Noel Maurer and Carlos Yu. The Big Ditch: How America Took, Built, Ran, and Ultimately Gave Away the Panama Canal

Joseph Michael Gratale
Noel Maurer and Carlos Yu. The Big Ditch: How America Took, Built, Ran, and Ultimately Gave Away the Panama Canal

Joseph Michael Gratale

REFERENCES

1 In 1959, William Appleman Williams published The Tragedy of American Diplomacy. It was a book that boldly set out to trace the contours of America’s imperial trajectory from the late nineteenth century to the middle of the twentieth century. Williams’ approach to U.S. foreign policy put him in the vanguard of what would become New Left historical revisionism during the 1960s. His reassessment of American history which in part involved his deployment of such concepts as imperialism and empire to elucidate U.S. policies and practices opened a space for new interpretations of not only America’s historical past, but also its troubled present in the sixties. “I was born and reared in our American womb of empire,” states Williams in another book, “but my experience and my study of history have enabled me to understand that we must leave that imperial incubator if we are to become citizens of the real world. Our future is here and now, a community to be created among ourselves so that we can be citizens—not imperial overlords—of the world.”

2 While the relevance of Williams’ analyses of American imperialism are not acknowledged in The Big Ditch there is some consolation in that Maurer and Yu rely on the work of Walter LaFeber, one of Williams’ early disciples. But to be fair to the authors of The Big Ditch, whereas Williams tended to focus on the macro-historical processes of imperial
practices, Maurer and Yu concentrate on a specific development, the Panama Canal, and follow its historical evolution over the period of a century. The volume is divided into nine chapters, commencing with Spanish colonial practices in the sixteenth century moving on to the various plans, both European and American, to build an isthmian canal in Central America in the late nineteenth century, and concluding in the late twentieth century with the handover of the canal from the U.S.A. to the Panamanian authorities. Supplemented by the narrative are a plethora of graphs, tables, charts, and maps which provide the reader with helpful information largely centered on economic matters. A key strength of the narrative is that while there is a lot of focus on the economics of the canal, the reader who is not necessarily comfortable with economic analyses will not feel overwhelmed by the book’s content. But I emphasize, as the authors do in their introduction, that The Big Ditch is by and large a study about “the economics of American imperialism” (2).

Herein lies another asset of this volume: while many studies of imperial ventures tend to strictly focus on political or military aspects, this study utilizes a wider field in which economic issues serve as the central pivot. In addition, through a diachronic analysis of the canal and the central actors (the U.S.A. and Panama) we are led to see how the canal’s importance waxes and wanes over the subsequent decades due to changing contexts and interests. The turning point for the U.S.A. was the Spanish-American War of 1898 which resulted not only in a victory for America’s military forces, but also the acquisition of particular territories including Puerto Rico, Cuba, and the Philippines. In geopolitical terms, U.S. interests were moving towards the Pacific. The necessity of trimming shipping costs for ships travelling from the eastern seaboard to the Pacific and East Asia via a Central American canal became imperative. While Nicaragua was the first choice for a proposed canal route, the engineering challenges were less daunting for a route through Colombia. By 1902, serious negotiations with the Colombian government commenced, but hammering out a treaty that was acceptable to both sides proved difficult. Colombia’s reluctance to acquiesce to America’s designs was, in President Theodore Roosevelt’s mind, contemptuous and unacceptable. In short, since the U.S. was unable to negotiate a treaty with the Colombian government, it then proceeded to support a secessionist revolt in that part of Colombia where the canal was to be constructed. As Maurer and Yu point out, the “revolution was scheduled for November 3,” and three days later Panama declared its independence. (84) To Roosevelt’s pleasure, the newly established Panamanian government agreed to the terms of the treaty and went even further in its constitution by granting the U.S. the right to intervene militarily should the latter determine it to be necessary. The authors engage the reader in an interesting discussion of why the U.S. did not choose the path of annexation as it did with the Philippines. By and large, the most salient point is that the U.S. created a Canal Zone carved out of Panamanian territory in which it was able to enjoy full sovereignty without having to contend with imperial-colonial administration of Panama proper. Of essence for the U.S. was having the canal and developing it into a profitable imperial enterprise.

The proceeding chapters examine the actual construction, cost, and management aspects of the canal. Whereas the book’s focus thus far was mainly political, the narrative shifts toward the realm of economics and the canal’s ramifications for regional and global shipping interests, as well as competing modes of transportation in the hemisphere. Effects on other industries are also given attention. An interesting revelation Maurer and Yu make is that “the Canal Zone generated little economic impact for the
Panamanian economy” (201). One would have expected a spillover effect from the existence of the canal in the neighborhood and an interest in foreign investment, but this apparently did not materialize due to the both perceived and real suzerainty that the U.S. had not only in the Canal Zone, but also in Panama itself. Following the Second World War, U.S. interests in the Panama Canal underwent a transformation. The geo-strategic concerns the U.S. had had in 1900 were not the same by mid-century; the Cold War had altered those dynamics. In regard to American economic interests the situation was even worse. “The social savings of the canal,” report Maurer and Yu, “faded under the triple impact of the Interstate Highway System, the dieselization of railroad freight, and the growth of the Pacific coast as a market for its own raw materials” (212), a strange case for imperialism not paying off. Inefficiency and poor management on the American side also accelerated the relative decline of the canal and hastened discussion about “ditching the ditch.” In spite of nationalist discourses about keeping the canal, the Carter Administration and the U.S. government agreed to handover the Panama Canal to the Panamanians by the year 1999, thus bringing to an end seventy-five years of American control of the canal and the Canal Zone. Interestingly enough, despite the Noriega episode of the early 1990s, which included a substantial U.S. military invasion, the gradual process of assuming control over the canal went quite smoothly. Regarding contemporary developments, the authors conclude in one of the latter chapters in their narrative that the Panamanian authorities have successfully managed over the past decade to convert the canal into a profitable commercial enterprise, something that had eluded American management since the 1920s. It serves as an interesting example of how the ‘colonized’ went on to surpass the abilities and expectations of the ‘colonizer.’

In sum, this volume succeeds in a number of respects. First and foremost, it is a well researched and impressively written narrative. Within this framework the authors manage to weave together a fascinating study of a great technological breakthrough, a tale of imperial manipulation and power politics, the intricacies of political economy, and the unexpected results of decolonization. Through a diachronic approach that provides the reader with a sense of the altering contexts and interests at play, Maurer and Yu provide an instructive case study of imperialism at work and classify its benefits and costs for both the U.S.A. and Panama. One thing to keep in mind, however, is that the reader should have some level of interest in economic matters. Having noted that, The Big Ditch strikes an interesting balance in addressing both the political and economic dimensions of imperialism and the practices of empire, and fills a gap by providing a comprehensive analysis of the Panama Canal through a century of its history.

AUTHOR

JOSEPH MICHAEL GRATALE

The American College of Thessaloniki