By 1789, the United States had achieved an improbable victory against Britain and emerged as a populated but militarily weak confederation, by European standards. To the east, the coast of the United States was isolated from conflicts and intrigues in Europe by the high seas of the Atlantic Ocean. To the west, sparsely settled United States territories were bordered by vast inland drainage basins and flanking islands belonging to a relatively weak Spanish colonial power. As the United States began to back its way westward into territorial enlargement over the remainder of Spain’s empire, motivated to prevent territory on United States borders from falling into the hands of a more powerful European state, an enlarged United States began to emerge as two coasts separated by a continent.

1. American Territoriality

There has never been much debate in Congress that a territorially enlarged United States needed a means of transportation into its western interior for its general welfare and common defense. Likewise, there do not appear to have been any notable historical controversies about the need for an interoceanic canal somewhere in Central America. The policy dilemma that occupied representatives of all three branches of the federal government at one time or another was whether the United States federal government had the constitutional authority to build and operate an interoceanic canal in a foreign territory. Should an interoceanic canal in foreign territory be a matter for private enterprise instead? Should a consortium of foreign maritime powers and the United States share in the construction and operation of the canal through a divided enterprise? Should it be an American government canal under American control for a period of ownership in perpetuity? Finally, would a treaty be sufficient to resolve
potential disputes between the extraterritorial powers of the United States federal government and sovereign powers of the state adjacent to the canal?

One of two different principles tended to be the preferred or driving force behind policymaking with respect to federal government involvement in an interoceanic canal project. Sometimes United States policymaking was based upon an avoidant posture that questioned the constitutionality of the exercise of the powers of the federal government in foreign territory, and opposed an American canal under American control if it meant entangling alliances with foreign nations. At other times, United States policymaking was based upon a preventive posture that advocated extraterritorial exercise of the constitutional powers of the federal government in foreign territory in order to prevent a canal from falling into the hands of European governments. Evidence in policy statements made by Presidents and Secretaries of State suggests that the alternation between avoidant and preventive postures did not occur over the period of four year Presidential terms of office, but over the period of fifty-year changes in policy regime.

2. American Policy Regimes

It is sometimes thought the political party that controls the White House and the Senate controls American foreign policy. Notwithstanding votes on a few Congressional bills and subcommittee opinions in the Senate Foreign Relations Committee, the most important interoceanic canal treaties introduced into Congress by the President had to be ratified with bipartisan support. For instance, Figure 11 divides American history from 1789 to 2009 into policy regimes and shows that very few political parties at any time in American history held the Presidency and a two-thirds majority in the Senate or a majority in the House at the same time. In fact, only ten elected American presidents including George Washington (labeled as “A” in Figure 11) enjoyed at one point in their tenure a two-thirds party majority in the Senate, which still does not guarantee ratification. Republican President Theodore Roosevelt (labeled as “F”) had nearly a two-thirds party majority in the Senate in 1904 when the Senate ratified the Hay-Bunau-Varilla Treaty. Democratic President Jimmy Carter (labeled “I”) had nearly a two-thirds party majority in the Senate in 1978 during Senate ratification of the Panama Canal treaties abrogating the Hay-Bunau-Varilla Treaty. Other dates labeled in Figure 11 correspond to major events