A Philadelphian and The Canal: The Charles Biddle Mission to Panama, 1835-1836

Over the past several years the Panama Canal has been at the vortex, both physically and emotionally, of relations between the United States and Latin America. The recent accords between Panama and Washington have caused riots, demonstrations, billboard diatribes and fist-pounding speeches in the United States Senate about the "giveaway" of the canal. Much of the response has, of course, been based upon emotion rather than the logical strategic and economic ramifications of the treaties. In an effort to place the situation in a proper historical context, Walter LaFeber brought the crisis up-to-date with his 1978 work, The Panama Canal. LaFeber understandably focuses on the twentieth century, but in introducing the problem he touches upon a long neglected subject—early American interest in a transisthmian passage. He briefly notes that during Andrew Jackson's presidency a certain Charles Biddle was sent to Central America to explore the possibilities of a canal. Unfortunately, LaFeber explains, Biddle allowed his own interests to supercede those of the nation's and, according to LaFeber, he was recalled by the President in disgrace.¹

Far from a failure, or a footnote in history, the Biddle mission raises a number of important questions about United States interests in Central America. How far back did Washington's desire for a canal extend? Who was Charles Biddle and what were his qualifications for such a vital assignment? How successful was he in accomplishing his goals and why did nothing come of his efforts? Finally,

what does this tell us about the oft-repeated tale of a myopic Jackson administration—was the Tennessean as parochial and domestically oriented as traditional accounts would have us believe? 2

Active interest in the United States in a Panama canal can be traced, not surprisingly, to the administration of the imaginative John Quincy Adams and his Secretary of State, Henry Clay. Adams, whose diplomatic abilities far outweighed his political skills, favored the involvement of the United States in the ill-fated Panama Congress and encouraged his representatives in Latin America to discuss the possibility of a canal with the governments to which they were accredited. The United States ministers to the Panama Congress, Richard Anderson and John Sergeant, were both enthusiastic and idealistic in their approach to a new route. "The benefit of it ought not to be exclusively appropriated to any one nation, but should be extended to all parts of the Globe." While nothing came of their positive recommendation—anything the unpopular Adams administration urged fell upon deaf ears—the idea of an Atlantic to Pacific canal remained alive in the minds of North Americans and Latins alike. 3

In 1831 the Dutch negotiated a treaty with the Central American Republic (Guatemala and Nicaragua), but domestic problems in the Netherlands prevented its implementation. According to the agreement, a private Dutch firm could construct and operate the canal which would be neutral territory. While the Dutch government would not receive "most favored nation" status from the treaty, the firm would profit handsomely from the duties collected. The canal would remain under C. A. R. sovereignty, but the foreign company would control operations until it recovered its investment. 4 Secretary

2 The major exception to this view among leading historians is Edward Pessen who in his Jacksonian America (Homewood, Ill., 1978) views "Old Hickory's" style as "shirtsleeve diplomacy."

3 Anderson and Sergeant to Clay, May 8, 1826, Despatches from Ministers, U. S. Department of State, in the Charles Biddle Papers, New-York Historical Society. (All manuscripts and other items cited, unless otherwise noted, are from this collection.) The Central American Republic's minister to Washington had spoken with Clay about a waterway and both were enthusiastic about such a project.

4 Charles Savage (U. S. Consul in Guatemala) to Van Buren, Aug. 29, Sept. 3, Dec. 3, 1830, Aug. 10, 1831, Despatches from Ministers, U. S. Department of State.
of State Edward Livingston responded promptly to word of the Dutch treaty. He wanted to be certain that no nation received preferential treatment to the United States in interoceanic tariffs and that this accord would not negatively affect the emerging East Indian, Philippine, and China trade. President Jackson was particularly interested in the canal and the impact it would have on United States commerce. The failure of the American representatives in the area to keep the President apprised of the status of the Dutch operation brought them a sharp rebuke from Secretary of State John Forsyth in 1835.5

The Dutch Revolution, which resulted in the separation of the Catholic Kingdom of the Belgians, had spelled the end of active involvement on their part in a transisthmian route. As the Nicaraguan project floundered, the government of New Granada (Columbia) sought new sources for technological and financial assistance for its own route. An 1829 study commissioned by revolutionary hero Simón Bolívar and conducted by British engineer John Lloyd had revealed the possibility of a canal or road across the province of Panama. Accordingly, in May 1834, the government of New Granada issued a decree throwing the area open for international bids on generous terms. The builders would receive 100,000 acres of land and revenue for ten to fifty years. Proposals had to be received by January 15, 1835, when the bids would be opened and the best contract recommended to the legislature.6

Both “Old Hickory” and the Congress realized the project’s importance to American trade and security. Acting in a manner which suggests he understood and approved of the Monroe Doctrine of 1823, Jackson moved to establish new and favorable trade treaties with several Latin American nations. He was fully aware of the dominant British presence in the area and sought to prevent additional inroads or even to replace the English altogether. This would be complicated if any European power was active in a transisthmian project. Accordingly, the Whig-dominated Senate Foreign Relations Committee, chaired by Henry Clay, recommended that the President appoint a commissioner to travel to the Central American Republic

5 Edward Livingston to De Witt (U. S. Minister in Guatamala), July 20, 1831, Forsyth to De Witt, Apr. 20, 1835, Instructions to U. S. Ministers.
6 Decree of the Congress of New Granada, May 25, 1834.
and New Granada to investigate the possibility of such a canal. The Senate concurred with the committee's suggestion on March 3, 1835.\(^7\)

The man the President selected for this difficult mission was Charles Biddle, a younger brother of his antagonist, banker Nicholas Biddle. Charles, a widower with seven children, was a former Philadelphia merchant who had failed in 1826. Following this misfortune he had moved to Nashville, where he was admitted to the bar. As for his character, his financial errors had led his father to disinherit him, although he did provide for Charles' wife and children; his brother Richard's opinion of his temper was one of "utter recklessness of feeling and conduct"; and as for Nicholas Biddle, he wrote confidentially of "my unfortunate brother Charles whose conduct has been for some years the source of great unhappiness to all our family." But Charles had shown political judgment in working for Jackson's election. In 1832 he established a semiweekly newspaper, the *Tennessee Reporter*, to support the General's candidacy for a second term. It was at this time that Jackson nominated him to be a District Judge in Florida Territory, but the Senate rejected the nomination. Over the next several years Biddle persevered in his attempts to gain political favor. Finally, in 1835, his persistence was rewarded.\(^8\)

Preparing quickly for his voyage, the Philadelphian departed for Cuba after making the necessary business contacts in his hometown and New York. Now forty-seven, a slight five feet eight inches, with grey eyes, light hair and complexion, a large, full nose, round chin and oval face, the inexperienced Biddle looked perhaps more the part of a Latin teacher than a presidential commissioner.\(^9\) His instructions from Forsyth suggested but did not insist that he proceed first to Nicaragua and traverse the isthmus from Port St. John, along the St. John River, Lake Nicaragua, and then overland to the

\(^7\) Thomas P. Moore to Livingston, Nov. 21, 1831, Forsyth to Biddle, May 1, 1835. Moore was the U. S. Minister from 1829–1833. He was replaced by another Kentuckian, Robert McAfee, from 1833–1837.

\(^8\) Biddle to Jackson, Jan. 11, 1832, Biddle to W. B. Shepard, Jan. 26, 1835, Biddle to R. E. W. Earle, Jan. 27, 1835, Andrew Jackson Papers (on microfilm); Wilfred Jordan, ed., *The Colonial and Revolutionary Families of Pennsylvania* (New York, 1935), VI, 215–216; Washington, D. C. *Globe*, Feb. 4, 1832. Biddle family data on Charles Biddle has been provided by Nicholas B. Wainwright.

\(^9\) Notes of J. N. Barker, Philadelphia Customs House, June 5, 1835.
Pacific Ocean. This possible route was the most widely discussed in contemporary writings. He was then to travel to Guatamala City, the capital of the Central American Republic, and obtain all available documents on the legalities of incorporation in the Republic and ascertain the involvement of foreign powers in the area. After completing this assignment, the agent was to repeat the procedure in Panama and Bogota, the capital of New Granada. Forsyth emphasized that this route was not obligatory and Biddle need not feel tied to it if it hindered the accomplishment of his objective. The Secretary also encouraged him to keep a comprehensive journal and report to the President. For his service, Biddle would receive six dollars a day plus traveling expenses.  

By November 1835 Biddle and his traveling companion, a Dr. Gibbons, had proceeded only as far as Kingston, Jamaica. Bad luck and worse information on the scheduled departure of ships had quarantined them in Santiago de Cuba for five weeks. During this period Biddle made in-depth observations and reported on the politics and culture of the island. Finally, late in the month, he arrived at the Chagres River, the only Atlantic port on the Isthmus.

While this varied from Forsyth’s suggested route, Biddle had decided, after discussing the matter with knowledgeable North Americans and Latins, that “the opening of a canal for vessels of heavy tonnage is a chimera and that a canal for vessels of lighter draught cannot be accomplished north of Panama.” This “universal and decisive” view seemed to obviate the need for a Nicaraguan crossing. Within a week after his arrival Biddle was making some startling, naive, and occasionally profound statements about Latin America and a transisthmian route. In part his estimates of the situation were based upon lengthy conversations with a group of Panamanian businessmen and politicians who euphemistically called

10 Forsyth to Biddle, May 1, 1835, Jan. 18, 1836, Special Missions, U. S. Department of State, Vol. I. Biddle received a $1,500 advance to begin his journey. He drew $1,000 in November in Kingston and again in Panama in January 1836. It should be emphasized that while Jackson did not personally write to his diplomats, he retained firm control of foreign affairs. His Secretaries of State emphasized in their instructions that “the President urges” or “the President requests” that an object be achieved. Given “Old Hickory’s” personality and interest in foreign affairs, we have little cause to question his involvement. He dominated all four of his Secretaries of State: Martin Van Buren (1829–31), Edward Livingston (1831–33), Louis McLane (1833–34) and John Forsyth (1834–37).
themselves the "Society of the Friends of Peace." Biddle opined that revolution was nigh, perhaps within the year, and Panama would become independent. Already a group of influential men had sought to have the isthmus placed under British protection (this news may have angered Jackson), but Whitehall had refused because it did not wish to offend the United States. To confuse matters further, the government of New Granada, in May 1835, had already granted the transisthmian contract to an Englishman, Charles Thierry. Thierry, a colorful ne'er-do-well who claimed French royal blood and called himself "Baron," succeeded in obtaining the grant apparently because of his supposed connections with British capitalists. After examining the terrain, however, Thierry decided the land was too soft on which to build a railroad and that all the iron for such a project would have to be imported at tremendous cost. A canal seemed the logical alternative, but Thierry could not get the necessary capital for such a venture. He decided to abandon the Panamanian project and accept a government post in recently independent New Zealand. The Baron's departure cleared the way for United States involvement, but Biddle advised caution. If revolution was in the making and the British were reticent to become involved, American interests would best be served by watching and waiting. In the meantime, the commissioner urged the President to fortify United States presence in the region through a greater naval display. This would impress the natives, build confidence in the consuls, and create respect for the United States. Biddle rightfully feared that the American merchant marine, which controlled 60 percent of the tonnage in the Pacific Ocean, would be endangered in a war without additional naval protection.

Biddle remained in Panama through December, traversing the

11 Biddle to Forsyth, Dec. 8, 1835, undated (probably November 1836), Biddle to Society of Friends of Peace, Dec. 7, 1835.
12 Biddle to Forsyth, Dec. 7, Dec. 29, 1835. Panama with a population of 72,633 contained a potential male labor force between the ages of sixteen to fifty of 9,000. The Isthmus also had preserved the institution of slavery. A. Signette (Secretary for Baron de Thierry) to Congress of New Granda (undated).
13 Biddle to Jackson, Dec. 8, 1835. Jackson was rattling the sabre in 1835–36 over the tardy payments by France of the spoilation claims dating back to the Napoleonic Wars. The possibility, but not the probability, of war with France did exist. See Richard McLemore, Franco-American Diplomatic Relations 1816–1836, (University, La., 1941).
Isthmus via the Chagres River, then four days by muleback to the city of Panama, gathering information but keeping both the politicians in Washington and his so far unidentified business associates in Philadelphia and New York generally in the dark about his activities. Biddle’s ties with the Society of the Friends of Peace, to which the American consul in Panama, John B. Ferraud, and the Panamanian representative to Congress, Don Jose Obaldia, belonged, became increasingly close over the months. The Society wanted not only independence for Panama, but also an interoceanic link which presumably would bring prosperity to the isthmus. After examining the alternative means, the Society agreed with Thierry that the heavy cost of securing the ground for a railroad was prohibitive and that a canal was possible, but costly. The best idea was a road that would incorporate the steamboats on the Chagres River.\footnote{14 Biddle to Forsyth, Dec. 16, Dec. 20, 1835; Society of Friends of Peace to Biddle, Jan. 10, 1836.}

Accompanied by the Panamanian delegation to the Congress of New Granada, the travel-weary Biddle arrived in Bogota in March 1836. By this time he was convinced of the viability of a transisth- mian road. A ship canal “must be reserved for the patriotic exertions of a future generation.” No well-advised capitalist would invest money in such a project that would collapse in “utter ruin.” A railroad would cost at least two million. In sharp contrast, a road which could be built rather inexpensively would carry goods, in combination with steamboats, across the isthmus in only twelve hours. Biddle still feared the expected revolution as the government had resigned over a treaty dispute and the nation was deeply in debt. All these factors weighed against the heavy investment necessary in a canal.\footnote{15 Biddle to Robert McAfee (U. S. Minister to New Granada), Mar. 3, 1836, Biddle to Forsyth, Mar. 24, 1836.}

In the midst of the New Granadian governmental crisis, Biddle resolutely, or perhaps naively, pressed his attempt to get the Congress with Panamanian sponsorship to approve a contract for a road. He requested fifty-year exclusive rights for his private corporation, the Atlantic and Pacific Transportation Company, to steam navigate seventeen miles of the Chagres River and to build and operate the road from the junction with the Trinidad River forty miles to
Panama City. The company would receive one league of land on each side of the road tax free; private property in the path of the road would be purchased. The government would also surrender thirty square leagues of public land for fuel and landing places, and 200 leagues “for purposes of encouraging agriculture and domestic industry.” There would be no government inspection, molestation, or duties charged on goods imported or conveyed by the firm. The government of New Granada could transport its men and supplies at half the regular duty. In return, Biddle pledged to place two steamboats on the Chagres by July 1838 and to commence operations on the road by that date.16

He continued to blend headily his public duties with his private goals by assuring the members of the Congress of New Granada that the United States was not interested in territorial annexation of the Isthmus. We had “more than enough territory” already and respected the rights of other nations with “a most religious integrity.” By May 1836, after thirty-eight days of debate, the Congress approved the Atlantic to Pacific road. The ebullient Biddle then moved quickly to convince the Secretary of Foreign Affairs, Luis de Pombo, and President Francisco de Paula Santander of its necessity. At this point his diplomatic inexperience revealed itself in a series of protocol blunders with the executive, from which he attempted to extricate himself through lengthy apologies. It is difficult to estimate the damage done by these faux pas, but in any case President Santander vetoed the bill. Biddle felt betrayed because Santander had assured him of his hearty support for the road.17

The executive had good reasons for his veto. The government had been scarred by the Thierry experience and preferred that the project be conducted by local capitalists. A movement launched by a New Granadan company resulted in a petition which offered better terms than Biddle’s. Santander might also have possessed a healthy skepticism as to whether Biddle had the funds for such a venture, and probably frowned upon his association with Panama-

16 Biddle to Congress of New Granada, undated (March), 1836.
17 Biddle to Jose de Obaldia, May 4, 1836, Biddle to Dr. Pedro Gual, May 9, 1836, Biddle to Lorenzo Lleras (Chief Clerk of Foreign Affairs), May 19, May 23, 1836, Biddle to Members of Congress from Panama, May 21, 1836. Santander, a “liberal” and former lieutenant of Simón Bolívar, had been President of New Granada since 1832.
nian dissidents. To counter the government’s surprise move Biddle assured Secretary Pombo that he would post a one-million-dollar bond with a New Granadian agent upon his return to the United States. American Minister Robert McAfee lent support by adding “there was no doubt of his [Biddle’s] ability and intention to carry this important work into immediate operation.” Their words made no impact. A bitter Biddle railed against the President and those who opposed the road. Santander’s action gave credibility to the European press which frequently scoffed at South American leaders and emphasized their instability. The foreign trade of the Isthmus in 1835 amounted to only $500,000 worth of goods (largely pearls, gold, and silver), far below its potential. This depressed economic situation would remain, Biddle predicted, because of the shortsightedness of certain “adventurers and stockjobbers.” He vowed to go to Guatemala (something he was initially instructed to do, but had cavalierly disregarded) and secure a right of passage through the Central American Republic. There would be a road across Nicaragua “many years” before one dollar was spent by Americans in Panama. Biddle told the Panamanians he could “not omit an expression of my feelings of intense disgust. . . . my personal friends shall never participate in the scheme (in Panama) and if my government is guided by my advice it will be many years before its interest in the affairs of the Isthmus will be revived.” To make certain that the New Granadian company which would construct the road would not be granted credit in the United States, Biddle wrote a caustic, destructive letter to leading American businessmen and commercial newspapers in Boston, New York, Philadelphia and Baltimore. If the Atlantic and Pacific Transportation Company could not build the road, no United States company would. Significantly, in this brouhaha Biddle relegated his role as government agent to a secondary position, concerning himself primarily with the advocacy of the Atlantic and Pacific Transportation Company.

The Philadelphian’s petulant behavior ultimately had a positive effect, for he worked furiously behind the scenes to promote a union between the Atlantic and Pacific Company and the New Granadian

18 Biddle to Pombo, May 23, 1836, Robert McAfee to Pombo, May 24, 1836, Biddle to Members of Congress from Panama, May 21, 1836, Lleras to Biddle, May 19, 1836.
organization. Within the month Santander reversed his decision, withdrew the veto, and the road was approved by executive decree. Biddle and fourteen citizens of New Granada received the final grant, but the Americans controlled the company. A joyous Minister McAfee believed that the road would have immense importance for the commerce of the United States, and as “the highway of nations” would eventually give new directions to world trade. McAfee pledged that he would work diligently in Bogota to facilitate its completion.19

Thus amidst toasts that pledged inter-American unity regardless of color, language, or religion, Biddle reached his moment of triumph. The government grant had only slightly altered his former petition. His company received 140,000 acres outright and 750,000 acres at fifty cents per acre. The contract stipulated that the work begin by April 1838 and be completed within three years of commencement. Although the government of New Granada would decide controversies in the road zone, management of the road and the property surrounding it would be the company’s prerogative for fifty years, when it would revert to the state.20

Charles Biddle returned to the United States in September 1836, eager to pursue his project. LaFeber to the contrary, he was neither recalled nor in disgrace. The President, however, had vented his frustrations, by instructing Minister McAfee to “disassociate” the government with the mission. Biddle reaffirmed his business ties in Philadelphia and sped to Washington hoping to obtain a diplomatic appointment. How convenient it would be if Robert McAfee were to leave Bogota and Biddle were to be named in his stead. The President, however, undoubtedly would not have selected the controversial commissioner, but the point was moot because of Biddle’s unexpected death on December 21.21 Nicholas Biddle’s family loyally marked the event by wearing black crepe on their hats.

On January 10, 1837, President Jackson (deliberately ignoring Biddle’s road) advised the Senate that the possibility of a canal or railroad in Central America was remote and that it was “not expedient to open negotiations with any foreign government upon the subject.” The irate Jackson obviously viewed Biddle’s actions as

19 McAfee to Biddle, June 24, 1836, Biddle to Forsyth, undated (November 1836).
20 National Intelligencer, clipping, undated (1836).
21 Biddle to J. C. Pickett, Nov. 7, 1836, Pickett to Jackson, Nov. 8, 1836.
taken in a private rather than a public capacity. The President was also probably convinced at this point that there was no imminent danger of the British constructing such a project. While Biddle's company could have proceeded with the road, with no help nor hindrance from the United States government, Biddle's death, followed by the Panic of 1837, destroyed any hope for an American venture across the Isthmus in the 1830s. But the Mexican War, the annexation of California, and the Gold Rush were all to emphasize anew the need for a transisthmian route. By the decade of the 1850s, under the well-financed leadership of Charles Morgan and Cornelius Vanderbilt, United States businessmen would make genuine inroads into Central American transit and the United States government would complete negotiations with New Granada and Nicaragua for canal rights.22

Of what significance then was the Biddle mission? The commissioner had certainly not proven to be an exceptional diplomat or governmental representative. He had provoked Jackson by not following instructions, staying too long in some places and ignoring others altogether. While his lengthy detailed report on Cuba had been submitted promptly to the President, almost a year passed until his final report in November 1836. Absence of information on the Nicaraguan route meant that Jackson knew precious little about the alternate routes and prompted a strong and sarcastic rebuke from Secretary Forsyth to Biddle in December 1836.23 In addition, Biddle had shown little sensitivity in New Granada. He had fraternized with Panamanian separatists and had agitated important leaders in Bogota. What is perhaps most surprising is that he actually

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22 Congressional Globe, Jackson to the Senate, Jan. 10, 1837; James P. Richardson, Messages and Papers of the Presidents, 1789-1897 (Washington, D. C., 1896-99), Jackson to the Senate, Jan. 9, 1837, III, 272-273.

23 Forsyth to Biddle, Special Missions, Department of State, in William Manning, ed., Diplomatic Correspondence of the United States: Inter-America Affairs, 1831-1860 (Washington, D. C., 1932-1939), I, 21. The canal dream continued. When recovery from the Panic seemed likely in 1839, President Martin Van Buren considered the report of his agent John L. Stephens who had completed the Biddle mission by investigating the Nicaraguan route. His report was favorable but the political turmoil of the country made the project prohibitive. Dwight Miner, The Fight for the Panama Route: The Story of the Spooner Act and the Hay-Herran Treaty (New York, 1940), 12; Parks, United States and Colombia, 189-190.
succeeded in getting a contract. At some point, probably from the outset of his mission, Biddle had confused his public trust with his private role. He had disregarded the President's instructions and directed his energies toward furthering his company's interests.

The President and the Congress recognized the importance of a transisthmian route. Jackson had pressed for an American commercial presence in Latin America through his treaties with Mexico, Chile, Venezuela and Peru-Bolivia. He was fully aware of the Anglo-American rivalry in the area and was supportive of an American project. For the United States Biddle's mission served several purposes. It advanced the idea of United States strategic concern for Latin America in a very real sense and was the first tangible American involvement in the area in a decade. It suggested bipartisan concern on the part of both Jackson and the Whigs on British involvement in Latin America. Also, it illustrated United States interest in furthering national shipping and commercial interests in the region. Biddle, of course, never built his road, but his mission had not been an utter failure. It provided a vital link demonstrating American business and governmental interests. As such, it was the most important diplomatic expression of United States concern for the region between the Panama Congress in 1826 and James K. Polk's treaty for a transisthmian route in 1846.

*University of South Florida*  
*John M. Belohlavek*