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Administrator, Panama Canal Authority

When control of the Panama Canal was formally handed over to the government of Panama on Dec. 31, 1999, some feared the waterway would be sucked into the vortex of governmental intervention and corruption that pervades Panama. A Panama Canal under the sway of a heavy-handed, cash-hungry government, everyone knew, would undermine investment and operations and ultimately reduce its attractiveness as a key corridor for trade. But thankfully for shipping lines and their customers, that has not happened, and for that Alberto Aleman Zubieta, the canal's administrator, can be thanked. Much to the contrary, under Aleman's steady hand the canal is looking toward the future, preparing for a landmark referendum this year or next that is likely to lead to a \$5 billion to \$8 billion expansion of the canal by building a third and possibly a fourth set of locks that can handle post-Panamax ships. Aleman and his staff have been meticulously laying the groundwork for that decision, preparing some 120 studies. To make sure it is in sync with the needs and plans of its customers and the ports they use, the canal authority has signed memorandums of understanding with eight ports on the U.S. East Coast, where more than 60 percent of its traffic originates or is destined, and is negotiating agreements with two more. The canal's efficient administration is behind the growth in all-water container services from Asia to the U.S. East Coast, an option that has allowed shippers to diversify and lower the cost of their supply chains. Thanks in large part to Aleman, the global trade system in coming years will have the benefit of a well-run Panama Canal.