

## Panama Canal proposal, 1881

### Introduction

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In his first address to Congress as President in 1869, Ulysses S. Grant called for the construction of a canal connecting the Pacific and Caribbean through the isthmus of Panama. Believing that such a canal would be a great boon to American commerce, Grant sent seven expeditions to survey and study the practicability of canal construction between 1870 and 1875. By the end of his presidency, however, Grant believed that the undertaking was not feasible.

In late 1880, Grant was contacted by Nathan Appleton, an American agent for the Panama Canal Company, a French effort to build a sea-level canal along the Panama Railroad led by Ferdinand de Lesseps. Appleton invited Grant, who had recently lost a bid for a third term as president, to be a part of the French project. Grant responded to Appleton with this letter declining the offer. "I do not believe the project feasible in the first place," wrote Grant, "and I should oppose it at any rate under any European management." Grant wrote that taking part in "the present scheme of a thorough cut, or sea level" canal would be equal to "advocating a swindle." Ultimately, Grant did not "believe the proposed plan practicable . . . to say nothing of the human lives that would be sacrificed in its construction"; he was right. In 1893, the French project was given up after nearly ten years of construction and the deaths of thousands of workers from disease. A successful, but equally deadly effort at building a canal through the isthmus of Panama would not come until 1904, when American construction began.

### Questions for Discussion

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Read the document introduction and transcript and apply your knowledge of American history in order to answer the questions that follow.

1. To what extent was Grant's letter to Appleton a reaction to the criticisms he faced during his presidency?
2. Explain two specific reasons Grant refused to accept the American directorship.
3. Why do you think Appleton approached Grant to lend his support to the construction of a canal through Panama?

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Image

Fifth Av. Hotel, N.Y.  
 Jan. 7<sup>th</sup> 1881

Dear Sir:

Your letter of the  
 27<sup>th</sup> ult. and the relief map  
 of the proposed Panama Canal  
 were duly received. I note  
 what you have to say about  
 my taking the American direction.  
 The position was tendered to me,  
 and declined on the ground that  
 I do not believe the project  
 feasible in the first place, and  
 I should oppose it at any rate  
 under any European management.

Ulysses S. Grant to Nathan Appleton, January 7, 1881 (Gilder Lehrman Collection, GLC03635)



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My judgement is that every dollar invested in the Panama Canal, under the present scheme of a through cut, or sea level, will be sunk without any return to the investor, and without a Canal to promote commercial interests.

If I was to advise the investment of money in the scheme I would feel that I was advocating a miracle equal to the South Sea Bubble!"

I do not accuse all the advocates - nor a very great number of them - of the late Lewis scheme of insanity or

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dishonesty, but I would be dishonest  
if I were to advocate it because  
I do not believe the proposed  
plan practicable with any amount  
of money that can be raised, nor  
that interest could be paid on it by all  
the commerce the canal could carry  
if built; to say nothing of the  
human lives that would be  
sacrificed in its construction.

Yours Truly  
W. L. Grant

Nathan Appleton, Esq.

Boston Mass.



## Panama Canal proposal, 1881

### Transcript

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Ulysses S. Grant to Nathan Appleton, January 7, 1881 (Gilder Lehrman Collection, GLC03635)

Fifth Av. Hotel

Jan.<sup>y</sup> [1]7 1881

Dear Sir:

Your letter of the 27<sup>th</sup> ult. and the relief map of the proposed Panama Canal were duly received. I note what you have to say about my taking the American Directorship. The position was tendered to me, and declined on the ground that I do not believe the project feasible in the first place, and I should oppose it at any rate under any European management. My judgement is that every dollar invested in the Panama Canal, under the present scheme of a thorough cut, or sea level, will be sunk without any return to the investors, and without a canal to promote commercial interests.

If I was to advise the investment of money in the scheme I would feel that I was advocating a swindle equal to the "South Sea Bubble."

I do not accuse all the advocates—nor a very great number of them—of the de Lesseps scheme of insincerity or dishonesty, but I would be dishonest if I were to advocate it because I do not believe the proposed plan practicable with any amount of money that can be raised, nor that interest could be paid on it by all the commerce the canal could carry if built; to say nothing of the human lives that would be sacrificed in its construction.

Yours Truly,

U. S. Grant

Nathan Appleton, Esq.

Burton, Mass.