

£30,600,000, make £36,600,000. That is already £8,600,000 beyond M. de Lesseps's estimated cost, and the supposed offer of his friends, Messrs. Couvreur. But he himself has already acknowledged that that total would be insufficient to open the maritime canal; and how to raise the £24,000,000 more that he says he should command has greatly exercised his ingenuity. The shares are at 20 per cent. discount, and the 500-franc debentures of 5, 4, and 3 per cent. are respectively at 368, 333, and 285 francs. The public, then, would not take his paper, and he thus reached the conclusion that the only way to get the £24,000,000 of money would be by an issue of debentures with lottery prizes, which is in itself an admission that the condition of his company is desperate. But no such issue can be made without leave from the Government, and the Government at first refused it. M. Brisson, however, was soon shown that if no official aid were extended to the Panama Canal Company it would collapse, and the people who had invested their savings in it—110,000 shareholders and as many more debenture-holders—would never pardon the Republic for that. It has therefore been decided by the Government to send an engineer, M. Rousseau, to examine the works and report on their condition, so that the Government might feel justified in granting the concession asked for. Of course, the opinion of M. Rousseau, however honourable one may believe him to be, cannot have much weight. He is bound to report conformably with M. de Lesseps's desires if he reports at all; for should he report against those desires there will be a disaster, and what the Government wishes to avoid is a disaster. An adverse report would leave M. de Lesseps free to throw the responsibility on the Government; and thousands will always continue to believe in him rather than in Rousseau. On the other side, if he reports favourably, and the issue of the lottery is authorized, the Government is only deferring for the future the breaking-up of the storm; and as the latter is the easier of the two horns of the dilemma, the Government will undoubtedly take it.

But, as I said, the additional £24,000,000 will not help M. de Lesseps much. He will have, net, from it, at most, £16,000,000, which, with the £6,000,000 now to be called on the shares, will make £22,000,000, and it is absurdity itself to say that that sum will suffice to finish the canal, supposing that it can ever be finished.

The semi-hard sections now on hand are excavated at 8*f.* per cubic mètre. Even at that price, and admitting that there are only 104,000,000 cubic mètres yet to be taken away in the whole extent of the canal, that item of excavation alone would absorb £33,280,000. And where is the money with which to pay interest and amortization on the capital during construction? And how about the administration and other expenses, such as those with the deviation of the mighty River Chagres, which intercepts the canal some thirty times, and, when high, runs 100*ft.* above the canal where it first intercepts it at Gamboa? M. de Lesseps, of course, makes light of all such trifles. The other day he assured us that the canal would be ready in 1888, and would cost but £24,000,000. Now he wants £24,000,000 beyond the £30,600,000 already raised, and the £6,000,000 more to be raised on the shares, of which half is due in a few days. That would be £60,600,000 instead of £24,000,000; and yet I have shown from a single item how utterly inadequate that total would be. Interest during construction alone will absorb £15,000,000, supposing the canal to be feasible and to be finished in ten years.

But let me now show what M. de Lesseps has accomplished in the isthmus with the £30,600,000. Besides the Panama Railway he has acquired a vast amount of material. Much of this material cannot, however, be used, for it has been badly selected. Any traveller in the isthmus may have seen new locomotives turned over on the side of the road and covered with detritus. Many excavators cannot work at all. There has been untold extravagance and waste. Who has lately made that charge and proved it is no less a personage than M. Bonaparte-Wyse, one of the *fondateurs* of the company, in his "Le Canal de Panama," illustrated, just published in Paris by Hachette. He accuses the company of wasting two years, in which only in interest there has been a loss of £4,000,000, and of wasting moreover some £14,000,000 "en travaux inutiles ou trop payés et en contrats absurdes," and also with over-payment for the Panama Railway. He says that long carriage-roads have been made at great expense for the pleasure of the officers of the company, who enjoy riding and driving. The hospitals, ambulances, and residences of the employés were put up in a most lavish manner. That, I repeat, is what M. Wyse thinks of the "extravagance and unskilfulness" of M. de Lesseps's trusted friends in Panama and Paris.

The actual work in canal-digging is but very meagre indeed. M. Wyse himself, in his exploration of eighteen days, found that 46,000,000 cubic mètres would have to be removed, and no more. M. de Lesseps, in his forty days' verification, found the total to be 75,000,000. Now he admits that it will be 120,000,000, and the work is hardly begun. Taking that total for granted, it is astonishing that £30,600,000 have been raised and spent (£23,000,000 in cash), and yet only 16,000,000 cubic mètres have been excavated, and that, too, from the easiest section, nearer to the Atlantic, where there are hardly any rocks. So that, according to M. de Lesseps himself, there are still 104,000,000 mètres to be dealt with; and, as he is still saying that the canal will be ready in 1888, he needs to take, say, about 34,000,000 per annum, which is 4,000,000 for each of the nine months in which the rains do not stop the work.

Three years ago M. de Lesseps promised that from 1884 henceforth the average excavation would be at the monthly rate of 2,000,000 cubic mètres. The number of the *Économiste Français* for last Saturday states that in November, 1885, it was still 687,000 cubic mètres. I may add that it has never reached even 850,000 in a single month, much less 2,000,000, and still less 4,000,000. But, excavation or no excavation, a much more serious matter is the control of the Chagres by means of the proposed dam or barrage. This is a most difficult problem, and M. de Lesseps has simply given it up. M. Wyse, an unsuspected witness, says that for the last three years its solution "has made no progress whatever." If the canal could be open and the barrage undertaken nobody can tell whether at the first rainy season, or even during its construction, the whole canal would not be destroyed in a couple of hours. The whole thing is an unknown quantity in the many difficulties of the canal by Panama.