

**THE UNITED STATES  
AND THE  
PANAMA CANAL**

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The United States and the Panama Canal by Axel Gustafson

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AXEL GUSTAFSON  
*(Of New York City, U.S.A.).*

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1882.

## THE UNITED STATES AND THE PANAMA CANAL.

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"Right and Duty are twin brothers; they are like the two electric flames appearing at the yard-arms of the Mediterranean, called by the ancient mariners Castor and Pollux. When both are visible, a fair and pleasant course is expected, but one alone portends stormy mischief. . . . Liberty, without conscientiousness of action, rights, without acknowledged obligations necessarily lead to absolutism, first to Democratic and through it generally to monarchic."

FRANCIS LIEBEE.

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THE International Scientific Congress of Paris, May 15th—26th, 1879, composed of ninety-eight eminent geographers and other scientists, merchants, naval officers and engineers from England, France, Holland, Italy, Mexico, Russia, Sweden and the United States, &c., decided by seventy-eight to eight—twelve not voting—that "*Le Congrès estime que le percement d'un canal interocéanique à niveau constant, si désirable dans l'intérêt du commerce et de la navigation, est possible; et que ce canal maritime pour répondre aux facilités indispensables d'accès et d'utilisation que doit offrir avant tout un passage de ce genre, doit être dirigé du golfe de Limon à la baie de Panama.*"

The funds deemed necessary for the accomplish-

ment of this project have been guaranteed. Still fresh in mind is the brilliant success of the subscription opened Dec. 7th, 8th, and 9th, 1880, when, on M. Lesseps' call for six hundred million francs, he was offered twelve hundred millions! Now the work is being pushed forward with energy by thousands of workmen suitably equipped, cared for by the best physicians, and guided by some of the ablest engineers of the age, such as Armand Reclus, commander in the French navy; Mr. Dirks, chief engineer of the Waterstaat (dyke system) of Holland, who conducted the building of the great Amsterdam Canal; United States Col. of engineers, Totten, who constructed the Panama railroad in conjunction with Colonel Trautwine; United States General Wright, former chief of General Sherman's staff; M. Bontan, a prominent engineer in the *corps des mines* of France; and M. Hersent, the famous contractor for the works on the Suez Canal, the diminution of Danubian floods, and the enlargement of the Antwerp harbour. And the presiding spirit of the work is M. Ferdinand Marie de Lesseps, the man, now seventy-seven years old, who, after more than ten years' struggle with scientists and engineers, against Turkey and England, in the teeth of Lord Palmerston's and Stratford de Redcliffe's official veto to the enterprise, dug the Suez Canal through the "shifting sands" of Egypt.

He has said that the Panama project offers less

difficulties than did the construction of the Suez Canal; that he has greater confidence in its success than he had in the Suez undertaking; he has promised to build it and to open it to traffic in 1888.

If constructed with the goodwill and guarantee of the great commercial nations, the canal cannot fail to become a blessing to the world's commerce and a great financial success. Most of the rapidly increasing trade between Europe and the Pacific shores, would prefer a passage—of at the most but two days' length—through the canal, assisted largely by the gulf stream, in employing that route and saving three thousand miles, to the tedious, stormy and dangerous rounding of Cape Horn. The yearly increasing trade of Japan and China with the East Coast of the Americas, with Cuba and the West Indies, as well as with a great portion of Europe, would largely patronize the canal, and the greater portion of the traffic between the Atlantic and Pacific shores in both Americas would find the Isthmian canal route advantageous above all others.

North Canadian commerce between both its shores and the immense South American trade of Rio Janeiro and Buenos Ayres with Valparaiso and Lima, would not generally use the canal, but the great bulk of the world's trade would prefer to pass between the two Americas.

The official estimates made by Captain Davies,



who was commissioned by the United States in 1866 to calculate the probable yearly traffic on an adequate transisthmian canal, fix it at about four million tons yearly, and the annual savings from the shortening of the ordinary route, to over ninety millions of dollars.

The calculations of M. de Lesseps and his chiefs, for business on the Panama Canal from the day it is opened to the world's traffic, were reported at the great Delmonic banquet given in New York in honour of M. Ferdinand de Lesseps by Herr Justin Dirks, then president of the Lesseps staff, who said:—

“In basing my calculations on the well-known report of M. Lavasseur, I find for the trade of New York per year:—

	Tons.	Saving in distance.	Saving in mil- lions of ton-miles.
To China . . . . .	321,000	3,600	1,155
Japan . . . . .	170,000	3,100	867
Australian Archipelago . .	133,000	900	119
Australia (Melbourne) . .	75,000	2,100	157
British Columbia . . . .	20,000	6,450	129
San Francisco . . . . .	644,000	6,600	4,250
Peru . . . . .	644,000	4,950	3,187
Chili . . . . .	644,000	2,550	1,642
Western Mexico and other Western ports . . . . .	631,000	6,600	4,172
Sandwich Islands . . . . .	86,000	5,700	490
The figures for Europe are:—			
China and Japan . . . . .	387,000	1,440	558
Totals . . . . .	3,755,000	—	16,730

“From information given by the European companies of navigation which have about twenty steamers running, the value of one thousand ton-miles may be reckoned, including wages, food, coals, insurance and such expenses, to be \$1. If this be correct, the yearly saving for the general trade of the world will be \$1,750,000 when the canal is built. These figures are based on the trade of 1878, so there may be allowed a good percentage for increase during the construction of the canal. Moreover, the average speed of vessels along the old and new routes was considered the same, though the speed will be greater in the direction of the canal, the new route generally crossing a lesser percentage of the trade-winds, and having no more to meet the difficulties of the capes. Finally, the cargoes of vessels will be shorter time out of trade, and the loss caused by damages of long sea voyages will be reduced. Taking all these into account, I place the value of the Panama Canal at the period of its opening at \$30,000,000 per year, representing at 5 per cent. a capital of \$600,000,000.”\*

\* In his able little work, entitled “L’Amérique Centrale et le Canal de Panama,” the Vte. H. de Bizemont says:—

“Pour connaître ce qu’il sera en 1889, date de l’achèvement des travaux, . . . il suffit de remarquer que le commerce du Pacifique a doublé en quinze ans, de 1860 à 1876. La progression serait encore plus forte si l’on s’en rapportait à ce fait que le transit du chemin de fer de l’isthme, d’après le rapport du consul de l’Angleterre à Panama, s’est accru en

Thus, nearly four centuries after the first attempt to find a waterway across the Isthmus, more than three hundred years after the first survey for constructing one, and just a hundred years since Thomas Jefferson wrote,—“I am assured by Burgoyne that a survey was made (by the Spaniards), that the canal appeared very practicable, and that the idea was suppressed for political reasons altogether,”—we may look to see the ships from all parts of the world meeting and passing each other between the green banks where one vast continent has been changed into two vast islands in the interests of universal progress.

It would seem, therefore, that before this great event takes place the United States must definitely determine their attitude in the matter.

It is noteworthy that, excepting in 1849-50, the

1878 de 20 p. 100 par rapport à l'année précédente. On peut donc compter, sans crainte de déception, sur un accroissement annuel de 5 p. 100, ce qui pour 1889 donnerait un trafic de 7,249,000 tonnes. . . . Le Congrès de Paris a fixé le tarif du prix de passage par le canal interocéanique à 15 francs par tonne métrique. La recette annuel pour six millions de tonnes sera donc de 90 millions. En admettant 1200 millions pour la dépense totale de construction les intérêts et les frais d'exploitation et d'entretien capitalisés, c'est un revenu de 7½ p. 100 qui serait assuré, dès le début, à l'entreprise. Ainsi la nouvelle œuvre de M. de Lesseps, non seulement dépassera la première en grandeur, mais encore promet de développer bien plus largement le commerce du monde et la richesse publique.”