

Future Today

HOW WATER CAME TO THE DESERT

In the summer of 1856 Hans Maierhauser, a wealthy widower, sat in his Palais in Vienna and read the newspaper. He was 50 years old and had made his fortune through astute investments but was always looking for the next opportunity. During the last few years the industrial revolution had been kick-started by more efficient steam engines which had already rapidly changed the world. Maierhauser was sure that, within this changing environment, those enterprises with the deepest influence on the way people lived or did business would be the most successful ones.

Whilst reading, he saw a headline that interested him and, the more he read, the more excited he became. It was an article about an expedition, led by an Austrian/Italian engineer from Trieste named Alois Negrelli. The engineer had found a shippable channel route through the desert that would connect the Mediterranean Sea with the Red Sea and therefore with the Indian Ocean. Unfortunately, the shortest distance between the two seas was 160 Kilometres, a huge distance to dig a channel, and it had to be wide and deep enough that large cargo ships could pass. But this mastermind not only proposed using dried up lakes and wells to shorten the distance, he also planned using the natural depressions between both seas. This reduced the distance to only 80 Kilometres! Furthermore, although the channel itself could only be used as a one way ship-road, these former lakes and wells could be used as junctions for the ships to pass. Overall such a channel would reduce distance, and travel time, from Europe to India and Asia substantially.

It was clear to Maierhauser that this project was the kind of investment opportunity he was looking for: this desert channel could change the world!

In the evening Maierhauser, still excited about the news, met a mutual friend of the newspaper editor for dinner. *"As far as I know a new company is to be established by the French Channel builder Ferdinand de Lesseps. I will find out more details for you"* he promised.

Time went by and in autumn of 1858 Maierhauser was informed by his friend that the *"Compagnie Universelle du Canal Maritime de Suez"* was due to be incorporated and that a public offering of shares was imminent. Maierhauser, still thrilled about this project told his only child Valerie about it, adding that he was willing to invest in this new enterprise that would build a water channel through a desert. Valerie was a beautiful, and very smart, young woman who had taken the matriarchal role in the family following her mother's death several years ago.

Quietly she followed the words of her father; then she replied:

"My dearest father, without any doubt this is a project that could impact the world we know and it could bring huge profits to its shareholders, but it might be too early to invest. There are tremendous difficulties to overcome, for example the water supply for the workers or the construction of specialised machines and it is a project that will require at least a decade before any revenues will be generated. And there are political obstacles ahead."

"There will be regimes like England, Egypt or the Ottoman Empire that will not be amused if a French company is building a channel of such geostrategic relevance."

Maierhauser was astonished by the words of his daughter. Since his wife died, Valerie has become more cherished than ever and he always involved her in his financial transactions. He knew that eventually Valerie would be without him and he wanted her to be financially secure when that day came. But at that moment he felt pride to see that he had been more successful in educating his daughter than he had ever imagined. Valerie continued: *"I believe in the great idea of this Engineer and this Channel but such huge projects are always getting in trouble sooner or later. Maybe it is better to wait and invest at the right time. I am sure you will get these shares much cheaper if you wait a bit."*

Maierhauser thought about the arguments of his child and finally decided that it would be wiser to wait. Time proved Valerie to be right. In 1863, when the company got in financial turmoil the shares initially offered for 500 Francs dropped to 40 Francs each. *"I think it's time to invest now"* Valerie whispered to her father one morning, before she went to see her friends.

Years later, Maierhauser's patience generated a huge profit on his investment and he was proud that he had listened to his daughter and about the perfect timing. He enjoyed the admiration of his friends whilst Valerie, standing at his side, smiled mysteriously....

The Suez Canal was opened in November 1869. The Emperor of Austria, the Empress of France and the Crown prince of Prussia,

amongst others, attended the opening ceremony and listened to Giuseppe Verdi's music. By this time the total costs for the project added up to 416 million Francs, while in the early days the costs had not been expected to exceed 162 million Francs.

But the result was impressive: The duration of a single trip from Liverpool to Bombay reduced by 24 days and from Trieste by 37 days. The distance for a journey from Rotterdam to Singapore around Africa had been 11,755 miles, but through the new Suez Canal was only 8,281 miles. Such short passage represents not only geostrategic value for political, military and economical purposes; it also improves efficiency in both time and consumption of natural resources, the benefits of which continue to be felt to this day.

3,137 ships passed through the channel in 1887 and by 2016 this had increased to over 18,000 per year. Today the Suez Canal is the most important geostrategic channel and the largest sources of income for the State of Egypt. To this day it represents a historic example of how structures can be of great value in multiple ways for current and future generations.

And when can we establish and maintain a structures for you?



Beat H. Haering

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