Diplomatic History

of the

Acquisition

of the

Panama Ganal Zone.

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"The Land Divided -- The World United."

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Eistorical Background.

CHAPTER I.

Historical Background.

Prior to the expedition of Mernando Cortes, it was generally believed that somewhere a strait existed, separating the newly discovered land mass. The navigators and explorers of that day had as their objective; the finding of this natural waterway. However, when Cortes, after numerous expeditions became virtually certain that no such waterway existed connecting the two oceans, he proposed that one be constructed, -- the first man to suggest an interoceanic canal. Charles V, who came to the Spanish throne in 1516, became very much interested in the project and at once ordered the governors of his American colonies to have the entire coast line of the Isthmus of Panama thoroughly explored and examined with the view of assertaining the best and most convenient means of connecting the waters of the Atlantic and Pacific oceans. 2 Every bay and river mouth

Stuart, Graham H., Latin America and the United States. p. 56.

² Report of the Isthmian Gamel Commission. 1899-1901. p. 22.

that seemed in any way to offer a short way across the isthmus was darefully examined and after several months of such investigation, four routes were considered as practicable: Darian, Panana, Tehuantepec, and Micaragua. Unfortunately. Charles abdicated the throne in 1555, and was succeeded by his son Philip II. whose policy relative to the canal project was epposite to that of his father. Philip held to the idea that an opening through the isthmus would afford rival nations favorable opportunities to visit Spanish possessions, gain information as to their resources and ultimately lead to war. Furthermore, he held that the construction of an isthmian canal would be in direct apposition to the will of God, who had placed this barrier in the way of navigation and that any nation or people who should attempt to remove it would incur his hivine weath. 2 Such a policy prevented any further canal considera-

^{1.} Report of the Isthmian Ganal Commission. 1899-1901. p. 24.

^{2.} James Bryce, South America, p. 36, or Rafael Reyes, The Two Americas, p. 62.

tion during the reign of Philip II, and not only
was this the policy of the government during
his lifetime but it continued to be the dominant
one for the two centuries following his death.
However, the interesting fact to note is that
not only was an intereseanic canal looked upon
from the earliest times as feasible, but the four
routes considered most practicable up to our ewn
time were among the first to be considered.

Was taken in the construction of an isthmian canal until the beginning of the nineteenth century. During the first part of that century the noted scientist, Alexander von Mumboldt, after spending several years in Gentral and South America, gave to the world many interesting reports and surveys, in which he strongly advocated the construction of an artificial waterway between the two eccans. The publications of Mumboldt were extensively read and did much to revive the interest of the commercial nations in this subject.

Stuart, G.H. Latin-America and the United States. pp. 56-57.

The Spanish government was at last aroused and in April 1814, the Cortes passed a measure providing for the construction of a canal through the isthmus and for the formation of a company to undertake the project. Spain, however, had gelayed too long and her opportunity for giving to the world an interoceanic canal had forever passed, for at this time revolutionary tremors were beginning to be felt throughout her American colonies. By 1823 the last of her dependencies had thrown off its foreign yoke and established ite independence. 2 During the hares hundred years in which Spain dominated the Western world no actual progress was made in the way of connecting the waters of the Atlantic with the Pacific and she retired from the scene, leaving the task for a greater and more energetic nation.

^{1.} Report of the Isth. Can. Comm., 1899-1901,p. 28.

^{2.} Idem.

Early Isthmian Diplomacy of England and the United States. -- The Clayton-Bulwer Treaty of 1850.

CHAPTER II

Early Isthmian Diplomacy of England and the United States.
The Clayton-Bulwer Treaty of 1850.

In order to properly appreciate the full significance of the events leading up to the famous Clayton-Bulwer Treaty of 1850, the treaty between the U.S. and England which proved a hindrance to the construction of an interoceanic canal, it is necessary that we know something of the manner in which Great Britain secured her right of control over certain strategic parts of Central American soil. The attempts of England to obtain a foot-hold in Central America antedates the birth of our American government by more than a century. Her claims date as far back as the seventeenth century and to a large extent are shrouded in obscurity, yet by the middle of the nineteenth century, relying upon these once vague and indefinite claims, she had established her sovereignty over three very important parts of Central America, namely, Belise, the Bay Islands and the Mosquito Shore.

^{1.} Mary W. Williams, Anglo-American Isthmian Diplemacy. 1815-1915. Chapter I.

The British occupation of these places was a direct result of the buccancering era in the old world. The colonial commercial policy of Spain, which forbade their colonies trading with other countries, was a great temptation to the people of other countries to share in her prosperity by piratical methods. The cargoes of the Spanish ships consisted chiefly in gold and mahagany. But as time went on seizures became less frequent, which in turn led the British to make settlements along the coast.

The settlements being located in the rich mahogany districts, flourished from the very beginning and soon became very prosperous. This presperity, however, was brought to an end for a time by the Spanish, who in 1732 attacked the settlements and succeeded in driving a large number of the inhabitants from their homes. Their expulsion was only temporary for they soon returned and were able to defeat all further attempts sent against them.

It was not until 1779, the year in

which the Spanish allied themselves with the revclutionary colonies in America, that they made another attempt to dislodge the British, but were unsuccessful. By the treaty of 1783, which ended the American Revolution. Great Britain relinquinshed whatever territorial rights she may have claimed in Contral America. The English settlers, however, were granted the privilege of outling wood for dying, but this right was only to be exercised in a part of Honduras, with certain speeific boundaries, within which the woodcutters, then scattered through the country, wase required to retire within eighteen months. England, furthermore, agreed to demolish their fortifications within the district and lastly recognized and declared Spain's rightstof sovereignty.

Motwithstanding the solemn stipulations of the treaty of 1783, the British made no effort to retire but rather began slowly to extend their

^{1.} Rep. of the 1sth. Can. Comm. 1899-1901. p. 27. 2. Ista.

Spheres of influence. This led to new complications between the two powers and the negetiations which followed culminated in a treaty which was signed at London in July 1786. By this new treaty the district allotted to the woodcutters was enlarged and their privileges were increased, but it was on the other hand definitely stipulated that "all the restrictions specified in the treaty of 1783, for the entire preservation of the right of the Spanish sovereignty over the country were confirmed."

Another article of the treaty related particularly to the Mosquite country, in which England had exercised a protectorate over the Indians and had assisted them in resisting the authority of Spain, in that "his Britannic Majesty agreed to prohibit his subjects from furnishing arms or military supplies to the Indians."

Several years later, in 1814, a treaty made between England and Spain confirmed the first

^{1.} Reps of the Isth. Can. Comm., p. 27. also, Mary M. Williams, Anglo- Amer. Isth. Dipl., p. 11.

^{2.} Rep. of the Isth. Can. Comm., p. 27.

^{3.} Idem.

article of the treaty of 1786, which referred to the British settlers on Central American soil. Thus, if at any time in the past Spanish sovereignty had become weakened it was now revived and definitely recognised by the British government.

For several years after the treaty of 1814, England seemed to have manifested little or no interest in her former Central American spheres of influence, but no scener had the Spanish provinces acquired their independence than England began to disregard her treaty stipulations. The protectorate over the Mosquito Shore was revived and new territorial rights were set up in Central America. The lack of interest on the part of the U.S. in the isthmus at this time, made the policy of expansion a safe one for Great Brittain and gradually her influence increased.

Just at this point I shall leave England with her policy of general aggression on the isthmus and turn to the early attempts of the United States in securing isthmian concessions.

As early as 1826 the United States was

Anglo-American Isthmian Diplomacy, 1815-1915. Williams, Mary W., p. 12.

² Report of the Isth. Can. Com. 1899-1901.

invited to send delegates to the Panama Congress, a convention which was called by General Bolivar for the purpose of considering an interoceanic canal across the Central American isthmus.

In response to this invitation, President Adams appointed Mr. Amierson and Mr. Sergeant to represent the American government at the congress, but owing to strong opposition in the Senate the confirmation of the delegates was delayed and they were not sent until it was too late to participate in the meeting. Although the United States played no part in the Congress, the instructions given the representatives is worthy of note. Mr. Clay, Secretary of State, upon their departure gave them the fellowing instructions; "If this vast object should ever be accomplished, it will be interesting, in a greater or less degree to all parts of the world, but to this continent will probably accrue the large-

¹ Hart, Albert B. The Monroe Doctrine. p. 93.

² Ibid. p. 96.

est amount of benefit from its execution; and to Celombia, Mexico, the Central American Republic, Peru and the United States, more than to any other of the American nations.... If the work should ever be executed so as to admit of the passage of sea vessels from ocean to ocean, the benefit of it ought not be exclusively apprepriated to any one nation, but should be extended to all parts of the globe upon payment of a just compensation or reasonable tells. These instructions show the attitude of the United States at this early date in regard to an isthmian canal and mark the partial awakening of the American people to isthmian affairs.

In 1835, the Congress of the Republic of Central America again turned to the United States and at this time effered to grant to the government the right to construct a canal. In response to this action the Senate on March 3, 1835, passed the following resolution; "Resolved, that the President of the United States be respectfully requested to

Moore, J. B. Digest of International Law. Vol. III. 2-3.

² Stuart, Graham H. Latin-America and the United States. p. 58-59.

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consider the expediency of spening negotiations with the governments of other nation, and particularly with the governments of Central America and Now Granada, for the purpose of effectually pretecting, by suitable treaty stipulations with them. such industrials or companies as may undertake to open such a communication between the Atlantic and Pacific oceans, by the construction of a ship canal across the isthmus which connects North and South America, and of securing forever, by such stipulations the free and equal right of navigating such canal to all such nations, on the payment of such reasonable tolls as may be established, to compensate the capitalists who may engage in such undertaking and complete the work".

In order to carry out the wish of the Senate, President Jackson appointed Mr. Charles Biddle to make an investigation of transit routes. Mr. Biddle failed to earry out the instructions givon him in that he went to Panama instead of Nicaragua and there secured a concession which had been granted by Bolivar to another party. 2 The United

Moore, J. B. Digest of Inter. Law. 1 p. 3.

Rep. of the Sen. Com. on Interoceanic. Can.

States Government repudiated Mr. Biddle and declared null and void all that he had done. On January 9, 1857, a message was sent to the Senate to the effect that it was not expedient at that time to enter into negotiations with foreign governments with reference to a transisthmian waterway.

The following year, in January 1838, Aaren Clark, mayer of New York in company with a number of prominent New York and Philadelphia citizens presented the subject to the House of Representatives in a memorial, in which they attempted to arouse the government to the great importance of an isthmian canal and recommended that negotiations be at once opened with New Granada and Central America and the European nations for the purpose of entering into an agreement for the premotion of the construction of a canal. 2
Nothing of importance resulted in this, other than that Congress requested the President to open or continue negotiations with foreign nations according to

^{1.} Rep. of the Isth. Can. Com. 1899-1901. p. 30. Johnson, Willis Fletcher, Amer. For. Rel. Vol. I. p. 431.

²² Rept. of the 1sth. Can. Comm. 1899-1901. p. 30, or Moore, J.B., Digest of International Law, V.3., p. 4.

the terms of the former Senate resolutions.

In 1839 President Van Buren sent Mr. John L. Stephens to the isthmus to carry out the work which Mr. Biddle had failed to do a few years before. He reported the Micaragua route to be the most favorable one and estimated the construction of a canal to be near \$25,000,000, but at the same time he discouraged such an undertaking at present, due to the unstable condition of the country. This report seemed to have deadened American interest in the isthmus, for it was not until a decade later that the government took another step in that direction.

However, in the year 1846, America at last became fully aroused to the importance of securing for herself an isthmian concession. The English had by this time by their aggressive policy secured a grip on the isthmus of Micaragua and were thought to have in mind the ultimate seizure of Panama. If the United States Government ever expected to secure a

¹ Rep. of the Isth. Can. Com. 1899-1901. p. 30.

² Stuart, Graham H. Latan America and the United States. p. 59.

canal concession it must be done at once. Due to the fact that the Mexican War had just begun it was deemed undiplomatic to attempt negotiations for the Nicaragua route, which in all probability would lead to serious trouble with Great Britain relative to her Mosquito claims. Therefore, the American government turned its attention to the Panana route. That part of the isthmus was then under the sovereignty of New Granada, the present Columbia. The government of New Granada was glad to accept overtures from the United States for an enterprise which would re-establish her prosperity and a treaty which would protect her from foreign encroachments. With both countries anxious for the treaty negotiations were at once begun and rapidly moved forward to a successfull culmination on June 10, 1848. The ratification of this compact marked the dawn of a new era in our relations with Central America, in that we for the first time had secured a firm foothold on the isthmus.

A portion of Article 35 of the treaty reads as follows; "The Government of New Granada guarantees to the Government of the United States, that the

¹ Moore, J. D. Int. Law Digest. Vol. III. p. 7.

right of way or transit across the Isthaus of Panama upon any modes of communication that now exist, or that may be, hereafter, constructed, shall be open and free to the Government am citizens of the United States." and in return for this concession the same article further says, "the United States guarantees positively and efficaciously to New Granada, by the present stipulations, the perfect neutrality of the beforementioned Isthmus, with the view that the free transit from the one end to the other sea may not be interrupted or embarassed in any future time while this treaty exists; and in consequence, the United States also guarantees, in the same manner, the rights of sovereignty and property which New Granada has and possesses over the said territory."

Hardly had the treaty been ratified by the two governments until its importance was demonstrated, due to the discovery of gold in California. The extreme difficulty of overland travel made the sea route, with a short passage across Panama, the most practicable highway to the gold fields.² In 1855, an

¹ Rep. of the Esthmian Can. Com. 1899-1901. p.445-52.

² Lat. America and the U.S. Stuart, G. H. p. 60.

American company, relying upon the new treaty, constructed a railroad across the isthmus and this proved to be one of the most profitable of lines ever constructed.

No sooner had the United States secured the Panama concession than she cast a wistful eye to Nicaragua. In 1848, Great Britain forced the Nicaraguans to withdraw from Juan del Morte (Greytown), which was a certain terminus of any isthmian canal through Micaraguan territory. 2 This action caused President Polk to send Mr. Elijah Hise, as a special agent to Micaragua in 1849, advising him in Vigorous terms as follows: "The object of Great Britain in this seizure is evident from the policy which she has uniformly pursued throughout her history, of seizing upon every available commercial point in the world whenever circumstances have placed it in her power; and now it seems her evident purpose, by assuming the title of protector over a miserable, degraded, and insignificant tribe of Indians, to acquire an absolute dominion over the vast extent of sea coast in

¹ Stuart, G. H. Lat. Amer. and the U.S. p. 60.

² Ibid. p. 61.

Nicaragua, and to obtain control of the route for a railroad and canal between the Atlantic and Pacific oceans.

Mr. Hise left for Nicaragua with very vague and indefinite instructions from his government as to what policy he should pursue, other than a vague implication that the Monroe Doctrine should be upheld and that he should negotiate a treat y with Nicaragua. E Mr. Hise was successful in negotiating a treaty with Beneventura Silva, the representative of the Micaraguan government on June 21, 1849, which gave to the United States practically the same rights as those obtained from New Granada by the treaty of 1846, in that "The State of Micaragua codes and grants to the United States, or to a chartered company of the citizens thereof, as the case may be, absolutely, all the land that may be required for the location and construction of said canal, roads, etc." and in consideration for this concession "The United States of America deth selemnly agree and undertake to protect and defend the State of Micaragus in the possession

Johnson, Willis Fletcher. Amer. For. Rel. Vol. I. p. 434.

² Stuart, G. H. Lat. Amer. and the U.S. p. 61

and exercise of the severeignty and dominion of all the country, coasts, ports, lakes, rivers, and territories that may be rightfully under the jumisdietion and within the just and true limits and boundaries of the said state." The treaty was in direct opposition to the British claims, in that the recognization of Micaraguan sovereignty over the Caribbean coast was a complete denial of the British protectorate over the Mesquite shore and furthermore, the making of Greytown a free port under American protection could on be construed by the British government as an informal notice to relinquish its hold upon the town. The treaty was sent to Washington but was not approved by the administration. President Polk did not even send it to the Senate, and it is well he did not, for if it had been ratified, war between England and the United States would possibly have been the result.2

The admistration of President Taylor now came into office and Mr. Hise was at once recalled from Nicaragua, being succeeded by Mr. E. G. Squire.

Rep. of the Senate Com. on Interoc. Can. 1901.pp. 313-21.

² Johnson, W.F. Amer. For. Rel. Vol. I. p. 435, or Moore, J.B. Dig. of Int. Law. Vol. III. p. 134.

³ Amer. For. Rel. Johnson, W.F. Vol. I. p. 436.

Mr. Squire on being sent to the isthmus was instructed by Mr. Clayton, Secretary of State, to make a new treaty with Micaragua which would assure "equal right of transit for all nations through a canal which should be hampered by no restrictions, either from the local government or from the company which should undertake the work" and also "not to involve this country in any entangling alliances or any unnecessary controversy." Mr. Squire excountered no difficulties in negotiating a new treaty based upon the instructions of Mr. Clayton. He openly and harshly condemned the aggressive policy of Great Britain and on September 23, 1849, secured the consession desired by his government. In this treaty the United States secured the right to construct a canal at any point on the Caribbean coast. irrespective o. British claims, to any point on the opposite side; the monopoly of stream navigation on all Micaraguan lakes and rivers, and the right to take land for canal purposes. In consideration of these grants the United States recognized Nicaragua's rights of severeignty and agreed to protect them. 2

¹ Jehnson, W.F. Amer. For. Rel. Vel. I. p. 436.

² Iden.

Not only did Mr. Squire negotiate a treaty with Micaragus, but also one with Hondural, although he was unauthorized to do so. By this treaty the Hondural government coded Tiger Island to the United States government for a period of eighteen months, pending the ratification of the treaty. The treaty, like the Hise treaty, was never ratified by the Senate. On the basis of certain old claims for debts. Great Britain had for some time planned to seize the island, and when the negotiations between Mr. Squire and the Honduran commissioner became known, England at once sent a fleet to Honduran Waters. The island was seized and the British flag hoisted. Mr. Squire at once issued a note of protest in which he demanded the withdrawal of the British fleet. This. England refused to do and Mr. Squire in a second note informed that government that if the squadron was not withdrawn within six days, the act would be considered unfriendly and aggressive. Such was the acute situation, when diplomacy intervened at Washington to alleviate the intense feeling which had arisen on the isthmus. Mr. Clayton, the American Secretary

¹ Moore, J.B. Dig. of Int. Law. 3. 135.

² Johnson, W.F. Amer. For. Rel. Vel. I. p. 437.

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of State, realized that some kind of an agreement must be brought about at once and ordered Mr. Lawrence, the United States minister at London, to immediately discuss the situation with the British government. He, in an literview with Lord Palmerston, the British foreign minister, demanded that Great Britain withdraw her protectorate from the Mosquito territory. This. Lord Palmerston refused to do, and firmly declared that the policy of his gevernment was to retain all territory it had claimed. The actual extent of British claims in Central America & this time, just prior to the Clayton-Bulwer Treaty, was rather indefinite, yet definite enough to prohibit the United States from having a free hand in the construction of an isthmian ganal. The isthmian policy of Great Britain had been one of gradual aggression, thus making it difficult to define her territorial limits. However, it was known that she claimed a protectorate over the Mosquite Shore, the Bay Islands, Tiger Island and had recently forced the Micaraguans to give up Juan del Morte (Greytown) -- the certain terminus of a canal through Nicaraguan terri-

¹ Stuart, G.H. Latin Amer. and the U.S. p. 62.

tory. The failure of Lord Palmerston to relinquish the British protectorate over the Mosquito territory brought about a diplomatic deadlock and the British minister was unwilling to continue Megotiations.

He, however, sent a special envoy, Sir Henry Bulwer, to Washington to negotiate directly & with Mr. Clayton in the hope that an amicable settlement might be arranged. Upon the arrival of Sir Bulwer in Washington, negotiations began and moved speedily forward. In the very beginning the outstanding difficulties were removed, in that Mr. Clayton assured the British representative that if the Squire treaty were ratified by the Senate. he would see to it that it would be "so modified that it would be ineffensive and in every respect acceptable to his government, provided that the latter would keep the Mosquito Indians from interfering with the construction and operation of a canal. "2 Sir Henry on the other hand, assured Mr. Clayton that his government would repudiate the seizure of

Rep. of the Sen. Com. on Int. Can. p. 21. Stuart, G.H. Lat. Amer. and the U.S. p. 61.

² Johnson, W.F. Amer. For. Rel. p. 442.

Tiger Island by Chatfield, if the American government would recognize British rights along the San Juan River and let Great Britain have a half interest in the isthmian canal. With both diplemats practically agreeing upon the above mentioned points, they set to work and soon had a rough draft of the treaty completed. Notwithstanding the fact that the negotiations were in secret, certain members of the cabinet were aware of it and continually urged Mr. Clayton to demand absolute withdrawal of Great Britain from the 1sthmus.2 The Secretary of State informed them that the matter would be disposed of in a satisfactory manner and to the interest of the American government. Later it was found, after the ratification of the treaty, that he had attended to it in a manner much more satisfactory to the English government than to his own. The following notes which were exchanged between the two diplomats prior to the ratification of the treaty prove the fact and

Johnson, W.F. Amer. For. Rel. p. 442.

² Idea.

were the cause of a vast amount of misunderstanding, delaying the construction of a sanal for half a century:

Declaration made by Sir Henry Bulwer at the Department of State, June 29, 1850, prior to the exchange of the ratification of the Clayton-Bulwer Treaty.

"In proceeding to the exchange of the ratifications of the convention signed at Washington on
the 19th of April, 1850, between her Britannic Majesty and the United States of America, relative to
the establishment of a communication by ship canal between the Atlantic and Pacific oceans, the undersigned,
her Britannic Majesty's plenipotentiary, has received
her Majesty's instruction to declare that her Majesty
does not understand the engagement of that convention
to apply to her Majesty's settlement at Henduras, or
its dependencies. Her Majesty's ratification of the
said convention is exchanged under the explicate declaration above mentioned."

H. L. Bulwer,

The following reply to the above note was filed by Mr. Clayton in the Department of State at Washington,

¹ Meore, J.B. <u>Dig. of Int. Law</u>. Vol. III, p. 136-

July 5, 1850.

"The within declaration of Sir H. L. Balwer was received by me on the 29th day of June, 1850. In reply. I wrate him my note of the 4th of July, acknowledging that I understood British Honduras was not embraced in the treaty of the 19th day of April last; but at the same time carefully declining to affirm or deny the British title in their settlement or itsalleged dependencies. After signing my note last night, I delivered it to Sir Henry, and we immediately proceeded, without any further or other action, to exchange the ratifications of said treaty. The consent of the Senate to the declaration was not required. and the treaty was ratified as it stood when made.

John M. Clayton.

The treaty as drafted by Mr. Clayton and Sir Henry was sent to London where it was approved by Lord Palmersten and the British government. On being sent to

¹ Moore, J.B. Digest of Int. Law. Vol. III, p. 137.

The United States Senate, it was accepted by a vote of 42 to 11, the Senators firmly believing that Great Britain had for all time to come relinquished her aggressive policy on the isthmus. By the terms of this treaty, "the governments of the United States and Great Britain hereby declare, that neither the one nor the other will ever obtain or maintain for itself any exclusive control ever the said Ship Canal; agreeing that neither will ever erect or maintain any fortifications commanding the same, or in the vicinity thereof, or occupy as fortify, or colonize, or assume or exercise any dominon over any part of Central America." and furthermore the two nations agreed that "when the said Ganal shall have been completed, they will protect it from interruption ... and that they will guarantee the neutrality thereof. 2

The exchange of ratifications of the Glayton-Bulwer treaty was hailed with much joy in that all felt that the deadlock between Great Britain and the United States was at last broken. It

¹⁵enate Documents, no. 474, 63rd Congress, 2nd Session. p. 272-275.

seemed that a new era was dawning and that the dream of an interoceanic sanal would soon become a reality. The realization of such a dream was far in the future as we shall see in the following chapter.

III

The Abrogation of the Clayton-Bulwer Treaty and the Adoption of the Hay-Pauncefote Treaty of 1901.

CHAPTER III

The Abrogation of the Clayton-Bulwer Treaty and the Adoption of the Hay-Pauncefote Treaty of 1901.

treaty been exchanged between the two governments before serious difficulties arose as to its interpretations. The American government confidently expected that the British would at once withdraw from the Mesquite Shore and the Bay Islands, but the British government had no such foreign policy in mind, and interpreted the treaty as specifically establishing her rights in the territory to which she had already laid claim, future settlements only being forbidden. In pursuance of this interpretation the British government on July 17, 1852, issued the following formal proclamation:

"This is to give notice that Her Most
Gracious Majesty the Queen has been pleased to constitute and make the islands of
Rostan (Rustan), Bonacea, Utilla, Barbarat, Helena, and Morat, to be a colony, to
be known as the "Colony of the Bay Islands." "1

¹ Moore, J.B. Digest of Inter. Law. Vol. III p. 140.

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When the news of such a proclamation reached Washington it at once produced a state of intense indignation in government circles. At the recenvening of Congress in December the foremost topic for discussion was the British policy in Central America. During the Congressional discussions and investigations, Clayton's acceptance of Sir Bulwer's adroit reservations concerning the treaty of 1850 were brought to light and placed before an astonished Senate. The revelation of the secret correspondence between Mr. Clayton and Bir Bulwer created a profound sensation, not only among government officials but among the people throughout the country. It was now realized that the Clayton-Bulwer Treaty was not an instrument which would bring about the construction of the long expected canal, but on the other hand, was a stumbling block in the way of the construction of any canal. The American people desired a canal under the entire control of America, free from all foreign entanglements, but it was now seen that such a realisation could not come about under the terms of the new treaty as

Johnson, W.F. Amer. For. Rel. Vol. I. p. 446.

interpreted by Great Britain.

Thus, the only thing left for the American government to do was to find some way out of the snare, if pessible, into which it had fallen. It could not deny the British right to all the dependencies of British Honduras, but it did consider it had a legitimate right to deny British rights to the Mesquite Shore and the Bay Islands.

time in beginning negotiations with the English government, relative to the various interpretations placed upon the treaty. Mr. James Buchanan was the American minister to the Court of St. James at this time and Mr. William L. Marcy, Secretary of State, at once ordered him to present his government's views of the Clayton-Bulwer Treaty to Lord Clarenden. Mr. Buchanan at an early apportunity informed the British minister that his government would not dispute certain British rights in British Honduras, but that it did absolutely insist that the Mosquite protectorate should be given up and that the Bay Islands should be surrendered to Honduras, as they were not "dependencies" of Belize.

¹ Moore, J.B. Dig. of Int. Law. Vol. III pp. 154-61.

On May 2, 1854, Lord Clarendon, after several months of careful investigation, replied to the American minister's statement, saying "that it was never the contemplation of either government that the treaty of 1850 should interfere in any way with Her Majesty's settlement at Belize or its dependencies," and furthermore, "that, although Great Britain never claimed any sovereignty over Mosquito, she asserted that the treaty of 1850 did not and was not meant to annihilate her protectorate, but only confine its powers and limit its influence; and that the treaty while it did not recognize any protectorate, clearly asknowledged (Art. I) the possibility of Great Britain or of the United States afrording protection to Mosquite or to any Central American state". This reply brought matters to a complete deadlock, as both mations refused to make any concessions. It was not until 1856, that another attempt was made to bring about a proper understanding between the two countries. During the Presidency of Franklin Pierce, Mr. George

¹ Moore, J.B. Dig. of Int. Law. Vol. III pp. 161-63.

M. Dallas, the American minister to London, entered into negotiations with Lord Clarendon and the result was the Ballas-Clarendon treaty of 1856. The terms of this treaty provided for Great Britain to abandon her protectorate over the Mosquito Indians, and instead of it she was to make arrangements in their behalf which would be pleasing to the American government: the boundaries relating to the Belize settlement were to be more clearly defined. and lastly, the Bay Islands were to be restored to Honduras. The restorations of the islands to Hon? duras, however, was conditional, in that it would only be done upon the ratification of a treaty between Great Britain and Honduras, which was them pending. 2 The treaty was approved by President Pierce and he mentioned it most favorably in his annual message in December, 1856, saying, "the occasion of controversy on this point has been removed by an additional treaty which our minister at London has concluded, and which will be immediately submitted to the Senate for its consideration.

¹ Sen. Exec. Doc. No. 194, 47th Geng., 1st Sess.p. 138.

² Moore, J.B. Dig. of Int. Law. Vol. III p. 166.

Should the proposed supplemental arrangement be concurred in by all the parties to be affected by it, the objects contemplated by the original convention will have been fully attained."

Due to the approaching election the treaty did not receive the attention of the Senate until the insuguration of Mr. Buchanan was ever. The incoming administration did not look with any degree of favor upon the treaty as it then existed. After various modifications had been made by the Senate it was ratified on March 12, 1857. The principle change was the elimination of the part which contemplated the concurrence of the British government in the treaty with Honduras and this was replaced by a simple engagement on the part of the contracting parties to recognize and respect the islands as under Henduran sovereignty. The treaty in its amended form was sent to Lendon where it underwent a careful examination by the British cabinet and was found to be unacceptable. Thus, the attempt at settlement by a supplementary agree-

Richardson, J.D. Messages and Letters of the Presidents. Vol. V. pp. 410-11.

² Moore, J.B. Digest of Int. Law. Vol. III. p. 166.

ment proved a complete failure and the two dissatisfied parties were forced to fall back on their respective rights contained in the unpepular Clayton-Bulwer treaty.

From this time forward the inability of the two governments to agree upon a common interpretation of the Clayton-Bulwer treaty may be regarded as a historic fact. On March 12, 1857. General Cass, Secretary of State, in conference with Lord Mapier, the British minister at Washington, stated that, "he had voted for it, (Clayton-Bulwer Treaty) and in so doing believed that it abrogated all intervention on the part of England in the Central American territory. The British Government had put a different interpresation upon the treaty and he regretted the vote he had given in its favor." In May of the same year, Secretary Cass in another note to Lord Napier said; "The Clayton-Bulwer Trest y, concluded in the hope that it would put an end to the differences which had arisen between the United States and Great

Foreign Relations of the U.S. 1882-1883. House Executive Document. 2nd Session, 47th Congress. p. 564.

Britain concerning Central American affairs, had been rendered inoperative in some of its essential provisions by the different constructions which had been reciprocally given to it by the parties. And little is hazarded by saying that had this been anticipated it would not have been negotiated under the instruction of any executive of the United States nor ratified by the branch of government instructed with the power of ratification." When these notes were made public they at once aroused the American people to the conviction that the Clayton-Bulwer Treaty was a hindrance to progress and that it should be abrogated. The tide of public sentiment in that direction was so great that it led Lord Hapier to write the following note on June 22, 1857; "It is probable that if the pending discussion regarding Central America be not closed during the present summer an attempt will be made in the next Congress to set aside the Clayton-Bulwer Treaty There can be no doubt of the views of the President and the cabinet in this matter."2

¹ For. Rel. of the U.S. 1882-83. House Exec. Doc. 2nd Sess. 47th Cong. p. 564.

² Ibid. p. 565.

Government seemed to be cognizant of the fact that some kind of a move must be made on her part and on October 30, 1857, Sir William Gore Ouseley was sent to Central America and Washington as a special agent. He had as his objective the double purpose of concluding with the Central American states, and especially with Guatemala and Honduras, settlements of the questions relative to the Bay Islands, the Mosquito Shore, and the boundaries of British Honduras, and also of visiting Washington on the way, and conferring with the Secretary of State of the United States, for the purpose of ascertaining the views of his government as to the Clayton-Bulwer Treaty.

Before the arrival of Sir William in the United States, Lord Mapier had an interview with the President on the 19th of October, 1857, in which he declared that he believed it the object of Her Majesty's Government, in the mission of Sir William, to carry the Clayton-Bulwer treaty into execution ascording to the general terms of the interpretation

¹ Moore, J.B. Dig. of Int. Law. Vol. III, p. 169

put upon it by the United States, but to do it by separate negotiations with the Central American republics in lieu of a direct engagement with the Federal Government. During the interview the British minister further requested the President to make no proposal of annuling the Clayton-Bulwer treaty as the thought might lessen the possible good of Sir William's special mission.

The President, believing that the British Government would accept the American interpretation of the treaty, agreed to make no mention of abrogation in his message to Congress. 2

Lord Mapler, during subsequent interviews with the President, found that he expected the unequivocal restoration of the Bay Islands, the Mosquite protectorate to be given up and the boundaries of Belise to become as they were in 1786. The British minister felt that Her Majesty's government would not yield in all respects, especially in the last demand and with the American govern-

For. Rel. of the U.S. 1882-83. House Exec. Doc. 2nd Sess. 47th Cong. p. 566.

² Idem.

³ Williams, Margy W. Anglo-Amer. Isth. Dip. 1815-1915. p. 236.

ment in a rather lemient frame of mind, due to the announcement of Sir William's mission, he proposed that the entire dispute be referred to arbitration. To this proposed General Gass replied that he did not repudiate the principle of arbitration on all occasions, but that in a matter of this nature it could not be looked upon with favor by the American government as it was merely a matter of interpreting the English language and that this could best be done by the two parties who possedsed that common language.

Napier and President Buchanan, the latter became convinced that the British government did not intend to follow the American interpretation of the treaty as had heretofore had been expected. The result was that in his December message to Congress the President said, "The fact is that when two nations like Great Britain and the United States, mutually desirous, as they are, and I trust ever may be, of maintaining the most friendly relations with

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¹ For. Rel. of the U.S. 1882-83. House Exec. Doc. 2nd Sess. 47th Congress. p. 566.

² Idem.

each other, have unfortunately concluded a treaty which they understand in senses directly opposite, the wisest course is to abrogate such a treaty by mutual consent and to commence anew.... Whilst entertaining these sentiments, I shall, nevertheless, not refuse to contribute to any reasonable adjustment of the Central American questions which is not practically inconsistent with the American interpretation of the treaty."

In the meantime Sir Villiam had received instructions from the Earl of Clarendon, "not to commit Her Majesty's Government to any course whatever in respect to the Bay Islands until the instentions of the Congress of the United States in regard to the treaty of 1850 are clearly ascertained." At about the same time Lord Clarendon sent the following note to Lord Hapier: "We are decidedly of the opinion that it would be neither consistent with our dignity, nor with our interest to make any preposal to the United States Government until we have received a formal amswer to our offer

Richardson, J.D. <u>Mess. and Let. of the Pres.</u> Vol. V. p. 444.

² For. Rel. of the U.S. 1882+83. House Exec. Doc. 2nd Sess. 47th Cong. p. 566.

of arbitration." This produced a triple deadleck which remained unbroken for several weeks. The United States Government agreed not to make any more moves toward abrogation until it could be determined what interpretation would be placed upon the treaty by Sir William. Sir William had received positive orders not to move until the United States should decide whether to abrogate the treaty or not, and Lord Hapier was ferbidden to make any move until the United States should make a formal ensurer to the arbitration proposal.

ment took the initiative in breaking the deadlock.

Lord Mapier informed General Case that Her Majesty's Government was desirous of knowing the decision of his government relative to the offer of arbitration and also remarked that if this mode of settlement was not pleasing that the British government would give a friendly consideration to other proposals. In answer to this note Secretary Case said, "The President does not hasten to consider now the alternative

¹ For. Rel. of the U.S. 1882-83. House Exec. Doc. 2nd Sess. 47theCong. p. 567.

² Idea.

of repeating the treaty of 1850, because he does not wish prematurely to anticipate the failure of Sir William's mission and is disposed to give a new proof to Her Majesty's Government of the sincere desire to preserve the amicable relations which now exist between the two countries." On receipt of this note, the Earl of Malmesbury, who had succeeded Lord Clarendon in the foreign office, instructed Sir William to procede at once to Central America and open direct negotiations with the isthmian states. At the same time he instructed Kord Mapier to inform the American Government of Her Majesty's Government's intentions and that it felt it had exhausted all of its means of reconciliation, in that its offers of abrogation and arbitration had been rejected by the United States.2

After spending several weeks in Gentral America, Sir William was successful in negotiating three treaties, all of which were favorable to British interests. The first, with Guatemala, greatly

For. Relations of the U.S. 1882-83. House Exec. Doc. 2nd Sess. 47th Congress. p. 567.

² Ibid. p. 568.

increased the size of Belize and confirmed the British right to the territory; the second, with Honduras, restored to that country the nominal ewnership of the Bay Islands, but only upon the condition that the Honduran Government should never under any condition allow them to pass into the hands of another power; and lastly, in the one with Nicaragua, the British Government sastored to that Government the nominal sovereights over the Mosquito shore, but at the same time stipulated that a reservation should be set aside for the Indians along the shore, in which theywere to enjoy local self-government. Copies of these treaties were officially communicated to the United States Government with the hope, on the part of His Majesty's Government, that they would bring to an end the ill-feeling existing between the two countries over the interpretation of the Clayton-Bulwer Treaty.

Notwithstanding the favorable terms of

^{1.} America's For. Rel., W.F. Johnson, Vol 1, pp. 454-455.

^{2.} For. Rel. of the U.S., 1882-1883. House Ex. Doc., 2nd Bess. 47th Cong.

the treaties to British interests President Buchanan walked into the trap and on December 3: 1860. in his special message to Congress said. "Our relations with Great Britain are of the most friendly character ... The discordant constructions of the Clayton-Bulwer treaty between the two countries. which at different periods of discussion have a threatening aspect, have resulted in a final settlement entirely satisfactory to this government." As a matter of fact, these treaties gave to Great Britain practically all for which she had hoped. while the United States lest much for which she had contended. The states of Central America were now placed into the position of receiving from England. as grants of her bounty, the rights and privileges. which not only they, but the United States had long since considered to be their own.

It was at this time that the American people became engaged in a mighty Civil War and as a result of it the Government had little time for isthmian diplomacy. Hardly had the war clouds cleared away before interest in the intereseance

Richardson, J.D. <u>Ness. and Pap. of the Pres.</u> Vol. V. pp. 639-40.

waterway was renewed. As early as 1867, a treaty (Dickinson-Ayon) was negetiated between the United States and Micaragua, relative to astrons-isthmian canal. The terms of the treaty granted to the United States "the right of transit between the two oceans on any lines of communication, natural or artificial, by land or by water, then existing, or that might hereafter be constructed." In consideration of such a concession the United States agreed "to extend their protection to all such routes of communication and to guarantee the neutrality and innocent use of the same. They also agreed to employ their influence with other nations to induce them to guarantee such neutrality and protection."

In 1869, Grant became President and in his first message to Congress he advocated an isthmian canal under American control. In response to his message Congress adopted a resolution providing for the appointment of a commission whose duty it was to make a careful study regarding the feas-

¹ Rep. of the Isth. Can. Com. 1899-1901. pp. 353-358.

ibility of the construction of a canal. After conducting a number of surveys, which included the Panama, Darian, Micaragua and Tehuantepec routes, and after careful study of the data obtained, the commission reported in favor of the Micaraguan route.

At the same time the Ganal Commission was making its investigationssin Central America, a Spanish explorer and surveyor, Antikpine de Gergorsa obtained from Columbia a canal concession. Having obtained such a grant he at once went to Paris in 1876 and succeeding in greatly interesting a number of the French imperialists.

This led to the organization of a provisional company in France and the sending of Lieut. L. N. B. Wyse as its representative to Golombia, for the purpose of obtaining a favorable concession. He was successful in entering into a contract with the Colombian Government, by which

¹ Rep. of the Isth. Can. Com. 1899-1901, p. 38.

² Ibid. p. 40.

A Rep. of the Isth. Gan. Com. 1899-1901. pp. 40-41.

³ For. Rel. of the U.S. 1876-77. House Exec. Doc. 2nd Sess. 44th Cong. pp. 87-93.

the promoters were given the right to construct a canal between the two oceans without any restrictive stipulations. The agreement, furthermore, provided that the canal route should be determined by an international Congress. In compliance with the treaty the "International Scientific Congress" was held at Paris in May 1879. The outcome was the selection of the Panama route as the most practical. The following year a company was organised under the leadership of Ferdinand de Lesseps, known as the "Compagnie Universille du Canal Intereceanique de Panama." Early in February 1880, de Lesseps arrived in Panama and early in the following year work was actually begun.

The construction of a canal under French control, for which the name of De Lessep, the famous builder of the Suez Canal seemed to mark success, aroused much antagonism throughout the United States. The French intervention in Mexico during the Civil War had not yet been forgotten and the very thought

¹ Rep. of the Sen. Com. on Interes. Can. 1901. pp. 244-252.

² Rep. of the 1sth. Can. Com. 1899-1901. p. 130.

³ Idem.

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of a canal constructed across the Western Hemisphere by a foreign nation was most obnoxious to American citizens. It now seemed that the policy of the United States relative to the canal had become definitely established in that President Hayes in his message to Congress on March 8, 1880, uttered these memorable words, "The policy of this country is a canal under American control. The United States cannot consent to the surrender of this control to any European power, or to any combination of European powers. If existing treaties between the United States and other nations, or if the rights of severeignty or property of other nations stand in the way of this policy - a centingeney which is not apprehended - suitable steps should be taken by just and liberal negotiations to promote and establish the American policy on this subject, consistently with the right of the nations to be affected by it An intercesanic canal across the American isthmus will essentially change the geographical relations between the Atlantic and Pacific coasts of the United States. and the rest of the world. It will be the great

ccean thoroughfare between our Atlantic and Paeific shores, and virtually a part of the coastline of the United States. Our merely commercial interests in it is greater than thattof all other countries, while its relation to our power and prosperity as a nation, to our means of defense. our unity, peace, and eafety, are matters of paramount concern to the people of the United States. No other great power, under similar circumstances, would fail to assert a rightful centrel over a work so closely and vitally affecting its interests and welfare." These words were the most advanced, radical and aggressive yet uttered by the American Government on the subject of the canal. It marked the beginning of a new pelicy and the coinage of two new phrases, "paramount interest" and "coast line of the United States." The President in the message elearly set forth the idea that the American Government was to control the canal as a part of its coast-line: that no European power was to have a part in it; that if the

Richardson, J.D. Mess. and Pap. of the Pres. Vol. VII. 1869-88. pp. 585-586.

Clayton-Bulwer Treaty or any other treaty was a hindrence to the construction of a canal it should be abrogated, and that if any foreign power had property concessions on the isthmus it must give them up.

In 1881, President Hayes was succeeded by Mr. Garfield, who in his inaugural address approved the position taken by his predecessor relative to the canal question. In the course of his address he said,"It is the right and duty of the United States to assert and maintain such supervision and authority over any interocem is canal across the isthmus..... as well protect our national interests." President Garfield immediately directed his Secretary of State, Mr. James G. Blaine, to take measures looking to the abrogation of the Clayton-Bulwer Treaty. 2 About this time it was a rumor that some of the great powers of Europe were considering a proposition of jointly guaranteeing the neutrality. With the view of expressing his government's attitude toward such a move Mr. Blaine

¹ Richardson, J.D. Mess. and Pap. of Pres. Vol. VIII.p. 11

² Bassett, J.S. A Short Hist. of the U.S. p. 816.

³ Moore, J.B. Dig. of Int. Law. Vol. III. p. 189.

sent a circular dispatch to the United States ministers in Europe on June 24, 1881. In this note he stated that. "At has fallen under the observation of the President, through the current statements of the European press and other channels of communication, that the great powers of Europe may possibly be considering the subject of jointly guarantecing the mourrality of the interogeanic canal now projected across the isthmus. The United States recognises a proper guarantee of neutrality as essential The necessity was foreseen and abundantly provided for, long in advance of any possible call for the actual exercise of power. In 1846, a memorable and important treaty was negotiated and signed between the United States and the Republic of New Granada.... In the judgment of the President this guarantee, given by the United States of America, does not require re-enforcement, or accossion, or assent from any other power An agreement between the European states to jointly guarantee the neutrality and in effect control the political character of a highway of commerce, remote from them and near us, forming substantially

a part of our coast-line and promising to become
the chief means of transportation between our Atlantic and Pacific States, would be viewed by this
government with the gravest concern." A copy of
this document was left by Mr. Lewell, the American minister to England, at the British Foreign
Office on July 12, 1881. The remarkable feature
about the dispatch to England was the fact that
the existence of the Clayton-Bulwer Treaty was absolutely ignored.

Government completely ignored the dispatch, but on Movember 11, 1881, Lord Granville, the British Foreign Minister replied, saying, "I wish nerely to point out that the position of Great Britain and the United States with reference to the canal, irrespective of the magnitude of the commercial relations of the former power with countries to and from which, if completed, it will form the highway, is determined by the engagements entered into by them respectively in the convention which was signed at Washington on the 19th of April, 1850, com-

¹ For. Rel. of the U.S. 1881-82. Exec. Doc. 1st Sess. 47th Cong. pp. 537-540.

² Ibid. p. 541.

monly known as the Clayton-Bulwer Treaty and Her Majesty's Government relies with confidence upon the observance of all the engagements of that treaty."

Before this reply reached Washington Mr. Blaine, realizing that a formal treaty could not be discarded in such an informal manner, sent a special note to the British Government, through our representative, Mr. Lewell. In this note he specifically advocated the abrogation of the Clayton-Bulwer Treaty, saying that, "the convention was made more than thirty years ago under exceptional and extraordinary conditions, which have long since ceased to exist - conditions at least which were temporary in their nature and which can never be reproduced."2 Mr. Blaine further objected to the continued existence of the treaty on the grounds, (1) that it forbade the United States to "use its military force in any presautionary measure" relative to the canal, thus conceding to Great Britain its control by reason of her naval strength;

¹ For. Rel. of the U.S. 1881-82. Exec. Doc. 1st Sess. 47th Gong. p. 541.

² Ibid. pp. 554-559.

(2) that it embodied "a misconception of the relative positions of Great Britain and the United States with respect to the interest of each gove ernment in questions pertaining to this continent;" ' (3) that only under American demination, sould the canal "be definitely and at all times secured against the interference and obstruction incident to war: " (4) that since the treaty was made "other leading nations have greatly enlarged their commercial connections with Central America" while the Clayton-Bulwer treaty prevented the United States from certain commercial enterprises; and (5) that the treaty had been made with the understanding that British capital would be used in the construct tion of the canal, but since the use of foreign capital had not been realized the United States now feels that "no aid will be needed outside of the resources of our own government and people." In the conclusion of the dispatch Mr. Blaine proposed a few changes in the treaty necessary to meet the approval of his government, the most important of which demanded that, "every part of the treaty ():

Por. Rel. of the U.S. 1881-1882. Exec. Doc. 1st Sess. 47th Cong. pp. 554-559.

which forbids the United States fortifying the canal and holding the political control of it in conjunction with the country in which it is located to be cancelled," and furthermore that, "every part of the treaty in which Great Britain and the United States agree to make no acquisition of territory in Central America to remain in full force."

Mr. Blaine's position, in the last analysis, was that the treaty of 1850 had outlived its usefulness and should therefore be abrogated. It was obsolete and was now a hindrance to the construction of a canal instead of the aid that it was meant to be. Due to certain changes which had some about in the process of time and the failure of the contracting parties to fulfill certain of its terms was ample proof to him that it should be cast aside by mutual consent.

Ten days later, on November 29, 1881, Mr. Blaine sent a second dispatch to Mr. Lowell equally voluminous with the one of November 19. In this note he, with great detail, called attention to the discussions which had taken place since the ratifi-

¹ For. Rel. of the U.S. 1881-1882. Exec. Doc. 1st. Sess. 47th Cong. pp. 554-559.

with the idea of showing that from the very beginning it had never been looked upon with favor
by the people of the United States.

Lord Granville replied to the November papers of Mr. Blaine in two dispatches addressed to Mr. West, the British minister at Washington, dated respectively January 7, and 14, 1882. In the note of January 7, Lord Granville said that, "while recognizing to the fullest degree the extent to which the United States must feel interested in any canal which may be constructed across the Isthmus of Panama, Her Majesty's Government would be wanting in regard to their duty if they failed to point out that Great Britain has large colonial possessions, no less great commercial interests, which render any means of unobstructed and rapid access from the Atlantic to the North and South Pacific Oceans a matter for her also of the greatest importance.... Her Majesty's Government holds that the principles which guided the

For. Rel. of the U.S. 1881-1882. 1st Sess. 47the Cong. pp. 563-568.

negotiations of the convention of 1850 were intrinsically sound and continue to be applicable to the present state of affairs. In his second note of January 14, the British foreign minister in a rather lengthy discussion gave a review of the events relative to the Glayton-Bulwer Treaty. In the course of the note he pointed out that the differences which had arisen concerning the treaty did in no way relate to the general principles to be observed in regard to interoceanic routes, but on the other hand to the acquisition of territory. Furthermore, he pointed out that during the controversy, Her Majesty's Government had contemplated the abrogation of the treaty on the condition of reversion to the status que, which was rejected by the United States, and lastly that by voluntary action on the part of the British Government the points of dispute were practically conceded to the American Government, and the agreement reached concerning these points was declared by President Buchanan to be "entirely

For. Rel. of the U.S. 1882-1883. Exec. Doc. 2nd Sess. 47th Cong. pp. 302-305.

satisfactory" to his people. Thus, Lord Granville encountered little difficulty in bringing out the weak points in both the dispatches of Mr. Blaine and the exchange of these dispatches did little or nothing in bringing about a better understanding concerning the Clayton-Bulwer Treaty.

Mr. Blaine new retired from the office of Secretary of State and was succeeded by Mr. Frederick T. Frelinghuysen, whose task it was to reply to the two dispatches of Lord Granville. On May S, 1882, Mr. Frelinghuysen sent his reply in which he reiterated in general the arguments given by his predecesser, Mr. Blaine and he also attempted to show that the treaty was a special contract, sreated for a special purpose which had never been accomplished and was thus no longer binding. He, furthermore, contended that Her Majesty's Government had violated the compact by converting her "settlement" of British Honduras into a "possession" without the consent of the United States, saying that there was a "vast difference between a settle-

¹ Fer. Rel. of the U.S. 1882-1883. Exec. Dec. 2nd Sess. 47th Cong. pp. 305-306.

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ment subject to the severeignty of the Central American republic and a colony controlled by Great Britain." In concluding the dispatch he made a direct appeal to the Monroe Destrine in these words: "The President believes that the formation of a protectorate by European nations over the isthmus transit would be in conflict with a doctrine which has been for many years asserted by the United States. This sentiment is properly termed a doctrine, as it has no prescribed sanction and its assertion is left to the exigency which may invoke it. It has been repeatedly announced by the executive department of this government, and through the utterances of distinguished citizens; it is cherished by the American people, and has been approved by the government of Great Britain."

Lord Granville, as in the dispatches of Mr. Blaine, had little difficulty in detecting the weak points in Mr. Frelinghuysen's note and in his papers of December 30, 1882, and August 17, 1883, he presented them to the American government. He

For. Rel. of the U.S. Exec. Dec. 2nd Sess. 47th Cong. pp. 271-283.

called the attention of the United States to the fact that the notes exchanged between Mr. Glayton and Sir Henry in July, 1850, made it perfectly clear to both the contracting parties that the treaty of 1850 in no way affected the claims of Her Majesty's Government to Belize or British Honduras. In answer to the part of the note of Mr. Frelinghuysen dealing with the Monroe Dectrine, he reminded the government of the fact that when the tweaty was being negotiated the Monroe Doctrine was not regarded as a hindrance and that it could hardly be brought forward at this time as an argument for its abrogation. Thus, the diplogatic correspondence of this period between Great Britain and the United States left both nations in the position in which they were in 1850. Mr. Frelinghuysen, being cognisant of the fact that his government had been worsted in the war of words, determined as a last resort to openly defy the Clayton-Bulwer Treaty. With this purpose in mind he succeeded in negotiating a treaty December, 1, 1884, with General Jeaquine Zavala,

¹ Matane, John H. The U.S. and Lat. Ager. p. 176.

a representative of the Micaraguan government. The Frelinghuysen-Zavala Treaty provided that the United States should build a canal, which should be under the joint evership of the contracting parties; that there should be a perpetual alliance between the two nations, and that it should be the duty of the United States to guarantee the territorial integrity of Micaragua. 2

British integraty and henor made than at this time. It was a premeditated and evert act on the part of the United States Government to vislate the treaty. Had it not been for a change in the fereign policy of the nation, the result would have possibly been an Anglo-America war. He scener was Mr. Cleveland inaugurated than he withdrew the pending treaty from the Senate for reexamination. In his annual message of December 8, 1885, he clearly stated his position, rel-

¹ Rep. of the Isth. Can. Com. 1899-1901, p. 359.

² Ibid. pp. 359-563.

³ Hart, Albert B. The Monroe Doctrine. p. 185.

ative to the construction and ownership of an isthmian canal, saving that. "whatever highway may be constructed agross the barrier dividing the two greatest maritime areas of the world must be for the world's benefit, a trust for mankind, to be removed from the chance of domination by any single power, nor become a point of invitation for hostilities or a prize for warlike ambition. An engagement combining the construction, ownership, and operation of such a work by this Government, with an effensive and defensive alliance for its protection, with the foreign state whose responsibilities and rights we should share, is, in my judgment, inconsistent with such dedication to universal and neutral use, and would, moreover, entail measures for its realisation beyond the scope of our national policy or present means."

This canal policy of Cleveland's was only a temporary check to the acquisition and construction of a canal, for no sooner had his term as President expired than the government reverted to its former policy, which was ever afterwards maintained.

Richardson, J.D. <u>Hess. and Pap. of the Pres.</u> Vol. VIII. pp. 327-328.

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In Pebruary 1889, Congress chartered an American company, The Maritime Canal Company of Micaregua, for the construction of a canal through Micaregua. Quite a bit of work was done, but by the close of 1893, the company was in a state of bank-ruptey. Time after time bills were proposed, which provided for government aid but each time they were defeated.

Such was the canal situation in 1898, when Spain and America found themselves engaged in war. The war naturally diverted the attention of the American people from the isthmus for the time being, but at the same time it brought about an incident that greatly impressed the American people of their need for a transisthmian canal. The need was demonstrated during the early part of the war, in that the battleship Oregon, which was then stationed in Californian waters, was forced to make a 13,400 mile grip around Cape Hern, in order to join the Atlantic Squadron. Had there been an isthmian canal the trip would have only been 4,600 miles.

¹ Rep. of the Isth. Cam. Com. 1899-1901. pp. 401-02.

² Ibid. p. 42.

The U.S. in Our Own Times. 1865-1924, Paul. L. Hawerth. p. 302.

No sconer had the war ended than the American government again turned it a attention to the Isthmus and this time with a greater degree of earnestness. President McKinley as early as December 5, 1898, in his annual message to Congress said, "That the construction of such a maritime highway is now more than ever indispensable to that intimate and ready intercommunication between our eastern and western seaboards demanded by the annexation of the Hawaiian Islands and the prospective expansion of our influence and commerce in the Pacific, and that our national policy now more imperatively than ever calls for its control by this government, are propositions which I doubt not the Congress will duly appreciate and wisely act upon." In the fellowing year, 1899, in his Becember message to Congress he again emphasised the need of a canal by saying, "In my message of a year ago I expressed my views of the necessity of a canal which would link the two great oceans. to which I again invite your consideration. reasons then presented for early action are even stronger now."2 The Congress at once passed a law

[!] Richardson, Mess. and Pap. of the Pres. Vol.X.p. 102.

² Ibid. p. 141.

which requested the President to use his influence and power to bring about a medification or abregation of the Clayton-Bulwer Treaty. The administration new set to work to see if the two parties concerned could in some friendly manner dispose of the treaty which was proving such a hindrance to the construction of an interoceanic canal by any nation.

American Secretary of State, were now brought to hear in the task of removing England from the istymus. On December 7, 1898, Mr. Hay sent a dispatch to Mr. Henry White, the charge d'affaires at London, in which he attempted to show the growing conviction on the part of the American people for some definite action of the United States Government toward the linking of the two great oceans by a practicable waterway. In concluding the note he said, "The President thinks it is more judicious to appreach the British Government in a frank and friendly spirit of mutual accommodation, and to ask whether it may not be possible to secure such medifica-

¹ Johnson, W.F. Ameri. For. Rel. Vol. II, p. 313.

as to permit such action by the Government of the United States as may render possible the accomplishment of a work which will be for the benefit of the entire civilized world." During the latter part of December Several notes were received by the Secretary of State from Mr. White, all of which indicated that both Lord Salisbury and Mr. Balfour leoked with favor upon the dispatch of December 7. The British Government in pursuance of its friendly attitude empowered Sir Julian Pauncefete, the British Ambassader at Washington, to enter into negatiations with the American Government with the object of arriving at an agreement which would be satisfactory to both countries.

The two diplomats, Sir Julian and Mr. Hay immediately began their work and by February 5, 1900 they signed at Washington a convention, the purpose of which was "to facilitate the construction of a ship canal to connect the Atlantic and Pacific eccans,

ID Diplomatic History of the Pan. Can. Sen. Doc. No. 474, 63rd, Congress. 2nd Sess. pp. 1-2.

² Ibid. pp. 2-4.

³ Ibid. p. 2.

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and to that end to remove any objection which may arise out of the convention of April 19, 1850, commonly called the Clayton-Bulwer Treaty, to the construction of such canal under the auspices of the Government of the Unit ed States, and without impairing the general principle of neutralization established in Art. VII. of that convention. " The new treaty provided for a neutralized canal. which was to be controlled by rules substantially in accord with the Constantinople Convention of 1888, providing for the regulation of the Sues canal. The original draft stated, that the canal should be open in time of war as in peace time to vessels of commerce and war on equal terms; that the canal should never be bookaded or any warlike act committed within it: that war vessels of a belligerent should not revietual or take any stores in the canal, except those absolutely necessary; that no belligerent should embark or disembark troops. munitions of war, etc., except in case of accidental hindrance in transit; that war vessels of a bell-

Dip. Hist. of the Pan. Can. Sen. Doc. Hp. 474, 63rd Cong. 2nd Sess. p. 289.

² Rep. of the Sen. Com. on Interoc. Can. pp. 365-68.

igerent should not remain in the waters within three marine miles of either end of the eanal for a period exceeding Twenty-four hours unless in distress; that the works etc., necessary to the construction and operation of the canal should be immune from any attacks; and lastly that no fortifications should be erected to command the canal, but that the United States should be at liberty to maintain such military police as may be necessary to protect it against lawlessness and disorder.

The convention was placed before the Senate on February 5, 1900, and a storm of opposition at once arese. The Senate objected on the ground that nothing definite was said as to whether or not the Clayton-Bulwer Treaty was still in force and the result was that the treaty underwent three rather important changes in the Senate: (1) by declaring that the Clayton-Bulwer Treaty was thereby superceded; (2) by providing that the restrictions in the regulations governing the use of the canal should

Dip. Hist. of the Pan. Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. pp. 289-291.

² Johnson, W.F. Amer. For. Rel. Vol. II. pp. 313.

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not apply to measures which the United States might adopt for its own defense and for the maintenance of public order along the canal; and (3) by cutting out entirely the article providing for the adherence of other powers.

Mr. Hay in a dispatch to Mr. Joseph H. Choate, the American ambassador to England, dated December 22, 1900, acquainted him with the fact that
the Benaterhad given its advice and consent to the
ratification of the Hay-Pauncefote convention with
the above mentioned amendments. In this same note
he instructed Mr. Choate to bring the amendments te
the attention of the British Government and to express
the hope that they would be found acceptable to it.²

Lord Lansdowne, the new British minister of Foreign Affairs, in a letter to Sir Julian, bearing the date of February 22, 1901, set forth the reasons for which His Majesty's Government were unable to accept the amendments as proposed by the United States Senate. In regard to the first amendment Lord Lansdowne declared that "the Clayton-Bulwer

¹ Moore, J.B. Dig. of Int. Law. Vol. III. pp. 210-11.

² Dip. Hist. of the Pan. Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. pp. 6-7.

Treaty is an international contract of unquestionable validity, a contract which, according to wellestablished international usage, ought not to be abrogated or modified, save with the consent of both parties to the centract. In regard to the second amendment he declared that it "appears to his Maja esty's Government to involve a distinct departure from the principle which has until now found acceptance with both Governments -- the principle, namely, that in time of war as well as in time of peace, the passage is to remain free and unimpeded, and is to be so maintained by the power or powers responsible for its control." In regard to the last proposed change he declared that the amendment might be construed as leaving the canal open to the United States at any moment, not only if war existed, but even if it were anticipated, to take any measures, however stringent or far-reaching, which, in their own judgment. might be represented as suitable for the purpose of protecting their national interest. Such an enactment would strike at the very root of that 'general principle' of neutralization upon which the Clayton-Bulwer Treaty was Based.

¹ Dap. Hist. of the Panama. Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. pp. 11-17.

The failure of Great Britain to accept the treaty in its medified form was only a temperary check in the march of events leading to a complete abrogation of the treaty of 1850. Mr. Hay. not discouraged by the failure of his earlier efforts, immediately began work on a new draft, which was transmitted by Sir Julian to Lord Lansdown on April 25, 1901. Article I of the new treaty reads; "The High Contracting Parties agree that the present treaty shall supercede the afore-mentioned Convention of the 19th April, 1850," thus expressly abrogating the Clayton-Bulwer Treaty. Other important features of the new treaty provided that the canal might be constructed directly or indirectly under American auspices and also provided for the neutralisation of the canal under practically the same regulations as those governing the Suez Canal. The United States was given the right to establish such military police as would protect the canal from all disorder, and article IV, definitely stated that no change of territorial sovereignty or of international relations of the country or countries through

¹ Dip. Hist. of the Pan. Canal. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. pp. 19-21.

which the canal might pass should in any affect the general principle of neutralization or the obligations assumed under the treaty. The new treaty was signed on Movember 18, 1901, by Mr. Hay and Sir Julian, and its adoption or rejection was now dependent upon the action of the Senate and the exchange of ratifications. 2 President Roosevelt in his anmual message of December 3, 1901, which was delivered two days prior to the presentation of the treaty to the Senate, in speaking of the treaty said, "I am glad to be able to announce to you that our negotiations on this subject with Great Britain, conducted on both sides in a spirit of friendliness and mutual good will and respect, have resulted in my being able to lay before the Senate a treaty which if ratified will enable us to begin preparations for an Isthmian canal at any time, and which guarantees to this nation every right that it has ever asked in connection with the canal The signed treaty will at once be laid before the Senate, and if appreved the Congress can then proceed to give effect to the advan-

¹ Dip. Hist. of the Panama Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. pp. 292-294.

² Ibid. p. 52.

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At last the Clayton-Bulwer Treaty had been abrogated in a friendly way by the two countries. The treaty gave to the American people all for which they had so eagerly longed. America gained everything while Great Britain yielded everything. The United States was now given a free hand in the

¹ Moore, J.B. Dig. of Int. Law. Vol. III. pp. 221-22.

² Dip. Hist. of the Pan. Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sess. p. 53.

³ Ibid. p. 68.

⁴ Idem.

Isthmus of Panama so far as English interference was concerned. The way was new paved for "an American canal under American control." The American people rejoiced in the fact that a new era had dawned, but there yet remained many difficulties to be ironed out with the Central American republics before the waters of the Atlantic and the Pacific were to be connected.

IV

The United States, Golombia, and the Panama Canal. The Hay-Bunau-Varilla Treaty. The United States, Colombia, and the Panama Canal. The Hay-Bunau-Varglia Treaty.

In the preceding chapters has been traced a century or more of British-American diplomacy, which finally culminated in the withdrawal of the British from the Isthmus of Panama. In the present chapter will be noted the events connected with the actual acquisition of the canal zone by the American Government.

been making investigations in the isthmus, for the purpose of ascertaining, if possible, the most feasible and practicable route for an isthmian canal. The most important investigating commission was under Rear-Admiral John G. Walker, who was appointed under an act of March 3, 1899. The act authorised the expenditure of \$1,000,000, and called for a careful and complete investigation of all available routes.

While the Isthmian Commission was conducting its investigations there was much discussion in

¹ Rep. of the Isth. Can. Com. 1899-1901. p. 10

Congress as to the advantages and disadvantages of the Macaragua and Panama routes. The New Panama Company had secured at the time of its reorganisation an extension of its concession to Cotober. 1904. and subsequently another concession to October, 1910,2 The Colombians, however, denied the validity of the last concession and declared that the one granted in 1904 was the true one. By se doing they reckoned that within a year the rights and privileges of the New Canal Company would expire. This company was unable to raise the necessary funds to continue its work and was desirous of transferring its rights and property to the American Government. The Panama Company, however, had a powerful rival in the Maritime Canal Company. which had been granted a charter by Congress in 1889, and which held a concession from Nicaragua. 4 This company had begun work in 1890, but was forced to cease its labors within three years, on account of a lack of funds and was now doing all in its power to persuade Congress to make its enterprise

¹ Rep. of the Isth. Cam. Com. 1899-1901. pp.481-82.

² Ibid. pp. 483-84.

³ Thayer, W. R. Life of John Hay. p. 309.

⁴ Rep. of Sen. Com. on Int-oc. Can. 1901.pp.439-42.

a national one.

In the midst of this rivalry, on Docember 16, 1901, only two days before the signing of the Hay-Pauncefote Treaty, the Walker Commission made its report. It estimated the cost of the construction of the Micaraguan route at \$180. 864,062, and the cost of completing the Panaga Canal at \$144,233,358. This did not include the cost of acquiring the rights and property of the old French company, which estimated its interests at \$109,141,500, making the total cost of the Panama Canal \$253,374,858. The commission considered the French interests to be worth only \$40,000,000. After a rather lengthy and detailed explanation of the good and bad features of the different routes, the report in conclusion stated, "After considering all the facts developed by the investigations made by the commission and the actual cituation as it now stands, and having in view the terms effered by the Hew Panama Company, this commission is of the opinion that the most feasible and practicable route for an isthmian canal, to be under the control, management, and ownership of the United States, is that known as the Micaragua route."

Pellowing this report a bill was at once introduced into the House of Representatives by Mr. Hepburn, which provided for the construction of a canal by the Micaragua route. This bill passed the House by a vote of 223 to 26 and was immediately sent to the Senate. 2 The passage of the bill through the House by such a large majority created much excitement among the stockholders of the New Panama Ganal Company and on January 2, 1902, the company offered to sell its rights and property to the American Government at the figure fixed by the commission, namely \$40,000,000. As a result of this offer the Isthmian Commission filed a supplementary report in which it advocated the adoption of the Panama route. Thus, when the Repburn Bill came to the Senate an entirely different situation existed and this caused a heated debate as to the merits and demerits of the two routes. In the Semate an amendment was at once introduced by Senator

¹ Rep. of Isth. Can. Com. 1899-1901. pp. 171-75.

² Rep. of Sen. Com. on Intecs. Can. 1901.pp.44-45

³ Latene, J.H. The Unit. S. and Lat. Ager.p. 184.

⁴ Ibid. p. 184.

John C. Spooner, which was in the last analysis. practically a substitute. The bill in its amended form authorised the President to acquire all the rights, privileges, franchises, consessions, unfinished work, etc., owned by the New Panama Company at a cost not exceeding \$40,000,000. It, furthermore, authorized the President to acquire from the Republic of Colombia, upon such terms as he might consider reasonable, perpetual centrol of a strip of land not less than six miles in width, extending from the Carribbean Sea to the Pacific Ocean. Lastly, the bill provided that should the President fail to obtain a satisfactory title to the property of the New Panana Canal Company and the control of the necessary territory of the Republic of Colombia, "within a reasonsble time and upon reasonable terms," he should then secure control of a strip of land through Nicaragua and through that country construct a canal. The bill passed the Senate by a large majority and after much debate it was passed by the House. The President approved the act by his signature on June 28. 1902.2 This marked the second important step in the

¹ U.S. Stat. at Large. Vol. XXXII, pp. 481-64.

² Moore, J.B. Dir. of Int. law. Vol. III, p. 93.

in the march of events leading to the acquisition of the canal some, but the third step was to prove a vary difficult one, namely, negotiating a proper agreement with Colombia. Prior to the passage of the Specner Act, which was a declaration advocating the Panage route, the Colombian Government had been profuse and over anxious in its pleas for the American Government to adopt that route instead of the one through Nicaragua. On May 15, 1897, the Colombian Charge d'Affaires at Washington declared "that any official assistance extended by the United States to the Nicaraguan Canal Company would work serious injury to Colonbia. " In a note dated December 7, 1901, the Colombian minister. Senor Martines Silva, referring to a surrent press report that the Isthmian Commission had made its report in favor of the Misaraguan route, on account of the excessive price demanded by the Panama Canal Company, assured the American Government that the price was not final and that "it would indeed be unfortunate if, through misunderstandings arising from the absence of timely explanations, the Government of

Dep. Hist. of Pan. Can. Sen. Dog. No. 474. 63rd Cong. 2nd Sess. pp. 493-94.

the United States should be forced to select & route for the proposed canal which would be longer, more expensive, both in construction and maintenance, and less adapted to the commerce of the world than the short and half-finished canal available at Panaga." On March 31, 1902, the Colembian minister, Senor Jose Concha in a note to Mr. Hay declared that, "Colombia has no lust of unjust gain through the construction of the canal in her territory, and a final convention on this subject will not be hampered by pecuniary considerations.2 Fellowing this note Bener Comeha submitted a draft of a treaty to Mr. Hay in which the Colombian Government authorised the Panama Canal Company "to sell and transfer to the United States its rights, privileges, properties, and concessions, as well as the Panama Railroad and all of the shares or part of shares of that company." By the terms of the treaty the United States was to have the exclusive right to build and operate the canal and was to be given a strip of land ten kilometers wide, across the isthmus for a period of minety-nine years. The provision

¹ Dep. Hist. of Pan. Gaz. Sen. Dec. No. 474, 63rd Gong. 2nd Sess. pp. 493-94.

² Ibid. p. 552.

in the Treaty of 1846, by which the United States was to guarantee the right of way of transit across the Isthmus was inserted. In consideration of these grants and privileges the United States was to recognize the sovereignty of Colombia and pay an annuity of \$250,000 for the railroad, a each payment of \$7. 000,000 for the canal some and fourteen years after the exchange of rutifications, a reasonable annuity for the use of the route. The receipt of this draft was acknowledged by Mr. Hay on April 21, 1902. "I am directed by the President to inform you that I shall be ready to sign with you the proposed convention as soon as - First, the Congress of the United States shall have authorized the President to enter into such an arrangement, and - Second, As soon as the law officers of this Government shall have decided upon the question of the title which the New Panama Canal Company is able to give of all the properties

^{1.} For complete text of the draft, see Dept. Hist. of Panama Canal. Sen. Doc. No. 474. 63rd Cong. 2nd Sees. pp. 556-564.

and rights claimed by it and portaining to a Canal across the Isthmus and covered by the pending propos-

It was at this time that the Columbian Government began to change from its policy of urging the United States to adopt the Panama route. When the Columbian officials found that the American Government was over-anxious in its desire of acquiring the Panama route they decided to become more independent and to demand a greater amount of money. When this became known in Washington, Mr. Hay made another proposition to the Columbian Government, in that he offered \$10,000,000 in cash and \$100,000 annual rental. Senor Concha refused to accept either alternative and in his note he called attention to the factthat the franchise of the New Panema Canal Company would soon expire and that by the terms of the agreement the company could not transfer its holdings to a third party. and thus the rights, privileges, etc., would revert to Columbia. In his note he stated that, "the time

^{1.} Dep. Hist. of Panama Canal. Ben. Doc. No. 474, 63d Cong. 2nd Sess. p. 565.

^{2.} Ibid. p. 268.

during which the companies are to have the usufrust of those properties being thus limited, it is clear that if the properties have any considerable value. that value belongs to Colombia, and there is no reason or motive for paying it over to the companies or for their owner code it gratuitously. This sentence clearly explained the reason for the change of policy adopted by Colombianin regard to the canal. The Celombian government, knowing that the United States desired the Panama route, decided to delay action until the expiration of the franchise of the canal company, which would take place in October, 1904, and reap for itself the \$40,000,000 which the Spooner Act provided should go to the canal company for its rights. Finally, after much discussion and no results, Mr. Hay in a note written on October 28, 1902, to Senor Concha, called his attention to the fact that if a suitable treaty could not be made with Colombia, that the President was authorized to consider another route.2

Om, December 1, 1902, the Colombian Minister, Bener Conche, was recalled by his government and the

¹ Dip. Hist. No. 474. 63 rd Cong., 2nd Sess. pp. 265-269.

² Ibid. p. 256.

legation was left in the care of the charge d'affaires. Dr. Thomas Kerran, who was more desirous of negotiating a canal treaty than had been his predecessor. Nogotiations were at once resumed and on January 22, 1903, the Hay-Herran treaty was signed by the two diplomats. By the terms of this treaty Colombia gave its consent for the sale of the canal company's rights and properties to the American Government and also gave to that government the exclusive right to construct and operate a canal for a period of one hundred years, with the right of renewing the agreement for similar periods, and the full control over a strip of land three miles wide on each side of the canal. In consideration of these consessions the United States Government recognized the sovereignty of Colombia over the canal zone; granted to her the right to transport through the eanal at all times her vessels free of charges; and lastly, promised to pay a sum of \$10,000,000 in each and an annuity of \$250,000.2

The treaty was ratified by the United States Senate on March 17, 1903, 3 and the completion

¹ Dip. Hist. No. 474. 63rd Cong. 2nd Bess. p. 277.

² Ibid. pp. 277-88.

³ Dip. Hist. no. 474, 63rd Cong. 2nd Sess. p. 378.

of the transaction was now dependent upon the approval of the Colombian Government, which was regarded as certain by the American people. The treaty, however. was not received in Colombia: with the degree of enthusiasm that marked its approval in America, but met strong opposition and was rejected in its entirety. The diplomatic correspondence between Mr. Hay and Mr. Beaupre: the American representative at Bogota, shows the rapid development of public sentiment against the treaty. In his note to Mr. Hay, dated April 15, 1903, he said. "I have the honor to advise you that within the last month there has been a sudden outburst of controversy, both in the Bogota press and among the public in this city, with regard to the Panama Canal convention A complete revolution in feeling has taken place. From approbation to suspicion and from suspicion to decided opposition have been the phases of changes in public sentiment during the last month." It was not until May 7, that President Marroquin issued a call for a special session of Congress and this was not scheduled to meet until June 20.2 When the Congress met. President Marroquin in his message gave his opinion of the treaty in these words. "My Govern-

¹ For. Rel. of the U.S. 1903-04. pp. 134-35.

² Dip. Hist. of the Pan. Can. p. 389.

ment is faced with a dilemma: we must either allow our sovereign rights to suffer and renounce certain pecuniary advantages to which, according to the opinion of many, we have a right, or we must rigorously stand up for our sovereign rights and claim peremptorily the pecuniary indemnification to which we have a right to consider ourselves entitled It has been our indisputable diplomatic triumph that the Senate and Executive of the United States, in spite of the strong efforts made to the contrary. declared the superiority of the Colombian route." On May 11, 1903, "El Corrio Nacional" carried a long article, written by Senator Peres y Sota, in which he predicted the failure of the treaty and expressed the feeling of the Colombian people toward it. The article closed with the following words: "The Herran treaty will be rejected, and rejected by a unanimous vote in both chambers. That is what I hope, since there will not be a single representative of the nation who will believe the voice of people who

¹ Dip. Hist. of Pan. Can. No. 474, 63rd Gong. 2nd Sess. pp. 405-409.

have sold themselves; who have had the brazenness to recommend the shameful compact. The insult, however, which Herran has east upon the Colombian name will never be wiped out. The gallows would be a small punishment for a criminal of this class."

The Solombian officials, knowing that the Panama Poute had been decided on by the United States as the most feasible and practicable one, decided not anly to reject the present treaty, but to demand still more favorable terms. General Reves made it known to Mr. Besupre that the treaty could be carried through the Colombian Senate if two amendments were made: first, that the French company may \$10,000,000 for the privilege to transfer its title; and second, that the American Government increase itseash payment from \$10.000.000 to \$15.000.000.2 The United States relected the proposed amendments and on August 12, the Colombian Senate by a unanisous vote rejected the treaty. Thus. the negotiations centering about the Hay-Herran treaty ended in a dismal failure and the two nations seemed far from arriving at an agreement

Dip. Hist of Pan. Gan. No. 474, 63rd Geng. 2nd Sess. p. 390.

² For. Rel. of the U.S. 1903. p. 163.

Jip. Hist. of Pan. Can. No. 474, 63rd Cong. 2nd Sess. p. 426.

whereby an interoceanic canal could be constructed.

The rejection of the treaty was a severe disappointment to the Panamians. They felt that the Bogota Government had rebbed them of a canal route which belonged to them by nature and had acted in direct opposition to their future prosperity. The Colombian officials were not ignorant of the the edisting hostility and the dangerous game they were playing. Senator Obaldia, the governor of Panama, on accepting his position had clearly stated to the President that in the event the department should find it necessary to revolt to secure the canal has would give his support to Panama.

The Panamians, seeing that the Bogota Government was making no move whatsoever in bringing about an understanding, sent Dr. Manuel Amador to the United States to find out the extent 55 which the American people were willing to aid them in staging a revolution. He had several interviews with Mr. Hay and other prominent officials, but was

¹ Por. Rel. of the U.S. 1903. p. 193.

² Latane, J.H. The United Statesand Latin-America. p. 187.

informed that the American Government could not give aid to a revolutionary movement, or make any promises in advance as to recognization. He was given to understand that all that could be expected was that the government would fulfil its duties as a neutral and maintain its rights as expressed in the treaty of 1846. Dr. Amador now felt that his cause was hopeless and was preparing to return home when a new character appeared upon the stage -- the most interesting person in many respects of the entire drama -- Senor Philippe Bunau-Varilla. Bunau-Varills was the former chief engineer of the Panana Canal Company and was fired with the desire of seeing the canal completed by the Panama route. Soon after his arrival in Washington he was fortunate enough to secure an interview with President Roosevelt. details of the conversation between the two will probably never be known, but in speaking of this interview in his famous book entitled, "Panama, the Creation. Destruction and Resurrection. he writes. "I had at last the direct confirmation of the induc-

Johnson, Fillis F. America's For. Rel. Vol. II p. 320.

reasoning; the President of the United States was holding firm for Panama. If a revolution were to generate new conditions favorable to the acquisition of the canal some by the United States, President Receivedt would immediately seize the oppertunity." On October 16, in an interview with Mr. Hay, he was informed by the Secretary that American warships had already been given orders to sail toward the Isthmus. In speaking of this meeting sometime afterwards he said, "The interview with Mr. Hay would have membred my last hesitations if hesitation had been any longer possible."

Upon these to some extent rather frail supports Sener Varilla based his plan of action. He at once had an interview with his friend Dr. Amador in which the revolution was planned. He promised him \$100,000 in each from his own private account and the protection of the United States navy within

Bunau-Varilla, P. Panama, the Creation, Destruction and Resurrection, p. 512.

² Ibid. p. 318.

³ Ibid. p. 319.

forty-eight hours after the beginning of the revelution. The only conditions were that the Panamanians were to stage their own revolutions and that he was to be appointed their minister to Washington city with full powers. Dr. Amador agreed to the terms and promised that the revolution mult be staged on November 3.

oarried headlines to the effect that the cruisers, "Mehican" and "Marblehead" had left San Francisco for a cruise in southern waters, which was read by Bunau-Varilla with great joy. Three days later the "New York Sun" announced that the cruiser "Dix-ie" was to arrive at Guantaname and that in the event of trouble on the Isthmus would be sent to Colon. Senor Varilla, who was at this time in New York City, hastened to Washington in order to discuss the situation with certain of the government

[!] Bunau-Varilla, P. Panasa. pp. 320-22.

² Ibid. pp. 322-24.

³ Ibid. p. 332

⁴ Ib14. p. 326

officials and in an interview with Mr. Francis B. Locais, first assistant Secretary of State, he reviewed the revolution of 1885, and declared that "tonorrow a similar disaster will be imputed to President Roosevelt for not having taken the slightest preventive measures. He will not have sent even a little cruiser." On the following day October 30. Hr. Loomis assured him. "The situation is really fraught with peril for the town of Golon. It would be deplorable if the estastrophe of 1885 were to be renewed today."2 From this statement Sener Varilla had reason to believe that an American erwiser would be sent to Colon, as he realized must be done, if he was to carry out his part of the Varilla-Amader plan. On his return trip to New York he stepped off at Baltimore and sent the following cablegram to Dr. Anador:

"Pisaldo, -- Panama.

"All-right-will-reach-ton-and-half-obscure-Jones."

This secret Telegraphic code in the hadds of Dr. Amader read as follows:

"Pisa Hephews (commercial firm of M. Linds).

"All-right-will-reach-two days- and half-

Bunau-Varilla. *3

[!] Bunau-Varilla, P. "Panama". pp. 330.

² Ibid. p. 331.

³ Ibid. p. 331.

On the following norming the "New York Times" carried a statement which fenfirmed his prodiction, "Kingston, Janaica, October 31, the American cruiser Backville' left this norming with scaled orders. Her destination is believed to be Colombia."

Vas sent to the commenders of the "Mashville" and the "Dixie," "Maintain free and uninterrupted transit. If interruption threatened by armed force, ecupy the line of railroad. Prevent landing of armed forces with hostile intent, either government or insurgent, either at Gelon, Perte Belle or other point." On the following day the American Government went a step further when orders were issued to "prevent government troops at Gelon from preceeding to Panama." The "Mashville" arrived at Gelon on Movember 2, but shortly before the above messages were received by Gommander Subbard of the "Mashville", 400 Gelombian troops were landed at Gelon. The higher officers

[!] Benau-Variala, P. "Panasa" p. 331.

² Dip. Hist. of Pan. Can. Sen. Doc. No. 474. 63rd Cong. 2nd Sees. p. 362.

³ Ibid. p. 363.

⁴ Dip. Hist. of P. G. S.D. 474. 63rd C. 2nd S. p.365.

proceeded at once to Panana, leaving the troops at Colon in the charge of Colonel Torres. This same day the revolution began and the Colombian officers were arrested upon their arrival in Panama, and placed in prison. When this news reached Golon, General Torres at ence made arrangements to transport his troops across the isthmis and release the imprisoned officials, but was prevented from doing so by orders from Commander Hubbard. 2 Concral Terres vehemently protested against the action taken by the United States and threatened to kill every American in Colon unless the Colombian officials in Panama were given their freedom. In reply to this threat Commander Hubbard landed fifty marines and by so doing prevented bloodshed. This was taking place in Golon another part of the drama was being carried out in an equally successful manner in Panama. The revolutionists, meeting with little or no opposition had little difficulty in getting complete control in Panama, and in declaring their independence. On Meyember 5,

Andrew Johnson

¹ Dip. Hist. of Pan. G. S.D. 474. 63rd G. 2nd S. p.365.

² Iden.

^{3 1-1}bid. p. 352.

General Terres mealising that further interferrence would be in vain, reembarked with his treeps on a British vessel for Carthagena.

The Panaganians at once set up a provisional form of government and on November 5. sent a formal motice to Vice-Consul Ehrman of the United States informing him of their separation from the United States of Colombia. 2 On November 6, Mr. Hay sent a note to Mr. Mhrman, the most important part reading as follows: "The people of Panana have, by an apparently unanimous movement, dissolved their political bennestions with the Republic of Colombia and resumed their independence. When you are satisfied that a de facte government, republican in form, and without substantial opposition from its own people, has been established in the State of Panama, you will enter into relations with it as the responsible government of the territory."3 The de facto generalient the recognised on November 6, and a

¹ Dip. Hist. of P. C. B.D. 474. 63rd C. 2nd S. p.348

² Ibid. p. 347.

³ Thid. p. 348.

wook later President Ressevelt received Senor Philippe Bunau-Varilla as envey extraordinary and minister plenipotentiary of the Republic of Panama.

With the newly formed republic recognized and its independence guaranteed by the American Gevernment, and with M. Bunau-Varilla as its representative in Washington City, with full power, the linking of the two great occans seemed to be fast approaching a reality. Senor Varilla arrived in Washington an Movember 13, 1903, and two days later, Mr. Hay presented him with a draft of a treaty, which corresponded very closely with the Hay-Herran Treaty.2 Semor Varilla seemed over-anxious that a canal treaty be negotiated at this time and in view of this fact recast the document in such a way that additional concessions were given to the United States and A more adequate protection afforded Panana. On the afternoon of Nevember 18, Senor Varilla called at the home of Mr. Hay, at which secting the Secretary said; "I have requested you to be so good as to keep this appointment in order to sign, if it is agreeable to

¹ Dip. Hist of P.G. S.D. 474. 63rd G. 2nd S. p.361.

² Bugau-Varilla, ?. "Panama". p. 368.

The conversation between Mr. Hay and Senor Varilla Your Rucelleney, rouse be definitely chosen. he represented and was only desirous that the Paname clearly indicated that the Passanian representato the Senatore, she will have to defend it in the the Secretary replied; "The one that appears best in your Excellency's judgment, appears best adaptcelleney to sign either of the two projects which, Varilla replied, "I am at the orders of Your Mutive cared very little for the welfare of those when adapted to that end, not only to ayself, but also ed to the realization of that grand work." To this ometruetion of the interpocente Capal." Sener then is the one Your Mostlemey has prepared."! the freaty which will permit the

by the Passas Congress, without mention of reserva-United States on February 23, 1904.2 The treaty contions, on December 2, 1903, and by the Senate of ists of a presuble and twenty-six articles. treaty which bears their names. It was approved On Movember 18, the two diplomate signed Ę

Bunau-Varilla, F. "Zanama". p. 376.

p. 295. 8.D. 474. 63rd G. 204 Ber

preamble stated that the treaty had for its purpose the carrying out of the provisions of the Spooner Act of June 29, 1902. By the terms of the treaty, the United States guaranteed the independence of the Republic of Panana, and agreed to pay to that Republie a sum of \$10,000,000, upon the exchange of ratifications and an annual mental of \$250,000 a year beginning nine years thereafter. In consideration of the above the Republic of Panama granted to the United States in perpetuity a some of land ten miles in width, extending agrees the isthmus from Colon to Panama, for the construction and operation of any system of communication by means of eanal or railroad. Furthermore, the treaty gave to the United States the right to use and ecoupy any other lands and waters outside the mone necessary for the construction, operation or protoction of the proposed canal. At last, after almost a contury of diplomatic warfare, the final obstacle to the construction and operation of an intereseanic samal was removed and it now remained for the United States to perform the great engineering feat of connecting the waters of the Atlantic with the Pacific.

¹ Dip. Hist. of P.G. Sen. D. 474. 63rd C. 2nd S. pp. 295-303.

The American Government has been severely criticised on account of the part it played in the Panama revolttion, not only because it issued orders forbidding the landing of Columbian troops to put down a revolution within their own territory, but also on account of the hasty recognition of the new government, - an act which was wathout precedent in the annals of American diplomacy. On October 10, President Roosevelt wrote a personal letter to Dr. Albert Shaw, editor of the "Review of Reviews," in which he said, "Privately, I freely say to you that I should be delighted if Panasa 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." The note is important from the fact that it throws considerable light on an article in the November issue of the "Review of Reviews" entitled, "What if Panama Should Revolt. The article was written by Dr. Shaw himself, and he cutlined in a remarkable way the events which actually did occur.

^{1.} Literary Digest, October 29,1904.

^{2.} Review of Reviews, November, 1904.

came to light it did much to confirm the rumer that the whole affair had been prearranged. A number of the prominent newspapers severely criticised the action of the President, and the Springfield "Republigan", in particular, carried a rather interesting article, the most important part reading as follows; "Has the President of the United States any warrant whatever to diroulate aprivately a wish concerning the dismemberment of of a foreign state when the public expression of that wish, by his own admission, would constitute an instigation to rebellion in that country? If the public expression of such a wish would be utterly indefensible, how can the private expression of it, by the same Chief Magistrate be condoned as without significance or possible effect? The questionarrises: To how many other friends did President Roosevelt privately say that he would be 'delighted' to have Panama secode?...... It may now be pointed out with the President telling his friends 'privately' that he would be delighted' to have Panaga secode, there was every reason why the real character of the President's feeling should become known to the agents of the Panama Canal Company, who were eager to engineer the revolution."

On December 7,1905, the President in his annual message to Congress, discussed the Panama situation at great length and attempted to justify his action under the terms of the treaty of 1846. This message seemed to have little or no effect in allaying public criticism and on January 4, 1904, he sent a special message to Congress, which he had carefully prepared in defense of his action. In this message he declared that Columbia had no right "to bar the transit of the world's traffic across the isthemus," and that the American Government had a perfect right in intervening, (1) by its treaty rights, (2) by its international interests, and (3) by the interests of "collective civilization".

On March 23, 1911, Mr. Roosevelt in a speech at the University of California gave to the people the real truth when he uttered these words, "If I had followed traditional conservative methods I should

^{1.} Literary Digest, October 29, 1904.

^{2.} Por, Rel. of the U.S. 1903, p. XXXII.

^{3.} Ibid. pp. 260-278.

have submitted a dignified state paper of probably two hundred pages to the Congress and the debate would be going on yet. but I took the Canal Zone and let Congress debate, and while the debate goes on the canal does also." Thus, it was evident that the President was afraid that if the matter came before Congress his action would not be approved and that in all probability he would be compelled by the terms of the Spooner Act to consider the Niearaugua route in preference to that of Panama. His hasty recognition of the Republic of Panama was due to the fact that he was determined to make the Panans route an accomplished fact beforeCongress should have an opportunity of discussing the matter. This is amply borne out in the latter part of his special mossage of January 4, 1904, when he said, "Meanwhile, the only guestion now before us is the ratification of the treaty. For it is to be remembered that a failure to ratify the treaty will not undo what has been done, will not restore Panama to Columbia, and will not alter our obligation to keep the transit ipen acress the Isthmus, and to prevent any outside power from menacing this transit."2

Lewis, W.D. The Life of Theodore Rossevelt, p. 216.

² Por. Rel. of the U.S. 1903,pp. 260-78.

In concluding this chapter I think it is well to note something of the manner in which Colonbis regarded the action of the United States during the revolution. The Colombian Government naturally folt very much aggrieved on account of the policy pursued by Mr. Roosevelt and refused to recognize the newly established Republic of Panana. In order to make her grievances officially known to the American Government she sent her most distinguished citizen, General Rafael Reyes, to Washington City. On December 23. 1903, he presented to Mr. Hay a list of the grievances of Colombia, the following being the most importants (1) United States cruisers were sent into Colombian waters with orders to prevent Colombian troops from landing to suppress any revolutionary movement; (2) A military officer of the United States prevented the railway from carrying a Colombian battalion from Colom to Panama at the very time when its arrival in that city would have impeded or suppressed any attempt at revolution: (3) In a time when peace existed between the two countries, the United States prevented by force the landing of troops where they were needed to reestablish order; (4) Two days after the revolution began, the A-

merican Government recognised Famama as a severeign and independent republic; and (5) Fourteen days later the American Covernment signed a treaty with the Republic of Panama which not only recognized and guarantood its independence, but agreed to open a canal. General Royes in concluding his statement requested that all claims relating to the Panana episode be submitted to the Arbitration Tribunal of The Hague. Mr. Hay replied to these charges in a lengthy note dated January 5, 1904, in which he denied that the United States Government or any responsible member of it hold intersourse, whether official or unofficial, with agents of revelution in Colombia. The Secretary, further, pointed out that the Republic of Panama stood for the interests, not only of the United States, but of the entire civilized world, while Colembia opposed them. Thus, the United States felt that she was compelled to east her lot on one side or the other and in recognizing the independence of Panasa was in no respect responsible for the situation. 2 Mr. Hay failed in his attempts to bring about a better understanding between the two countries and Colombiancontinued to show resent-

¹ Dip. Hist of P.G. Sen.D. 474. 63rd G. 2nd S. pp. 481-81.

² Ibid. pp. 491-504.

ment against the American Government. The Colombian people felt that they had been greatly wronged and it was now the duty of the United States to bring about a settlement by which this bitter feeling would coase. Several attempts were made with this aim in view, but it was several years before a successful agreement was reached. On October 21, 1905, the Colombian minister, Sener Diego Mendoza, in a note to Mr. Root. suggested that a just, equitable, and complete diplomatic adjustment of the differences between the two nations be arpived at and in the event of fallure that the matter be submitted to some form of arbitration homerable for both countries. I The Secretary of State replied to the above note on February 10, 1906, and emphasized the fact that no arbitration body could deal with the rights and wrongs of the parties concerned unless it were to pass upon the justice of the revolution, a question on which the United States had taken an affirmative position.2 Several other notes were exchanged between the two countries, but little progress was made in bringing about the desired era of good-feeling. In the fall of 1906,

¹ Dip. Rist. of P.C. S.D. 474, 63rd C. 2nd S. pp. 576-82.

² Ibid, pp. 583-85.

Secretary Root made a tour of the principle Latin American countries and as a result of the favorable impression which he made a tripartite protocol was signed at Washington City, on August 17, 1907, by the representatives of the United States, Colombian and Panama. The tripartite treaties which followed were known as the Roct-Cortes-Ares one treatles, one between Colombianed the United States, a second between Pananc and the United States, and the third between Panaan and Colombia. According to the towns of these treatice Colombia was to have the liberty at all times of transporting var-ships and troops through the sanal without payment of tells; her products, both agricultural and manufactured, were to be admitted to entry in the Ganal Zone on the same besis as those of the United States: her mails were to be regarded in a similar manner: Panama was to transfer the first ten anmual payments of rental, amounting to \$250,000 each; to Galombia as her part of the Galombian foreign debt; and finally the Republic of Panana was to be recognized by Colombia, and definite lines of boundary were to be drawn. All three of the treaties contained an article which definitely stated that they should become operat-

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in Washington City. The Republic of Panama ratified her treaty with Colombia on January 30, and the one with the United States on the following day. The Semite of the United States gave its approval of the treaty with Colombia on Pebruary 24, and the one with Panama on March 3. The success of the tripal agreement was now dependent upon the approval of the Colombian Semate and this was never given. Public opinion was strongly against ratification and the people in their indigmation actually forced their envey who negotiated the treaty to leave the country. Thus, the hopes of an early and peaceful settlement were dashed to pieces by the action of Colombia and the day seemed far distant when a better understanding would be brought about.

other attempts at settlement soon followed, an especially important one occurring during the Wilson administration. Mr. Bryan, the Secretary of State, in a note to the Colombian Government, suggested that a proposition be made from Rogota. In response to this suggestion Colombia proposed three terms by which more friendly relations could be made to exist between the

¹ Mp. Hist. of P.G. Sen.D. 474,63rd G. and S.pp.314-25

² Stuart, G.H. Lat. Amer. and the III. p. 88.

two countries. First, the United States shaild express its regrets for what had happened, second, Selenbian vessels, troops, products, and mails should be alleved to pass through the canal without the payment of tells, and Colombian products for consumption in the canal some should receive the same treatment as goods of the United States; and third, that the United States should pay an indomnity of 50,000,000. The United States in a counter-proposal agreed to practically all of Colombia's domands, with the exception of the one relating to the indomnity, which was lowered to \$25. 000,000. However, when the treaty was presented to the Senate a store of epposition at once arose. Er. Reservalt in speaking of it said. "The proposed treaty is a crime against the United States. It is an attack upon the honor of the United States which if justified would convict the United States of infany. It is a manage to the future well-being of our people."2 It was at this time that the American people became intercoted in the World War and as a result of this Colonbian affairs fell into the background. It was not un-

¹ Por. Rel. of the U.S. 1913. pp. 324-25.

² Reservelt, Theodore. From Sed and Take Your own Parts. pp. 379-340.

again came to seriously engage the attention of the Senate. In his message of March 9, 1921, he called the attention of the Congress to the treaty and said, "the early and favorable consideration of this treaty would be very helpful at the present time in promoting our friendly relationships." The fight for the treaty was led by Senator Lodge and on April 20, 1921, was approved by a vote of 69 to 19. Ratifications were exchanged at Bogeta on March 1, 1922, 2 and by this set the long expected era of good-feeling had its bitth.

¹ Stuart, F.H. Lat. Ager. and the U.S. p. 90.

² U.S. Stat. at Large. XXXXII pp. 2122-2126.

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