Alexander Hamilton never meant it to come to this. But there he stood in 1804 on a rock ledge, some ten feet wide and forty feet long, just below the plains of Weehawken, New Jersey. Twenty paces away stood Aaron Burr, Vice President of the United States and Hamilton’s political rival. Burr had taken exception to several unflattering remarks Hamilton had made about Burr’s character. When Hamilton refused to disavow the comments, Burr challenged him to a duel. Hamilton believed that honor required him to meet Burr for what the men called an “interview.”

Now Hamilton raised his pistol and fired. Burr flinched as the bullet harmlessly struck a tree branch above his head. Burr paused and took careful aim at Hamilton. He squeezed the trigger of the pistol, a shot rang out, and Hamilton fell. He had been hit four inches above the hip. The bullet broke a rib and tore through his liver and diaphragm, finally lodging in his spine. A doctor who had been asked to be present at the duel rushed to Hamilton, who immediately told him, “This is a mortal wound, Doctor.” Hamilton was right. He died the next day.

Background
Alexander Hamilton was born in 1757 on the island of Nevis in the British West Indies. He was the illegitimate son of a poor Scottish merchant and a woman of French descent. Hamilton’s father deserted the family when Hamilton was a toddler. His mother died when he was eleven years old. Hamilton then became an apprentice clerk in a shipping business. His intelligence and ambition impressed a local businessman, who arranged to send the boy to America to receive a formal education.

Hamilton attended a school in Elizabethtown, New Jersey. He completed the two-year course of study in less than a year. Hamilton next considered entering Princeton College in New Jersey. But the president of the college, John Witherspoon, would not agree to the gifted Hamilton’s request to study at his own pace. Hamilton instead chose King’s College in New York. He completed the four-year program in two-and-a-half years. But he never formally graduated. Political events distracted him.

Young Patriot and Soldier
At the age of seventeen, Hamilton became active in New York’s Patriot movement. He wrote two pamphlets and spoke at rallies denouncing British tyranny. After war broke out, Hamilton formed an artillery company. His unit was soon under the command of General George Washington. Washington asked him to join his personal staff and promoted the twenty-year-old to the rank of lieutenant colonel.

An indispensable aide to General Washington, Hamilton did not return to a field command until 1781 during the Yorktown Campaign. Hamilton personally led a bayonet attack against the British entrenchments. Americans won their War of Independence five days later.
Ambitious Statesman
In 1780, Hamilton had married Elizabeth Schuyler, daughter of a wealthy and powerful New York family. Two years later, he was admitted to the bar after a mere three months of study of the law. In 1783, he was chosen to represent New York in the Confederation Congress. There he became an ally of Virginian James Madison, who shared Hamilton’s desire for a stronger central government. But frustration with other colleagues caused Hamilton to leave Congress in 1784.

Hamilton became a leading critic of the Articles of Confederation during the 1780s. In 1787, Hamilton was appointed a member of the New York delegation to the Constitutional Convention.

Securing the Constitution
Hamilton played a minor role in the debates at Philadelphia for two reasons. First, he was often absent from the proceedings because of legal business. Second, his extremely nationalist views caused many of his fellow delegates to discount his views. “The gentleman from New York,” summarized William Johnson of Connecticut, is “praised by everybody . . . [but] supported by none.” Hamilton in particular favored the creation of a strong executive branch headed by a single elected president who would serve for life.

The Constitution produced by the Philadelphia convention greatly increased the power of the central government, though not as much as Hamilton had hoped. Nevertheless, he thought it far superior to the Articles of Confederation.

Hamilton took the lead in the campaign for ratification in New York. He joined with Madison and John Jay in writing a series of essays during 1787–1788 supporting the Constitution. These essays, written anonymously under the name “Publius,” became known as *The Federalist Papers*. Hamilton wrote fifty-two of the eighty-five Federalist essays. They were soon published in book form and sold throughout the country.

In *The Federalist Papers*, Hamilton made the case that “the vigor of government is essential to the security of liberty.” Brushing aside concerns about tyranny, Hamilton made the case for a strong executive branch. “Energy in the Executive,” Hamilton wrote in Federalist No. 70, “is a leading character in the definition of good government.”

Economics and Politics
Hamilton eagerly accepted the post of secretary of the treasury under President George Washington. He intended to use his position to build a national economic system for America. Hamilton believed that such a system would bind Americans together and create a strong nation.

Hamilton pressed for the establishment of a national bank, funding of the national debt, and assumption of state war debts. He also favored a tax to protect manufacturing, and the creation of a standing army and navy. Hamilton wanted to change the basis of wealth in America from land to money. Money, he held, was the great equalizer. Anyone could acquire it and thereby advance up the economic and social ladder.

Hamilton’s bold plan alarmed many who feared government power. Secretary of State Thomas Jefferson became the leader of the opposition to Hamilton. The first American party system formed around these two men. The Federalists supported the Hamiltonian program. The Democratic-Republicans (or simply, Republicans) worked for its defeat.
Duel and Death

In 1795, Hamilton left the Washington administration and resumed his law practice in New York City. While acting as the defense lawyer in People of New York v. Croswell (1803), he made the argument that truth could be used as a legitimate defense in criminal libel cases. Though Hamilton lost the case, this principle was accepted in American law and greatly expanded the freedom of the press.

The year after this case, Vice President Aaron Burr challenged Hamilton to a duel. Burr and Hamilton were political rivals, and Burr had taken offense at remarks attributed to Hamilton. On July 11, 1804, the two men met in the early morning at Weehawken, New Jersey. Hamilton and Burr both fired one shot. Hamilton’s bullet missed its mark, but Burr’s found Hamilton’s hip. Mortally wounded, Hamilton died the next day at the age of forty-seven.

Reading Comprehension Questions
1. What role did Hamilton play in the creation of the Constitution?
2. What were the elements of the economic plan proposed by Hamilton when he became secretary of the treasury? Why did he make these proposals?
3. What role did Hamilton play in the creation of the first American party system?

Critical Thinking Questions
4. Hamilton believed in the importance of developing America’s commercial and industrial economy. Which economic system better promotes liberty and personal freedom: a commercial and industrial economy or an agrarian (agricultural) economy?
5. Do you think that having a strong federal government ensures that you have greater individual liberty? Why or why not?
Vocabulary and Context Questions

Excerpts from Federalist No. 70 (1788)

1. Vocabulary: Use context clues to determine the meaning or significance of each of these words and write their definitions:
   a. advocates
   b. vigorous
   c. destitute
   d. propriety
   e. conciliate
   f. emulation
   g. animosity
   h. formidable
   i. equivocal

2. Context: Answer the following questions.
   a. Who wrote this document?
   b. When was this document written?
   c. Who is the audience of this document?
   d. Why was this document written?
Excerpts from *Federalist No. 70* (1788)

**Directions:** Read the excerpts, playing special attention to the main ideas in bold of each paragraph. Then, complete the outline on Handout D, filling in each main idea in your own words. Finally, complete the outline with the supports Hamilton provides for each of his arguments.

To the People of the State of New York: **Energy in the Executive is a leading character in the definition of good government.** It is essential to the protection of the community against foreign attacks; it is not less essential to the steady administration of the laws; to the protection of property against those irregular and high-handed combinations which sometimes interrupt the ordinary course of justice; to the security of liberty against the enterprises and assaults of ambition, of faction, and of anarchy.

**Those politicians and statesmen who have been the most celebrated for the soundness of their principles and for the justice of their views, have declared in favor of a single Executive and a numerous legislature.** They have with great propriety, considered energy as the most necessary qualification of the former, and have regarded this as most applicable to power in a single hand, while they have, with equal propriety, considered the latter as best adapted to deliberation and wisdom, and best calculated to conciliate the confidence of the people and to secure their privileges and interests.

**Wherever two or more persons are engaged in any common enterprise or pursuit, there is always danger of difference of opinion.** If it be a public trust or office, in which they are clothed with equal dignity and authority, there is peculiar danger of personal emulation and even animosity. From either, and especially from all these causes, the most bitter dissensions are apt to spring. Whenever these happen, they lessen the respectability, weaken the authority. And what is still worse, they could split the community into the most violent and irreconcilable factions.

It is far more safe there should be a single object for the jealousy and watchfulness of the people; and, in a word, that all multiplication of the Executive is rather dangerous than friendly to liberty. The united credit and influence of several individuals must be more formidable to liberty, than the credit and influence of either of them separately. When power, therefore, is placed in the hands of so small a number of men, as to admit of their interests and views being easily combined in a common enterprise, by an artful leader, it becomes more liable to abuse, and more dangerous when abused, than if it be lodged in the hands of one man; who, from the very circumstance of his being alone, will be more narrowly watched and more readily suspected, and who cannot unite so great a mass of influence as when he is associated with others.

**Source:** “Federalist No. 70, 1788.” The Avalon Project at Yale University Law School. `<http://www.yale.edu/lawweb/avalon/federal/fed70.htm>`
Directions: Complete the outline below with information and arguments from Federalist No. 70. Write a paraphrase of the main idea of each paragraph (highlighted in bold in Handout C). Then fill in the supports Hamilton provides for his argument. The first section has been begun for you.

A. [paragraph one] Main idea: A strong and single executive is the most important quality for an effective government.

Supports

1. It is vital to protecting against foreign attacks
2. 
3. 
4. 
5. 
6. 

B. [paragraph two] Main idea: 

Supports

1. 
2. 

Founders and the Constitution: In Their Own Words—Volume 2
C. [(paragraph three)] Main idea: _______________________________

________________________________________

________________________________________

________________________________________

Supports

1. _______________________________________

2. _______________________________________

3. _______________________________________

D. [(paragraph four)] Main idea: _______________________________

________________________________________

________________________________________

________________________________________

Supports

1. _______________________________________

2. _______________________________________
Thomas Jefferson accurately represented the convictions of his fellow colonists when he observed in the Declaration of Independence that a government, to be considered legitimate, must be based on the consent of the people and respect their natural rights to “life, liberty and the pursuit of happiness.” Along with other leading members of the founding generation, Jefferson understood that these principles dictated that the government be given only limited powers that, ideally, are carefully described in written charters or constitutions.

Modern theorists like John Locke and the Baron de Montesquieu had been making the case for limited government and separation of powers during the century prior to the American Revolution. Colonial Americans were quite familiar with Locke’s argument from his *Two Treatises of Government* that “Absolute Arbitrary Power, or Governing without settled standing Laws, can neither of them consist with the ends of Society and Government....” Locke added that the reason people “quit the freedom of the state of Nature [is] to preserve their Lives, Liberties and Fortunes.” Civil society has no higher end than to provide for the safety and happiness of the people, and this is best done under a system of known rules or laws that apply equally to “the Rich and Poor, . . . the Favorite at Court, and the Country Man at plough.” For his part, Montesquieu argued that only where governmental power is limited in scope, and then parcelled out among different departments, will people be free from oppression. Constitutional government, for modern natural rights theorists, should be limited government dedicated to the comfortable preservation of the people—that is, to their security, freedom, and prosperity.

John Adams echoed the beliefs of many Americans when he argued that only by creating a balance of forces within the government could the people hope to escape despotism and misery. An unchecked legislature, he observed, would be capable not only of making tyrannical laws, but of executing them in a tyrannical manner as well. In his famous draft of a constitution for the commonwealth of Massachusetts, Adams declared that the “legislative, executive and judicial power shall be placed in separate departments, to the end that it might be a government of laws, and not of men.”

This document, along with his *Defence of the Constitutions of Government of the United States of America*, containing a strong case for checks and balances in government, were well known to the delegates who attended the Constitutional Convention of 1787.

James Wilson, one of the foremost legal scholars of the founding period and a delegate from Pennsylvania at the Constitutional Convention, agreed with Adams’ insistence that the power of government should be divided to the end of advancing the peace and happiness of the people. In the words of Wilson, “In government, the perfection of the whole depends on the balance of the parts, and the balance of the parts consists in the independent exercise of their separate powers, and, when their powers are separately exercised, then in their mutual influence and operation on one another. Each part acts and is acted upon, supports and is supported, regulates and is regulated by the rest.”

Both the Articles of Confederation and the Constitution of the United States provided for governments with limited powers. As John Jay had discovered as America’s secretary of foreign affairs, the power of the central government was severely limited under the Articles and, hence, could be trusted to a unitary legislative department. Fear of governmental tyranny and a desire to preserve the power enjoyed by the new states resulted in the creation of a central government that could not effectively oversee interstate commerce or do other things that were critical to ensuring the safety and happiness of the people. In a letter to Edmund Randolph at the end of 1786, George Washington bemoaned the “awful situation of our affairs” which he attributed to “the want of sufficient power
in the federal head." Washington quickly joined the movement to create a new governmental system that was equal to "the exigencies of Union," to quote from the instructions given the delegates to the Constitutional Convention of 1787.

The Constitution of 1787 grew out of a plan drafted largely by James Madison during the winter and spring before the Convention. The "Virginia Plan" proposed a central government that was supreme over the states. Evidence that the national government was to be entrusted with considerable power could be found in the provisions for a bicameral legislature and independent executive and judicial departments.

The delegates who attended the Constitutional Convention were sufficiently versed in modern political theory to understand that they would have to divide the power of the national government if they intended to entrust it with real authority over the lives of the people and the states. They understood the dangers of imparting considerable political power to a unitary sovereign. In this connection, there was never any doubt in their minds that they should create a government of "delegated and enumerated" powers, that is, that the government should only be entrusted with specified (enumerated) powers that derived directly from the people. While they worried about the "turbulence and follies" of democracy, they recognized that government had to be based on the consent of the people to be legitimate.

The Virginia Plan anticipated the bicameral legislature and independent executive and judicial departments found in the United States Constitution today. Building on Madison's model, the delegates assigned responsibilities to the departments based on their peculiar characteristics. The six-year term of senators, for example, seemed to make this a proper institution to involve in foreign policy (e.g., ratification of treaties) since senators would have more time than members of the House of Representatives to acquaint themselves with international affairs and their longer terms and larger constituencies (entire states) also would give them more freedom to attend to matters other than the immediate interests of constituents back home. The House of Representatives was entrusted with the important power to initiate revenue (taxation) bills precisely because the members of this chamber are tied so closely to the people by short terms and small districts.

In addition to matching powers and governmental responsibilities, the delegates were careful to position each department to "check and balance" the other departments. Examples are the executive's veto power, the congressional impeachment power, and the judicial review power entrusted to the Supreme Court, the only national court formally established by the Constitution. Although in good Lockean fashion the legislative department was designed to be the preeminent department, it was still subjected to checks by the other branches of the government. Separation of powers as well as the system of checks and balances were devices for reducing the threat of governmental tyranny, not excluding legislative tyranny.

However, the constitutional arrangement, put into its final wording by Gouverneur Morris, was not driven entirely by a desire to eliminate the threat of tyrannical government. The system of separated and divided powers also was intended to promote competence in government. The president can employ his veto not only to check legislative action that he considers irresponsible, but to provoke Congress to improve a legislative enactment. The Senate can use its authority to ratify presidential nominations of cabinet officers or judges to ensure that qualified candidates are named to fill these positions.

Writing in Federalist No. 9, Alexander Hamilton identified the principle of separated and divided powers, along with checks and balances, as among the inventions of the new science of politics that had made republican government defensible. Madison described in Federalist No. 51 the benefits of the governmental arrangement represented in the new Constitution: "In the compound republic of America, the power surrendered by the people is first divided between two distinct governments, and then the portion allotted to each subdivided among distinct and separate departments. Hence a double security arises to the rights of the people. The different governments will control each other, at the same time that each will be controlled by itself." Significantly, Anti-Federalists as well as Federalists agreed that governmental powers should be limited and that these powers should be subject to internal as well as external checks.
It is important to emphasize that the Framers settled on an arrangement that divided yet blended the legislative, executive, and judicial powers. This facilitates interdepartmental checking while promoting mature deliberation. Their aim was to create a decent and competent democracy, something beyond mere non-tyrannical government. They placed the whole of the government, and even the people, under constitutional limitations. The Constitution is the supreme law of the land, not the enactments of Congress or the order of the president or the momentary will of the people. As Chief Justice Marshall declared in Marbury v. Madison (1803), “The distinction between a government with limited and unlimited powers is abolished, if those limits do not confine the persons on whom they are imposed, and if acts prohibited and acts allowed, are of equal obligation.” Even the desires of the people are held in check by the Constitution. The political system still meets the criteria of democratic government, however, since the people hold the power, through their representatives, to amend the Constitution.

The paradigm of constitutional government embraced by the American people in 1787, that is, limited government based on the consent of the people and committed to the protection of fundamental rights, has become the dominant model throughout the world. The rhetoric of rights, whether couched in the language of natural rights or human rights, is universally appealing. Also universally accepted is the argument that rights are most secure when governmental powers are limited in scope and subject to internal and external checks.

David E. Marion, Ph.D.
Hampden-Sydney College

Suggestions for Further Reading
Liberty was the central political principle of the American Revolution. As Patrick Henry, one of its staunchest supporters, famously intoned, “Give me liberty or give me death.” Henry was not alone in his rhetorical fervor. Indeed, no ideal was proclaimed more often in the eighteenth-century Anglo-American world than liberty.

The idea of liberty defended by the American Founders came from several sources. The most venerable was English common law. Beginning in the late medieval period, writers in the common law tradition developed an understanding of liberty which held that English subjects were free because they lived under a system of laws which even the Crown was bound to respect. Leading English jurists argued that these legal limits on royal power protected the subject’s liberty by limiting the arbitrary use of political power.

Under English common law, liberty also consisted in the subject enjoying certain fundamental rights to life, liberty and property. William Blackstone (1723–1780), the leading common lawyer of the eighteenth century, argued that these rights allowed an English subject to be the “entire master of his own conduct, except in those points wherein the public good requires some direction or restraint . . .” For Blackstone, these English rights further protected the subjects’ liberty by making them secure in their persons from arbitrary search and seizure, and by ensuring that their property could not be taken from them without due process of law.

In order to preserve these fundamental rights, the English common law allowed the subject the right to consent to the laws that bound him by electing representatives to Parliament whose consent the monarch had to obtain before acting.

Common lawyers in the seventeenth and eighteenth centuries did not view these rights and the liberty they protected as the gift or grant of the monarch; rather, they believed that they were an Englishmen’s “birthright,” something that inhered in each subject and that therefore could not be taken away by royal prerogative.

This common law understanding of liberty was central to the seventeenth-century struggles against the Stuart monarchy. Prominent jurists and Parliamentarians such as Edward Coke (1552–1634) took the lead in the attempt to limit what they saw as the illegal and arbitrary nature of the Stuarts’ rule. This struggle culminated in the Glorious Revolution of 1689 and the triumph of Parliamentary authority over the Crown. For champions of English liberty, the result of this century-long struggle was the achievement of political liberty. They further argued that, as a result of this struggle, Britain in the eighteenth century had the freest constitution in the world. According to the French writer Montesquieu (1689–1755), Britain was “the only nation in the world, where political and civil liberty” was “the direct end of the constitution.”

This seventeenth century struggle between royal power and the subject’s liberties made a great impression on the American Founders. They absorbed its lessons about the nature and importance of liberty through their reading of English history as well as through their instruction in English law.

A second and equally influential understanding of liberty was also forged in the constitutional battles of the seventeenth century: the idea that liberty was a natural right pertaining to all. The foremost exponent of this understanding of liberty in the English-speaking world was John Locke (1632–1704). Locke’s political ideas were part of a wider European political and legal movement which argued that there were certain rights that all men were entitled to irrespective of social class or creed.

Like the common lawyers, Locke saw liberty as centrally about the enjoyment of certain rights. However, he universalized the older English understanding of liberty, arguing that it applied to all persons, and not just to English subjects. Locke also expanded the contemporary understanding of liberty by arguing that it included other rights—in particular a right to religious toleration (or liberty of conscience), as well as a right to resist governments that violated liberty. In addition, Locke argued that the traditional English common

Liberty
law right to property was also a natural right, and was an important part of the subject’s liberty.

Locke began his political theory by arguing that liberty was the natural state of mankind. According to Locke, all men are “naturally” in a “State of perfect Freedom to order” their “Actions, and dispose of their Possessions, and Persons as they think fit, within the bounds of the Law of Nature, without asking leave, or depending upon the Will of any other Man.”

However, Locke did not argue that this natural liberty was a license to do whatever we want. “Freedom is not,” he argued, “A Liberty for every Man to do what he lists (For who could be free, when every other Man’s humour might domineer over him?).” Rather, Locke held that since all men are “equal and independent, no one ought to harm another in his Life, health, Liberty, or Possessions.” According to Locke, each of us has “an uncontrollable Liberty to dispose of our persons and possession,” but we do not have the right to interfere with the equal liberty of others to do the same.

In Locke’s political theory, men enter into society and form governments to better preserve this natural liberty. When they do so, they create a political system where the natural law limits on liberty in the state of nature are translated into a legal regime of rights. In such a system, Locke argued, each person retains his “Liberty to dispose, and order, as he lists, his Person, Actions, Possession, and his whole Property, within the Allowance of those Laws under which he is; and therein not to be subject to the arbitrary Will of another, but freely follow his own.”

For Locke, as for the common lawyers, the rule of law was necessary for liberty. In Locke’s view, “the end of law is not to abolish or restrain, but to preserve and enlarge Freedom.” According to Locke, “Where there is no Law, there is no Freedom. For Liberty is to be free from restraint and violence from others which cannot be, where there is no law.”

Building on both the English common law and on Locke’s ideas, the eighteenth-century English writer Cato argued “that liberty is the unalienable right of mankind.” It is “the power which every Man has over his own Actions, and his Right to enjoy the Fruit of his Labour, Art, and Industry, as far as by it he hurts not the Society, or any members of it, by taking from any Member or by hindering him from enjoying what he himself enjoys.” Cato was the pseudonym for two British writers, John Trenchard and Thomas Gordon. Their co-authored Cato’s Letters (1720–1723) were widely read in the American colonies.

On the eve of the American Revolution, then, the received understanding of liberty in the Anglo-American world was a powerful amalgam of both the English common law and the liberal ideas of writers like Locke and Cato. On this view, liberty meant being able to act freely, secure in your basic rights, unhindered by the coercive actions of others, and subject only to the limitation of such laws as you have consented to. Central to this idea of liberty was the right to hold property and to have it secure from arbitrary seizure. In addition, under the influence of Locke, liberty was increasingly being seen on both sides of the Atlantic as a universal right, one not limited to English subjects. Equally influential was Locke’s argument that if a government violated its citizens’ liberty the people could resist the government’s edicts and create a new political authority. However, despite the gains that had been made since the seventeenth century, many Englishmen in the eighteenth century still worried that liberty was fragile and would always be endangered by the ambitions of powerful men.

Since the first settlements were established in the early seventeenth century, the American colonists shared in this English understanding of liberty. In particular, they believed that they had taken their English rights with them when they crossed the Atlantic. It was on the basis of these rights that they made a case for their freedom as colonists under the Crown. In addition, in the eighteenth century, the colonists were increasingly influenced by the Lockean idea that liberty was a natural right. As a result, when they were confronted with the policies of the British Crown and Parliament in the 1760s and 1770s to tax and legislate for them without their consent, the colonists viewed them as an attack on their liberty.

In response, the colonists argued that these British taxes and regulations were illegal because they violated fundamental rights. They were particularly resistant to the claims of the British Parliament, as expressed in the Declaratory Act of 1766, to legislate for the colonies “in all cases whatsoever.” By 1774, following the Boston Tea Party organized by Samuel Adams and John Hancock, and the subsequent
Coercive Acts, many leading colonists such as Thomas Paine and James Otis argued that they had a natural right to govern themselves, and that such a right was the only protection for their liberty. In addition to several essays in defense of rights, including Letters from a Farmer in Pennsylvania, John Dickinson wrote the first patriotic song, “The Liberty Song.”

This colonial thinking about liberty and rights culminated in the Declaration of Independence issued by the Continental Congress in 1776, which proclaimed that, because their liberty was endangered, the colonists had a natural right to resist the English King and Parliament.

Having made a revolution in the name of liberty, the American challenge was to create a form of government that preserved liberty better than the vaunted British constitution had done. In doing so, the founders turned to the ancient ideal of republican self-government, arguing that it alone could preserve the people’s liberty. They further argued that the modern understanding of liberty as the possession of rights needed to be a central part of any proper republican government. Beginning in 1776, in the midst of the Revolutionary War, all of the former colonies began to construct republican governments which rested on the people’s consent and which included bills of rights to protect the people’s liberty.

Since there was widespread consensus among the Founders that liberty required the protection of rights and the rule of law, much of the political debate in the crucial decades following the American Revolution revolved around the question of which institutional arrangements best supported liberty. Was liberty best protected by strong state governments jealously guarding the people’s liberties from excessive federal authority, as leading Anti-Federalists like George Mason contended; or, was an extended federal republic best able to preserve the freedom of all, as leading Federalists like James Madison and Alexander Hamilton argued?

The era of the American Revolution also gave birth to a further series of important debates about liberty. Was slavery, as some Americans in the eighteenth century were beginning to recognize, an unjust infringement upon the liberty of African Americans? Were women, long deprived of basic legal rights, also entitled to have equal liberty with their male fellow citizens? By making a Revolution in its name, the Founders ensured that debates about the nature and extent of liberty would remain at the center of the American experiment in self-government.

Craig Yirush, Ph.D.
University of California, Los Angeles

Suggestions for Further Reading

Although the modern United States is the preeminent example of a nation dedicated to free enterprise and commercial activity, the relationship between republican government and commerce was one of the central problems that confronted the Founders in the late eighteenth century. In order to understand the Founders' attitudes toward commerce, we need to understand both the role that commercial activity played in the American colonies in the century before the Revolution, as well as the important arguments about the legitimacy of commercial societies that animated English and European thinkers in the two centuries before the American Founding.

The American colonies originated in part as commercial enterprises. From the first settlements in the early seventeenth century until the eve of the Revolution, British and European settlers saw America as a place where they could come and make a better life for themselves. By the mid-eighteenth century, the British colonies in America were prosperous places heavily engaged in production and trade. Although the population was still overwhelmingly rural, colonial farmers were increasingly engaged in commercial agriculture. In all regions, they produced more than was needed for subsistence, trading their surplus with other colonies as well as engaging in a growing transatlantic trade with Britain and Europe. The Southern colonies produced valuable staple crops for export (tobacco, rice, indigo, wheat); farmers in the Middle colonies had a flourishing agricultural economy which was also involved in trade with the wider world; and, by the eighteenth century, the New England colonies were building ships, selling timber, and trading produce with the British Caribbean sugar islands. As a result of these extensive Atlantic trading networks, all of the colonial economies grew enormously in the eighteenth century. In addition, the main colonial port cities—Boston, New York, Philadelphia, and Charles Town (Charleston)—grew in size and importance. This burgeoning commercial society also had a large merchant class, with powerful and wealthy men like John Hancock in Boston involved in far-flung commercial ventures.

The pre-Revolutionary American colonies were also consumer societies that eagerly used their growing wealth to purchase goods from all over the world. And, as the Revolution approached, a growing number of white settlers not included in the political and economic elite were increasingly able to participate in this consumerism. Indeed, such was the widespread prosperity of these colonies that many modern historians have referred to them as the first middle class societies in the world.

All of this commercial activity, however, had a dark side. The Atlantic trade that the colonists engaged in with such profit was founded in part on the movement of African slaves to the New World. Once there, these slaves were responsible for producing the lucrative staple crops that the colonies sold to England and Europe in exchange for manufactured goods. In addition, the ever-expanding agricultural economy of the colonies depended on the removal of the Native American population from their lands.

Several strands of thought provided intellectual justification for the increasingly commercial world of the eighteenth-century British Atlantic. The long tradition of English common law stressed the importance of property rights, which it saw as central to liberty, and which it protected from arbitrary seizure by preventing governments from taking property without the subject's consent. By stressing the sanctity of person and property, the English common law provided a legal infrastructure which supported a commercial society.

Seventeenth-century English Puritanism also provided a justification of commercial activity. According to Puritanism, God wanted people to work hard and prosper. To do so was a sign that you were one of the "elect," destined to be "saved"
and not “damned.” This Puritan work ethic remained a powerful force in American life well past the Revolution.

The political theory of the English writer John Locke (1632–1704), and in particular his ideas about a natural right to liberty and property, also provided justification for a commercial society. Like the common law, it placed a value on the liberty of the person, including the liberty to engage in production and trade. In addition, Locke offered an elaborate theoretical defense of an individual’s right to property. At the same time as the American Revolution, argued Locke, individuals were not given property rights by the state; rather, they generated a right to private property by their own labor. Locke defended commercial societies based on private property by arguing that they produced greater wealth for all than did those societies which eschewed private property and exchange. By making this case, Locke helped to legitimize commercial activity in the face of age-old denunciations that it was sinful. Building on these seventeenth-century ideas, English people on both sides of the Atlantic in the eighteenth century increasingly viewed themselves as free, Protestant, and deeply commercial.

By the time of the Revolution, the American Founders had also encountered the ideas of an influential group of eighteenth-century Enlightenment writers who offered a sophisticated defense of commercial societies. The French writer Montesquieu (1689–1755) argued that commerce “cures destructive prejudices” by fostering peaceful trade among peoples rather than war. Many Scottish writers in the eighteenth century made a similar defense of commerce. They argued that commercial societies constituted the highest stage of civilization and were the most conducive to human well-being, fostering political and religious liberty, peaceful relations among nations, higher standards of living, science, and the arts. The moral philosopher and economist Adam Smith (1723–1790), writing in the same year as the American Revolution, argued that self-interest was beneficent, and that those who sought private wealth were simultaneously benefiting society. All of these thinkers celebrated the modern commercial world in which they lived as superior to previous ages which, they argued, were characterized by feudal and aristocratic inequality, constant warfare, and religious fanaticism.

However, the ideas that influenced the Founders were not all supportive of commerce. Christianity, even in its Puritan form, could be used to denounce moneymaking. In New England in the seventeenth century, the merchant Robert Keayne was put on trial on charges of usury. In the years after independence, this Christian critique combined in the Founders’ thought with that of the republican thinkers of Greece and Rome who shared a similar skepticism about commerce. They argued that a society dedicated to commerce and self-interest would produce citizens overly concerned with private matters and insufficiently attentive to the public good. These classical republican thinkers were particularly concerned about the political effects of luxury, worrying that liberty would be lost if people were too focused on the pursuit of material gain. To the extent that republican thinkers defended property rights, they did so primarily as a means to the end of ensuring that there was an independent citizenry capable of acting for the public good. These classical ideas about the dangers of commerce to republican government influenced the Founders in the late eighteenth century. In particular, the ideas led some of them to be suspicious of the new institutions of commercial banking and public and private debt that supported the eighteenth-century commercial world.

The Revolution initially fostered these anticommercial sentiments in the colonial populace. In their attempts to harm the British economy, the colonies organized widespread nonimportation agreements in the 1760s and 1770s. Drawing on both the Christian and the classical republican critique of commerce, some colonists argued that this withdrawal from trade would also create a more virtuous citizenry, one less likely to succumb to luxury and self-interest. Writing his influential “Thoughts on Government” in 1776, a guide for lawmakers in the newly independent republican state governments, John Adams openly called for legal restrictions on consumption (called “sumptuary laws” in the eighteenth century), arguing that “the happiness of the people might be greatly promoted by them.”

Following the Revolution, the experience of both the new state governments and that of the Continental Congress operating under the Articles of Confederation brought these questions about...
the relationship between republican governments and commercial activity to the fore. By ending the old British trading system, the Revolution also ushered in a debate about the commercial relations between the United States and the rest of the world.

The newly independent United States faced severe economic difficulties in the 1780s. The states found themselves with limited access to the lucrative British markets. They also owed money to those who had financed the war. But the Continental Congress lacked the legal power to compel the state governments to agree on a common commercial policy. It also lacked the authority to requisition the taxes necessary to pay off the Revolutionary War debt from the state governments. Robert Morris, who served as Congress’ superintendent of finance from 1781–1783, was reduced to pleading with the state governors to send money to the national government.

The war had also left the individual states with large debts to repay. In order to pay these debts off, many states raised taxes and issued paper money that rapidly depreciated. In addition, many of the states began to interfere with the free movements of goods within the United States.

The drafting of the new Constitution in Philadelphia in 1787 set out to address the economic problems of the 1780s by creating a national government that would have the authority to impose taxes, regulate foreign trade, and, most importantly, create a common commercial policy between the various state governments. In the Federalist Papers, James Madison and Alexander Hamilton, the most prominent defenders of the new Constitution, argued forcefully that the federal government needed these expanded powers in order to create a large free trading area within the continental United States. They, along with their coauthor John Jay, also argued for a vigorous commercial policy to open up markets for foreign trade.

In making these arguments, the framers were heavily influenced by the Enlightenment defense of commerce discussed above. The Framers further argued that republican government, by allowing both political and economic freedom, would foster virtuous behavior in its citizens. Freed from the burden of supporting monarchs and aristocrats, ordinary people in a republic would have the incentive to be industrious and productive, secure in the knowledge that they would be able to reap the benefits of their labor.

Although the new Constitution laid the groundwork for an extended commercial republic, it did not end the debates among the Founders over the legitimacy of commerce. In the 1790s, the Federalists argued for a government-led program of commercial expansion, involving investments in infrastructure as well as the creation of a national banking system. However, the Democratic-Republican Party under Thomas Jefferson was much more divided on the merits of commercial republicanism. One strand of Jeffersonian thought was skeptical of extensive commercial activity, preferring instead a society of independent yeoman farmers whose landed status would give them a secure material base for republican citizenship. In making this argument, the Jeffersonians echoed the republican thinkers of antiquity who valued landed property over commercial property because it alone enabled the virtuous citizen to act in the public interest. This aspect of Jeffersonian thought was also skeptical of manufacturing and wage labor, fearing that a populace engaged in such pursuits would not be able to obtain the independence required of republican citizens. Finally, Jeffersonians were very concerned about the modern institutions of banking and public and private debt, fearing that they would enable powerful men to undermine republican government by setting up an aristocracy of money.

However, Jeffersonian thought also had a strong laissez-faire element, one that became increasingly important as the eighteenth century came to a close. Although still preferring commercial agriculture over manufacturing, Jeffersonians were ardently in favor of free labor, free trade, and free markets. On this view, commerce was a liberating, even equalizing force, allowing the common people to benefit from the fruits of their own labor. In addition, this Jeffersonian policy of laissez-faire was very skeptical of the Federalist plans for extensive state-directed commerce, preferring instead to let individuals make their own economic decisions. This element of the Jeffersonian attitude toward commerce expressed the powerful desire of the American populace for material improvement, a desire which had deep roots in the colonial past.
Jefferson’s election in 1800 did not end these debates about the propriety of commercial activity. Most Americans agreed that republican liberty included the right to own property and to enjoy the fruits of one’s labor. However, as Jefferson’s “empire of liberty” expanded west, this vision of free men and free labor clashed with the institution of slavery as it became an increasingly profitable form of commercial activity, and one that was sometimes defended as an expression of the American commitment to private property. Along with the relationship between slavery and free labor, the question of the place of manufacturing in a republican society, the role of banks, the issue of free trade, and the desirability of state intervention in the economy remained pressing questions in the increasingly commercial United States well into the nineteenth century.

Craig Yirush, Ph.D.
University of California, Los Angeles

Suggestions for Further Reading