signed by Bunau-Varilla and Hay.

How did Bunau-Varilla accomplish this feat?

When Hay had given Bunau-Varilla the “go-ahead” signal to draft the treaty, he gave Bunau-Varilla, as a pattern, a copy of the Hay-Herran treaty which was not accepted by the Colombian senate. Bunau-Varilla worked on the new treaty all night at the Waldorf-Astoria Hotel, where he was staying. Bunau-Varilla had never been a diplomat. He had never drafted a treaty in his whole life. He did not even know enough English to draft a treaty in that language. Now he worked on the treaty that was to be signed by him and Hay on behalf of Panama and the United States. But he had an American attorney to help him.

He made the conditions more liberal and more favorable to the United States than in the aborted Hay-Herran treaty. How?

First, instead of 6 miles, the Zone for the Canal was to be 10 miles wide.

Second, instead of a lease of 100 years, the United States was to have jurisdiction, sovereignty, and control over the Canal in perpetuity.

The Hay-Herran Treaty specifically stated that sovereignty in the Zone would remain in Colombia’s hands. Secretary Hay was surprised. He admitted that the terms of the Bunau-Varilla-Hay treaty were more favorable to the United States than to Panama.

The Compagnie Nouvelle Assets

The next step after the signing of this treaty of 1903 was the purchase of the assets of the *Compagnie Nouvelle* by the United States. There was still some discussion between the Colombian Government and the French Company but, in the end, the United States prevailed because it had legal and physical possession of the land.

The assets of the French company were bought by the United States as planned for \$40,000,000, mainly through Cromwell’s expert knowledge on how to avoid appeal, arbitration and writ.

On April 16, 1904, in Paris, the assets of the *Compagnie*

Nouvelle were assigned to the United States in exchange for \$40,000,000.

Writers have disputed the propriety of President Theodore Roosevelt's action in the matter regarding the acquisition of the Panama Canal. Some have made much of Roosevelt's statement, "I took the Canal Zone and left Congress to debate."

But, of course, these writers forget to mention that on Oct. 10, 1902, President Roosevelt wrote Dr. Albert Shaw, Editor of the *Review of Reviews* as follows:

"I cast aside the proposition at this time to foment the secession of Panama. Whatever other governments can do, the United States cannot go into the securing, by such underhand means, the cession (of land). Privately, I freely say to you that I should be delighted if Panama were an independent state or if it made itself so at this moment; but for me to say so publicly would amount to an instigation of a revolt, and therefore I cannot say it."

And this, from Theodore Roosevelt's autobiography:

"I did not lift my fingers to incite the revolutionaries, I simply ceased to stamp out the different revolutionary fuses that were already burning."

FOUR . . . THE AMERICAN CANAL

The first American construction gangs arrived in Panama in the summer of 1904.

What were the first amounts in American dollars involved?

First, the United States paid Panama \$10,000,000 for a strip of land 10 miles wide and 50 miles long to be known as the Panama Canal Zone. This was the most expensive piece of real estate ever purchased by the United States. The Louisiana Purchase was the least expensive and even Alaska, for \$7,200,000, was not a bad buy.

Second, the United States paid \$250,000 to Panama, outright and every year thereafter, not as rental for the Zone but to make up for revenues that Panama could have earned from the operation of the railroad. This amount was raised to \$340,000 in 1934 and later to \$1,930,000. Certainly, the United States could not be paying rental on a piece of land which by treaty belonged to her.

The Americans found on the Isthmus much unserviceable equipment, a railroad (fifty miles of five-foot track) but without sidings, signals or repair yards, and 78,146,960 cubic yards of excavation. There were dredges, dump cars, and locomotives which were in very poor condition but some of them could be used up to the end of the American construction of the Canal.

Let no one forget that for all the tools and equipment, map plans, surveys and records of the French *Compagnie Nouvelle*, the United States paid \$40,000,000.

Hence the total amount paid by the United States, even before setting foot on Isthmian soil, was \$50,250,000. This total was received by the new Republic of Panama, plus the gift of independence without losing a single life, with the acquiescence, if not the help of North Americans.

The First Steps

The Americans knew what they had to do, but in the beginning they did not know how to do it. A Commission was appointed to take charge of construction and was instructed to make the "dirt fly." The impatience of the American citizenry was understandable. For twelve years they had seen "foreigners" trying in vain to build a Canal through the Isthmus . . . of "their" continent. And for another twelve years, they waited in vain for the Colombian Government to make up its mind.

President Theodore Roosevelt appointed an Army and Navy Commission, headed by Admiral John G. Walker. The members of the Commission were excellent individually, but as a team they were below par. There was no cohesion and harmonious coordination among its members. Moreover, the Commission functioned in Washington . . . far away from the Isthmus. The Commission was preoccupied with the problem of graft and dishonesty. It must operate above blame and reproach. It must not be stained by the distasteful reputation of the French groups that tried to construct the French Canal.

But the Commission could not do very much better. There was crippling red tape since a single requisition must be signed by all the Commissioners. This was to avoid waste and dishonesty. But they carried this purpose too far and even Major Gorgas, the medical officer, could not have his requests for sulphur, wire-mesh and oil granted. Walker told him they must economize. As a result of this system, when Walker retired, requisitions which were five months old were found unopened in his desk.

For twelve months there was only bungling, there was bickering and what was infinitely worse, there was incompetence.

Then, in the spring of 1904, a breakthrough came. Major William Crawford Gorgas, the man who cleared Cuba of the terrible curse of the yellow fever, was appointed by the U.S. President Chief Sanitary Officer. At first, there was resistance in high places to Gorgas' efforts to eliminate the mosquitoes that were causing malaria and yellow fever. Walker said that the idea

of mosquitoes bringing yellow fever was nonsense. Yellow fever came from filth, he said.

Governor Davis said that doctors chasing mosquitoes were quite laughable. But Gorgas did not lose his cool nor his patience. He remained at his post and tried as much as he could to follow a program of sanitation that would facilitate the building of the Canal by men who need not fall victim to malaria and yellow fever.

There was no assurance that some sanitary supplies would come and Gorgas had to wait patiently for ignorance and bureaucracy to disappear.

Americans refused to go to the Isthmus to work. There was young Charles L. Carroll, for instance, who had come to Panama to work with Wallace. He found conditions so unfavorable that he decided to go home. He wrote his mother:

"I am thoroughly sick of this country and everything to do with the Canal . . . Tell the boys at home to stay there, even if they get no more than a dollar a day."

There was not even a definite plan whether the Canal was going to be a sea-level canal or a lock canal. Wallace favored a sea-level waterway but there was nothing written about it. He did not outline a plan for it.

Then a full-dress yellow fever epidemic broke out all along the route that the Canal would take. The exodus of workers from the Canal became a stampede. There were 246 cases and 84 deaths. The work was almost at a standstill since engineers, laborers, and office men had left in a great hurry. This was in the Spring of 1905.

President Theodore Roosevelt saw that he had to do something to speed up the building of the Canal. He disbanded the Army and Navy Commission and appointed the Second Isthmian Commission. Executive power was to be concentrated in three men: the Chairman in Washington and the Chief Engineer and Governor on the Isthmus. Wallace was to be the Engineer. And he was delighted with the arrangement.

But Wallace resigned after a few weeks. Taft gave him a tongue-lashing rarely known in American history. Wallace called Panama "this God-forsaken country" and it is recorded that he

and his wife had brought two metal caskets to the Isthmus so their bodies could be shipped back to the States in case inevitable death should come.

The resignation of the chief engineer generated a panic among the construction workers. Work actually did stop. Yellow fever cases escalated. The jungle began to creep and cover the machinery and equipment on the Isthmus. And the jungle greenery would have triumphed if . . .

Gorgas and Stevens

John F. Stevens was persuaded by Cromwell, who was then Secretary Taft's attorney, to become the new Chief Engineer of the Panama project. He accepted the job only on certain conditions: (1) that he was to have a free hand in the operations at the Isthmus; and (2) that he would stay on the Isthmus only until success had been assured. Stevens was a man who was not afraid of the terrors and tribulations of Panama. He loved no pomp or luxury. He had the common touch. He dismissed unnecessary workers and traveled on freight trains from one end of the line to the other. He told his workers: "There are three diseases on the Isthmus: yellow fever, malaria and cold feet. The worst of these is cold feet. And that's what's ailing you."

He was energetic, he was democratic and he was talented.

He was like a general. He believed in careful preparation before actual battle. His preparation covered sanitation, housing and feeding, transport and equipment. The last two departments he would handle personally; the first two he entrusted to Major Gorgas.

Gorgas first attacked yellow fever, the *vomito negro* of the West Indies, Central America, Africa and Brazil. It was called *vomito negro* because of the black vomit that the victim threw out at the climax of the disease, on the third or the fourth day, when the patient's skin became yellow.

Gorgas knew the culprit: the deadly *stegomyiae* mosquito. He knew that the eradication of yellow fever depended on the destruction of the *stegomyiae* and the screening of already infected victims.

Thus all cisterns and deposits of stagnant water were made mosquito-proof, mosquito larvae were killed by means of oil poured on pools of unmoving water, there was fumigation of homes, and screening of those who had contracted the fever.

It is estimated that Gorgas' campaign against yellow fever in Panama saved no less than 14,000 lives and made the building of the canal possible.

Malaria

The next target was malaria. Gorgas knew that the cause of this disease was the female of the anopheles mosquito. Whereas the yellow fever victim died after three or four days or survived and became immune to the disease, the malaria victim retained the parasites in his blood and was prone to further and cumulatively debilitating effects.

In the tropics, malaria is such a dreadful disease that in the Second World War, more Filipino soldiers died of malaria and malnutrition in concentration camps of the Japanese than on the battlefields of Bataan and Corregidor.

Gorgas eliminated the breeding places of the anopheles mosquito, destroyed the larvae, exterminated the full-grown mosquitoes, screened the laborers by night, and immunized everyone on the Isthmus with quinine.

There was systematic draining of marshes and swamps. Where the water could not be drained out, oil was methodically piped to the mosquito breeding grounds. Houses were screened and mosquitoes were prevented effectively from stinging and victimizing the builders of the Canal.

In 1906, 82% of the construction force were afflicted with malaria; in 1913, less than 8% of the working force suffered from the disease.

With yellow fever and malaria conquered, a new spirit of achievement animated the men of the Isthmus. They had a better outlook. Verily, "mens sana in corpore sano." They must finish the Canal. It was going to be an American achievement.

But that was not all.

Transport, Equipment, Housing, Feeding

There was the matter of the railroad. The old railroad had only a one-track line, antiquated sidings which were few and far between, and no signals. The Americans converted the railroad to a two-track line facility, modernized its cars and coaches, installed new signals, built new depots, and shortened the trip from Colon to Panama to two hours.

What is more important, the railroad was put to use in the transport of soil and rock from one place to another to make the building of the canal a success. Through Miraflores 252 trains moved every 24 hours, through Bas Obispo, 220 trains every 24 hours, and through Gatun 102 trains in 24 hours.

Ian Cameron says in his book *The Impossible Dream*:

“By the winter of 1906, the railroad had been reconstituted. 165 miles of double main-line track, and 187 miles of tracks for the disposal of soil.”

This was the secret of the American engineering success. They filled up the low places with the rock excavated from different sections of the Isthmus. The French did not know where to place the clay, rock, and sandstone from Culebra Cut.

Then the machinery and equipment had to be brought up to date. Stevens made sure that what he ordered was going to be usable and finally decisive in the making of the Canal. He asked for steam shovels, locomotives, cars, unloaders, spreaders, track shifters. There were also pile-drivers, drills, dredges, barges, tugs, lighters, cranes, rock-breakers, derricks and thousands of feet of pipe.

It is a fact that some of the equipment used was French since Stevens found it still good and useful. Every single item was well adapted to its job. Nothing was wasted. The quantity of construction equipment was assembled for the first time in such a gigantic fashion as it had never been done in the whole world. Moreover, it was requisitioned and delivered in record time.

Housing was improved in such a manner that a great many workers found it a real pleasure to work on the Canal. The policy concerned with housing was fair and just. Nevertheless,

there were some workers who complained.

The man in charge of housing was Jackson Smith. Because of his fairness, thousands of laborers lived in comfort.

Then when housing had been attended to, Smith turned to the matter of feeding the workers. This was not easy. Among the laborers there were people from the Barbados, the United States, Jamaica, Spain, Martinique, Italy, Panama, Guadeloupe, Granada, Greece, Colombia, Great Britain, Trinidad, and Portugal. Such a conglomerate of nationalities was not at all easy to feed. The late General Dwight D. Eisenhower had a similar problem when he commanded the variegated forces that came under him as Supreme Commander of the Allied Forces in Europe against Hitler in World War II.

Nevertheless, Smith was able to satisfy the palates of the many-colored working force by reason of the Commissary service. A large depot was set up for the food delivered promptly according to schedule, thanks to the efficient railroad.

Cameron says again, "There were seventy-six of these (outlets): twenty gold roll hotels providing top quality American food at ninety cents a day; twenty-five mess halls for the Europeans, providing continental-type food (including wine on holidays) at forty cents a day; and thirty-one mess halls for the West Indians providing food at thirty cents a day.

With the inflation prices of today, we can only sigh for the days of the Panama Canal construction to come back again.

But Smith was dismissed by Stevens' successor, Goethals.

The Two Types of Canal

Although the magazine *The Plain Truth* (May, 1973) says simply that Secretary of War William Howard Taft voted with the minority of six engineers who favored a lock canal instead of a sea-level canal, it is undoubtedly necessary to listen to Ian Cameron because his version is more thorough and comprehensive.

On June 24, 1905, Cameron relates, Roosevelt appointed a board of consulting engineers, consisting of five Europeans and eight Americans, to finalize the details of construction.

The discussions crystallized into two propositions: a canal with locks at an eighty-five-foot level, to be completed in nine years at a cost of \$150 million; a sea level canal without locks, to be completed in twelve years at a cost of \$405 million. The majority (the five Europeans and three Americans) voted in favor of a sea-level canal. The Minority, consisting of the Americans Abbot, Noble, Randolph, Ripley and Stearns, voted for the lock canal.

The subject was taken up in Congress and the Senate of the United States. Two reports were submitted by the Board of Consultants: a majority report and a minority report.

The majority report had many powerful advocates. They considered a lock canal second best. If the Americans wanted a lock canal, then they should have gone to Nicaragua to build it.

Somehow, President Roosevelt was not satisfied. He called Stevens from the Isthmus. Stevens was in favor of a lock canal. Now he marshalled all the arguments in defense of the minority proposition. And he fed Senator Philander C. Knox with data, figures, and cogent reasons for the lock canal.

The vital debate took place on June 20-21, 1906.

The Senate adopted the minority report. Stevens' arguments won the day. On June 29, 1906, Roosevelt signed the bill implementing the minority report.

To have a graphic idea of the Panama Canal as conceived and constructed by the Americans, Goethals, who succeeded Stevens said:

"The rivers which flow into the Atlantic and Pacific are to be dammed back so that they form lakes eighty-five feet above the sea, and these lakes will then be connected through the lowest point in the mountains by a deep cut . . . At the point where each river is to be dammed, locks will be built into the retaining walls, so that ships can be raised or lowered to the eighty-five foot level. And finally, approach channels will be dug from either ocean to the foot of the dams."

And the Panama Canal Was Built

Actual digging and excavation to build the present Canal started in 1907 and ended in 1914.

The first ship to use the Panama Canal was the SS *Ancon* in August, 1914. It made the passage from Cristobal to Balboa in nine hours.

The United States has spent \$6,500,000,000 for the purchase, construction, maintenance and defense of the Canal. Of this amount, \$5 billion has yet to be recovered.

Since the year 1914 to the present, the Panama Canal has served both the United States and the Latin American countries as a vital artery of trade. Between 1941 and 1945, U.S. and Allied shipping took advantage of the Canal and made good use of it during World War II.

An official Panama Canal document says, "Viewed thus from a logistical standpoint, the Panama Canal today is of greater importance than ever before in the welfare and defense of the free world, whose strength, which stems from economic well-being, rests in no small degree on the Panama Canal as an avenue of transportation in peace and in war."

The motto of the Canal Zone Government is "The land divided, the world united," and it tells the story of the Panama Canal dramatically.

FIVE . . . SHOULD AMERICA GIVE UP THE CANAL?

A dispassionate appraisal of the festering Panama problem compels us to consider a balance sheet which must reveal whether America's venture into the making of the Panama Canal has been to the advantage or detriment of the Panamanian people.

This is the balance sheet.

PANAMA

1. Panama won the Revolution and became a Republic with the help of the U.S. and without losing a single Panamanian life.
2. With the recognition of the Republic of Panama by the U.S. and the signing of the Hay-Bunau-Varilla Treaty of 1903, Panama received \$10,000,000 plus \$250,000 annually for the use of the railroad in the building of the Canal. This annual amount was raised to \$1,930,000 later.
3. 11,000 Panamanians are employed in the Panama Canal Zone at \$1.60 an hour. The equivalent in Panama (outside the Zone) is \$0.25 an hour.
4. Approximately one-third of Panama's gross national product comes directly or indirectly from the Canal . . . or \$168,000,000 a year.
5. U.S. foreign aid to Panama on a per capita basis since 1946 has been more than \$225,000,000.

THE UNITED STATES OF AMERICA

1. With the timely arrival of the *USS Nashville* at Limon Bay and the prevention of Colombian troops from suppressing the Panamanian Revolution, Panama gained her freedom.
2. The United States paid \$40,000,000 to the French *Compagnie Nouvelle* for all assets left by the French construction companies that tried and failed to build a sea-level Canal. Americans lost men and equipment, eliminated the threat of yellow fever and malaria from the Isthmus, modernized the railroad, and successfully built a lock Canal at total cost (including maintenance and defense) of \$6.5 billion.
3. Two-thirds of the total tonnage passing through Panama originate from or are destined for U.S. ports. But a great many ships belonging to U.S. trade partners like Japan, for instance, go through the

6. Panamanian independence has been guaranteed by the United States. The Republic of Panama has never been threatened by any foreign power. On the contrary, the U.S. Southern Command, whose anchor is in Panama, has for its purpose the defense of all Latin America including Panama.

Panama Canal. Latin American countries, by and large, make use of the Canal. Hence, it is contributing immeasurably to world commerce. But this has been made possible because the tolls are low, for it has not been the purpose of America to make money out of the Canal.

Argumentation -- the Panama Side

As usual, much of the essence of sound debate and logic has been drowned in copious emotion. Articulation has given way to screaming and threats of violence and bloodshed. However, it is possible to glean sense out of the vociferations and rantings of Latin-blooded leaders who now strut the scene in Panama.

FIRST: Panamanians assert that Americans have no right to be in Panama. They say this is a pure and simple example of American imperialism or colonialism.

(But there is a treaty, the Hay-Bunau-Varilla Treaty of 1903.)

To this they reply that that was an immoral treaty, a covenant against the canons of international law, since it was signed for the Panamanians not by a Panamanian but by a Frenchman.

The American refutation to this line of argument is as follows:

1. All doubts regarding the title of the U.S. to Panama were knocked down by the U.S. Supreme Court in 1908 and by Secretary of State Charles Evans Hughes in 1923.
2. The arrangement for perpetual sovereignty over the Canal was not a sudden decision of President Theodore Roosevelt and Secretary of State Hay. Proposals had been made as early as 1825 under President Adams and

continued during the Administrations of Presidents Polk, Taylor, Johnson, Grant, Hayes, Garfield and McKinley. The 1903 Treaty was the most practical of them all because it was based on reality.

3. The 1903 Treaty was renewed in 1936 and 1955 and has been recognized by the U.S. Supreme Court.

SECOND: Panamanians insist that the United States should return the Panama Canal to Panama.

Americans reply in effect: "How can we return something that does not belong to you? We paid for it, we spent money on it, we developed it, we cleared the jungles around it, and saved YOU from yellow fever and malaria, we maintained it, we have protected it . . . and you have not spent one single red cent on it."

THIRD: The Panama Canal is right in the middle of our land. It divides our territory into two halves. This fact is not conducive to national unity.

Americans admit that this is so, but as long as Americans and Panamanians live together in amity and goodwill and complete understanding, Panamanians need not fear the presence of intruders in the Panama Canal.

FOURTH: The United States is so rich it does not charge high tolls. But if the Panama passes into the hands of Panamanians, they will be able to charge more and thus bolster their economy.

Panama protests that by keeping tolls low, the United States has been subsidizing its own and world commerce. If the U.S. wants to be the great white father of the world's merchant fleet, that's all right, but Panama cannot afford to be, they say.

America is operating the Panama Canal to help world commerce and not as a profit-making venture. Whatever margin it makes is plowed back into the Canal as improvements.

FIFTH: If the U.S. does not give up the Panama Canal, there will be trouble. Foreign Minister Juan A. Tack said, "We are not talking about minor changes in fees or

geography. We want effective sovereignty immediately.”

And General Omar Torrijos, the “maximum leader” of Panama since 1968 seized the Government from Arnulfo Arias who had been in office only 11 days, says that if negotiations fail, the United States will be thrown out of Panama by force.

It does not matter if the total population of Panama is only 1.7 million. They will mount guerrilla warfare against the American forces as Ho Chi Minh did.

Argumentation – the American Side

FIRST: By virtue of the 1903 Hay-Bunau-Varilla Treaty the United States has full rights, sovereignty, jurisdiction and control of the Panama Canal.

The Panamanians believe that under the circumstances they had no choice. They had to sign away 500 square miles of their territory because they needed the money and they wanted to be free.

SECOND: America paid the small landowners in the Zone before building the Canal, as well as the squatters in the area. Moreover, the United States paid Colombia \$25 million to have an absolute title to the railroad.

Donald M. Dozer of the University of California says that the Canal Zone is the most expensive of America’s territorial purchases. At the risk of being repetitious, we may state again that to acquire Panama, the U.S. paid \$162 million. Alaska was obtained from Russia for \$7.2 million, and Louisiana from France for \$15 million.

THIRD: The United States must keep the Panama Canal not only because world commerce must be kept going for the peace and prosperity of the whole human race but also for military and strategic reasons since the headquarters of the U.S. Southern Command are located there and the Canal can be used by the units of the Pacific and Atlantic fleets if necessary.

What Has Weakened the American Position?

1. Americans have given in to Panamanian agitators so that the 1903 Treaty has been vitiated in a desire to placate and appease the Panamanians. So the 1903 Treaty was modified in 1936 and 1955.
2. In May 1958, Panama University students invaded the Panama Canal Zone and hoisted the Panamanian flag in 72 different places. No arrests were made. Riots and flag-waving demonstrations followed. There were disturbances for the next two years. But there was no American police action.
3. In 1960, President Eisenhower issued an executive order allowing the Panamanian flag to be hoisted side by side with the Stars and Stripes in certain designated areas of the Canal Zone. This was done to demonstrate Panama's "titular sovereignty" in the Canal Zone. Don't forget that the Canal Zone was bought and paid for by the United States and was a piece of American-owned territory like Alaska, Louisiana or even Oklahoma.
4. In January 1964, American students at Balboa High School flew the American flag on the lone flagpole outside the school. They did this because the Balboa High School was not one of the officially designated places where both the Panamanian and American flags could fly together.

In retaliation, the Panamanians raised their flag in front of the school. There was a fight between Panamanians and Americans. The Panamanian flag was torn to pieces.

Serious rioting ensued. American-owned business houses were set on fire. But the Panamanian *Guardia Nacional* did not lift a finger to maintain order.

On January 12, 1964, it was found out that four U.S. soldiers and twenty-two Panamanians had been killed. Diplomatic relations between the U.S. and Panama were severed but they were restored three months later.

5. From 1964 to 1967, American and Panamanian negotiators labored secretly over three new treaties to replace the 1903 Bunau-Varilla-Hay Treaty.

These proposals provided for: (1) the ceding of sovereignty over the Canal Zone to Panama and making that country a joint partner with the U.S. in the management of the Canal; (2) sharing the defense of the Canal with Panama; and (3) authorizing the United States to build a new sea-level Canal in Panama. This simply meant that Panama would be given **without cost** not only the existing Canal but also a new Canal that the United States would construct to replace it.

The terms of these proposed treaties were being read with infinite gusto on the streets of Panama even when they were still classified material in Washington. This is the story of one of the glorious leaks in contemporary American history!

Compromise and Communism

Since the beginning of the discussions on Panama, five American Presidents, a Secretary of State, an American Ambassador and the United Nations have tried every means to get rid of Panama as a part of American territory for the ostensible purpose of creating an enviable image for America in the whole world.

Washington leaders have come with outstretched hands of friendship, offering America's "other cheek" and hoping that Panama would be appeased and at last become a friend to the United States. America seemed to be beating her breast and saying "Mea Culpa."

But developments have come thick and fast since 1917, the year of the Russian Revolution. Communism has gobbled up with hungry maws substantial portions of the rich earth in all continents of the earth. Countless hordes have been thrown into abject slavery beneath the Hammer and the Sickle and thousands have lost their lives in defense of freedom.

The Western Hemisphere, which for at least one hundred years lived in the euphoric embrace of the United States, by virtue of the Monroe Doctrine of 1823, was successfully breached by the Soviet Communist through Fidel Castro of Cuba. Communism has crept and spread-eagled like a thief in the night, not only in Latin America where it made inroads in Chile, Guatemala, Mexico, Haiti and yes, Panama . . . but also in the United States which is known throughout the world as the "arsenal of democracy."

Nevertheless, the United States has sought, with mysterious naivete, to compromise with the Panamanians who want to get

These are incontrovertible facts that Americans must know:

1. Since 1930, Panama has undergone six unconstitutional changes of government. This means that the "coup d'etat" has been the most effective instrument of change and that a dictatorship or a one-man rule can prevail over all democratic processes in that minuscule Republic. Look at the case of Colonel, now General Omar Torrijos, the present leader of Panama. In 1968, he unseated Arnulfo Arias, the president who

since they gave too much to Panama, and they were not acceptable to Panama because they gave too little. The providence of God is beyond measure. Such an impasse is indeed a blessing since it gives the Americans an opportunity to study most carefully the problem of the Panama Canal.

4. On June 26, 1975, the U.S. House of Representatives passed a resolution (246 to 164) to prohibit the use of Department of State funds from being used to surrender or relinquish any U.S. rights in Panama. The U.S. Senate had passed a similar resolution under the leadership of Senator Strom Thurmond. One of the signers of this resolution was Senator Barry Goldwater. Nevertheless, Senator Goldwater came out with a statement in support of President Ford and against presidential candidate Ronald Reagan, when the latter asserted that all negotiations with Panama should be stopped since America had bought Panama, and built, developed, protected and maintained the Canal these past sixty years.

5. In spite of opposition registered in both houses of the Congress of the United States to any new treaty cancelling the provisions of the 1903 Treaty, Secretary Kissinger, Ambassador Bunker and liberal-minded Americans have been spreading rumors that the U.S. would soon give up the Canal. In fact, Kissinger wrote Torrijos on July 4, 1975, thus:

"Things like these are a tribute to the success of what you and I have been and are trying to achieve.

". . . In view of the fact that we have had success and significant progress up to the present time, this has inspired those who do not want progress to do all in their power to impede or discourage new advances . . . I want you to know that in spite of these things, I am still engaged in the search for a final and just solution to this problem and the establishment of a new and more modern relationship between the two countries."

This letter was given publicity in Panama but not in the United States.

This fact, together with others, will give us an idea of the way mass media regards the Panama question.

Meanwhile Ambassador Bunker tries to intimidate the

American people by saying that if the United States does not give in to Panama, America will have another Vietnam on her hands.

Torrijos says that all the countries of Latin America, plus 70% of the Third World, are with him. So America must give up the fight. "Americans, go home. This is our Canal. We don't owe you a cent." In effect this is what Panama leaders now say.

6. When President Lyndon B. Johnson said that America would be willing to give up the present Canal to the Panamanians, there was wild jubilation in Panama. But when they learned that America meant to build another waterway, a sea-level Canal in one of four possible sites: 150 miles east of the present site; in northern Colombia; on the border between Nicaragua and Costa Rica; or on the site of the present Canal, there was dismay and despair. No, they said, the present Canal would be too expensive to operate in competition with the new sea-level Canal.

In a letter written by Aquilino Boyd, Minister of Foreign Relations of Panama, July 26, 1976, the Republic of Panama explains that it would not interpose any objection to the digging of a new Canal in Nicaragua or in any other foreign territory. But if the new Canal were to be constructed in Panama, then as a sovereign nation Panama reserves the right to present its arguments and conditions.

7. On June 18, 1976, the U.S. House of Representatives voted on Congressman Gene Snyder's proposition to amend an amendment to the Department of State Bill regarding the "surrender or relinquishment" of the Panama Canal. This is the record:

For Giveaway of the Panama Canal – 201

Against Giveaway – 159

Not Voting – 76

8. On June 11, 1976, the United Nations met in Vancouver, Canada and passed a resolution supporting the giveaway of the Panama Canal. Years ago, in March 1973, the U.N. Security Council met in Panama and went on record against the United States as a nation perpetuating colonialism.

In Vancouver, the Deputy Chairman of the U.S. delegation presented the motion to approve the Panama amendment by consensus. Mrs. Carla Hills, Chairperson of the U.S. delegation, endorsed the attacks against the U.S. rights in Panama.

9. Torrijos has set up the first communized farms in Panama. He has nationalized the Panama Light and Power Co. He has begun to take over banana plantations owned by U.S. corporations.

What is this? This is typical Communist thinking: "Heads I win, Tails, you lose." But as Americans very well know, "you can't have your cake and eat it too."

Conclusion

America must hold on to what she has. She has lost much of her glorious image in the last quarter of a century, beginning with World War II. It is time to stay the hand of the Communists in the Western Hemisphere and in the whole world. Communism is evil. It is the work of the Devil. It means nothing good and salutary for the entire human race.

If America gives in to Panama, it will be like irretrievably opening her southern flanks to the Communist forces in Cuba, in Peru and the Straits of Magellan. Remember, with the Soviets in Cuba and Panama, the United States will be vulnerable to Communist attack.

If America wants a new Canal, she can easily build a sea-level one in Nicaragua as she originally planned . . . but the Republic of Panama must be asked to pay even token amounts for the following benefits she has derived from American help:

1. The Independence of the Republic of Panama.
2. The building of a strategic Canal for peace and war from which she has derived, directly or indirectly, much needed economic assistance.
3. The clearing of substantial portions of Panamanian territory and the total elimination of yellow fever and malaria from her land.

The United States is a wealthy country. But she must always follow what Poor Richard's Almanac taught long ago:

“For age and want, save while you may; No morning sun lasts a whole day.”

But money is not everything.

Panama does not mean money alone. It is honor, faith and justice.



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Hernandez fought on Bataan Peninsula under General Douglas MacArthur. He served as Assistant Press Secretary to President Manuel Roxas, after the liberation of the Philippines. From 1967 to 1970, he was Secretary-General of the World Anti-Communist League, of which he was a founder.

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