The Political Philosophies
of
Alexander Hamilton and James Madison

An Honors Thesis
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Because of the constraints of time and space this inquiry unfortunately must be limited. It will deal chiefly with James Madison's and Alexander Hamilton's conceptions of the three basic areas that must be explored by all political philosophers. Both philosopher's view of human nature will receive similar analysis and considerable attention. With respect to their opinions of the best society each will be analyzed differently. For Madison, emphasis will be placed on the structure of government and in concern to Hamilton, the role of government will be investigated.

When considering their understanding or image of history this investigation seeks to resolve some of the apparent contradictions in each ones philosophy of that matter. This research will handle the entirely different visions each man had for his country. Also, because mens' thoughts are shaped by their life experiences, and because both men led the life of practical politicians, a brief biographical introduction for each will be included.

**JAMES MADISON'S BIOGRAPHY**

James Madison, the fourth President of the United States and philosopher of the Constitution, was born the son of James and Nellie Madison of Montpellier, Orange County, Virginia, on March 16, 1751.
The Madison's were comparatively affluent and conservative. James Madison, Sr. owned a considerable number of slaves, was the vestryman of the St. Thomas Church and a delegate to the Episcopal Convention in 1776 (Burns 1).

The section of Virginia, including Orange and Albemarle counties, and the homes of Madison and Jefferson respectively, was the hub of revolt against slavery and the Established Church. The section's economic basis was the plantation system, but there were also many small farms. Among the population consisting, for the most part, of yeoman farmers, Madison's father was the owner of a large plantation. It can be said that James Madison was born into an odd environment that combined both democratic and aristocratic characteristics that would later influence his political philosophy (Burns 2).

Young Madison's formal education began under the tutorship of Donald Robertson, a Scotsman who instructed Madison in Latin, Greek, arithmetic, geography, algebra and literature for three or four years. After this, Madison studied under the Reverend Thomas Martin, a minister of the Established Church. He also did a substantial amount of reading on his own in his father's library (Burns 3).
In 1769, it was decided that Madison would attend the College of New Jersey at Princeton. Its president, Dr. Witherspoon, had recently introduced curricular reforms adding courses in history, public law and politics. The curriculum by and large was based mainly on the classics and metaphysics, with an oratorical emphasis. However, Madison's favorite subjects related to the history of political institutions. At Princeton, Madison was incredibly diligent, allowing him to receive his A.B. degree, a three year course in only two years (Burns 3).

In 1772, Madison returned to his father's plantation where he spent three years contemplating his future. The events that took place in those years cast Madison into a political career from which he would never retire. Organized resistance of the colonies and the push towards independence called upon the political talents of young Americans. Madison was elected to the Orange County Committee in 1775. He worked to increase recruits for the Army and to insure Virginia's cooperation in the war (Burns:5).

A year later Madison was elected to the convention that produced the first constitution of Virginia. That constitution included a declaration of rights that has been incorporated in all other drafts of Virginia's
constitutions. Here Madison made an important contribution concerning freedom of conscience as a natural right. This was by all means an exceptional feat considering the majority of delegates favored state control of religion (Burns 6).

Later that same year, Madison was elected to the House of Delegates of the Virginia legislature where he met Jefferson for the first time. One year later he was defeated when he stood for re-election, but he would not be out of public office for long. The House of Delegates elected him to the Council of State, an advisory body for the Governor that same year. Madison functioned as a member of the Council of State until 1779, when he became a delegate to the Continental Congress (Burns 7).

In the Confederate Congress, Madison focused his energies on securing for the collective government a more conducive method of raising revenue needed to carry out the war. He proposed that the Articles of Confederation be amended in a way that would allow congress control over the property and trade of States; it was not adopted. Also, Madison strongly advocated the acceptance of a proposal to give the collective government power to tax imports. The consent of all thirteen states was not given until just before the Philadelphia Convention (Burns 8).
Because of the limits imposed by Article 5 of the Articles of Confederation, which held no delegate should be a member of Congress for more than three years in a period of six years, Madison was forced to return to private life in June, 1783. He was once more elected to Virginia’s House of Delegates where he served until 1787. There he pushed for a grant to allow Congress the power to regulate commerce. He also played a large part in creating a number of interstate conferences which created the Annapolis Convention of 1786 and the Philadelphia Convention of 1787 (Burns 9).

The stability desired by the creditor class was threatened in 1786 by Shays' Rebellion. State legislators were creating floods of paper money that would destroy the economy. The powers of the Confederation were quickly falling apart because of suspiciously protected local sovereignty. Moderates and conservative political leaders throughout the country were beginning to believe that the collective government should be given a vigorous quality. The failure of most of the States to send delegates to the Annapolis Convention was a good opportunity for Madison and others to call for a new convention of all the States to revise the Federal System (Burns 9).
The most important period of Madison's career was just beginning. He prepared himself as a delegate to the Philadelphia Convention by extensive study of ancient and modern constitutions and political theories. In his speeches to the Convention his preparation was clearly evident. He was, without doubt, the best informed member of the Convention. He took part in every debate and was the unofficial reporter taking notes on everything said. The outcome, still today, stand as an precious source to students of political theory (Burns 9).

Just before the Convention, Madison adopted a nationalist position. He did this not because he believed in a single sovereignty, but because he was sure that the weakness of the Confederation would destroy itself. In a letter written in the spring of 1787 to Jefferson this position is clear. The central government should be granted a control on state legislatures "in all cases whatsoever" to prevent encroachments by States on Federal authority, to keep states from obstructing each other, and to persevere the internal tranquility of the States themselves. He wrote to Edmond Randolph about the same time he delineated a plan for government of national supremacy with "positive and complete authority in all cases where uniform measures are necessary." However, he added that a single
sovereignty was not necessary. He instead would advocate a compromise which would "support a due supremacy of the national authority, and leave in force the local authorities so far as they can be subordinately useful" (Burns 11).

The Convention was adjourned in September of 1787 and Madison's efforts at constitutional reform were just beginning. The new Constitution had to be submitted to the States for ratification. Opposition to the new form of government came from small farmers, the debtor class and rural folks. The opposition arguments were that the new Constitution created aristocratic interest, allowed for excessive central power, held a faulty view of representation, gave Congress authority to regulate commerce, would be used by commercial interest in the north to dominate southern agricultural interest, and it contained no bill of rights. In October of 1787, Alexander Hamilton and John Jay began a series of newspaper letters to refute these arguments. Afterward they invited Madison to join them. These Federalist Papers became the most significant contribution to American political theory. Madison claimed to have written twenty-six of them including some of the most valuable ones of them (Burns 14).
In February of 1789, Madison was elected to the House of Representatives where he sponsored amendments to the Constitution to create guarantees of personal liberty and protection of property; they were adopted. More than any other member of the Convention at Philadelphia, Madison championed the rights of property and sought to protect it from the masses. Yet in the First Congress, Madison became an opponent to Hamilton's fiscal policies. The contradiction can be resolved by understanding Madison's conception of property which was borrowed from Locke.

Madison was later to serve as the Secretary of State to President Jefferson. In 1808 he was elected President of the United States. His record as chief executive was one of failure and humiliation caused mainly by foreign troubles. Later he was one of the founders the University of Virginia and after Jefferson's death served as its rector. On June 28, 1836, he died peacefully; he was eighty-six years old (Burns 24).

Madison's natural ability was not fully evidenced by his public activities. His true greatness lay in his political philosophy that includes a theory of state that is very much alive in the American Constitution and its justification the Federalist Papers. Some of the pages that follow will
be devoted to these contributions.

MADISON'S HUMAN NATURE

"The Federalist" was written by Madison, Hamilton and Jay rather hastily. It was published in newspapers and addressed the concrete task of impelling ratification of the recently proposed Constitution of the United States. However, because "The Federalist" recommended a form of government intended to endure, and insofar as it was submitted to all men, its analysis cannot be confined to the America of 1787. For this reason the authors of "The Federalist" needed to address some of the traditional concerns of political philosophy such as the nature of man, the paradigmatic society or government and the philosophy of history. Although other sources will be consulted, this student believes that the Federalist Papers are the best explicit source on the political philosophies of the two men this study is concerned with and therefore much attention will be given to it.

Madison in "Federalist #10" provides a pessimistic view of human nature. Men respond to irresistible passions in politics. Reason is used only to pursue the objects of their passions. Madison's empirical
observations resulted in his notion that the most compelling force on man was economic self-interest. Faction in society is caused by the struggle between rich and poor, debtors and creditors, and the conflicting interest of farmers, manufacturers and financiers. Madison states that factions are "actuated by some common impulse of passion, or of interest, adverse to the rights of other citizens, or to the permanent and aggregate interest of community". However, he recognized the influence of different opinions in religion, incompatible political philosophies, and attachment to competitive leaders on the passions of men. But these are used only to support and defend their economic interest. His theory of the rise of political parties put such a heavy emphasis on the conflicts between property interest that he has been called by some, such as students of Marxist doctrine, an economic determinist. The following passage from "#10 " bears this out:

But the most common and durable source of factions has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interest in society. Those who are creditors, and those who are debtors, fall under a like discrimination. A landed interest, a manufacturing interest, a mercantile interest, a moneyed interest, with many lesser interest, grow up of necessity in civilized
nations, and divide them into different classes, actuated by different sentiments and views.

Madison explained in "Federalist #10" that diversity of interests are unavoidable. Diverse interests come from diverse property which in turn is the result of men's diverse faculties. Men are not born equal, some men possess faculties superior to those found in other men. Indeed, these superior men want to be rewarded the opportunity to obtain more and different types of property. Because of the diversity of natural abilities in men, varying amounts and forms of ownership will result and effect the opinions of their owners. Therefore, the separation of society into different interest is unavoidable.

Madison set forth in "Federalist #10" the first object of government is to protect the natural faculties of man. The differences in talent "sown in" the nature of man must be secured in the political system. Madison's conception of property reflects the theories of John Locke when he wrote of the "rights of property". Locke believed that property was natural and it preceeds civil society and government. Locke also thought that the right to property was found in the labour of men. Madison's theory is Lockean, but his emphasis is on the "faculties" and not the "labour" of men which tends to support his assumptions concerning the natural differences in
men where Locke's concept of labour implies equality.

It is important to note that Madison does not say that government is instituted to protect property rights, but rather the "first object of government" is the "protection" of the faculties in men. This concept implies equality of opportunity and not equality of condition. Madison believed that the natural abilities of men were not protected sufficiently by nature. Locke also thought that men entered society for the purpose of protecting something that was unsafe prior to society.

In "#10 " Madison also outlines some ways of controlling interested factions. The first would be to remove the causes which are "the liberty which is essential to existence" and the diverse "opinions", "passions", and "interest" of men. However, liberty should not be abolished because it is "essential to political life". The other means to remove the causes of faction would be "giving to every citizen the same opinions, the same passions, and the same interest". Yet, diversity is an aspect of human nature and cannot be removed.

Without a good method to remove the causes of faction government should concern itself with controlling the effects of faction. First, "if a faction consists of less than a majority, relief is supplied by the
republican principle". Madison held that a majority can overpower the corrupting faction by a simple vote. However, if a faction consists of a majority, the popular government allows it to subvert the common good for its selfish-interest.

Again, there are two ways of solving this problem that will keep majority factions in check. One way is by breaking up factions to eliminate the same passions and interest that will be present in a majority faction. "There is nothing to check the inducements to sacrifice the weaker party". Madison felt the error that "theoretical politicians" make is in thinking that by making men politically equal, they will create a situation where men will be equal in possessions, opinions and passions.

The second method for controlling the effects of faction lies at the heart of Madison's political philosophy. He sought to put together a scheme of government to limit the majority faction through republican and federal principles; those he outlines in "#51". A united republic would consist of a legislative, executive, and judicial branch. Each branch would be given the "necessary constitutional means and personal motives to resist encroachments of the others". Each department must have a "will of it's own" and at the same time have as little agency in the functions of
other departments as necessary to check its powers. Nevertheless, Madison
would allow more outside influence in the judiciary, primarily because of
the "peculiar qualifications being essential in the members" and because
of the "permanent tenure" of office.

With each branch of government existing practically independent of the
others, the nature of the men constituting each branch will drive them
towards competition for power and domination causing each branch to
protect itself accordingly. Madison sets forth this idea in the following
excerpt from "Federalist #51":

The provision for defense must in this, as in other cases, be
made commensurate to danger of attack. Ambition must be
made to counteract ambition. The interest of the man must
be connected with the constitutional rights of the place. It
may be a reflection on human nature that such devices
should be necessary to control abuses of government. But
what is government itself but the greatest of all reflections
on human nature? If men were angels, no government would
be necessary. In framing a government, which is to be
administered by men over men, the great difficulty lies in
this: you must first enable the government to control the
governed; and in the next place oblige it to control itself.
A dependence on the people is, no doubt, the primary control
on the government; but experience has taught mankind the
necessity of auxiliary precautions.

Yet, Madison also realizes that it is not possible to give each branch
the same capacity to defend itself because the essence of republican
government involves legislative domination. Therefore, Madison suggests
that the legislature be divided into two houses with different modes of
election. Also, he believed that the executive being the weaker branch
will require "an absolute negative on the legislature" which, he noted, at
times, could be abused.

Another important aspect of the legislature is that it forms the
essence of representative government. Representatives "whose wisdom
may best discern the true interest of their country" will filter the
passions of the majority and through compromise with other
representatives will themselves be modified. The other side of this is
that legislative members will be controlled or forced to represent the
interest of their constituents because of their short terms in office.

Also in "Federalist #51". Madison points out the most useful
characteristics of a federal republic. First, in one republic the people
yield their powers to the administration of a single government. This
power is then divided between two separate governments and then again
divided into separate departments. Therefore, the rights of the people are
secured because the different branches will control each other, and at the
same time control itself. Second, while "all authority will be derived from and be dependent on the society," by enlarging society and creating a more diverse group of interest the rights of individuals or a minority will be protected because there will be "little danger from interested combinations of the majority." Madison believed this could be accomplished in the extended republic of the United States where "a coalition of a majority of the whole could seldom take place on any other principles than on those of justice and the general good". Madison, held that an enlarged scope of conflict would limit the possibility of majority faction.

HAMILTON'S BIOGRAPHY

On January 11, 1757, Alexander Hamilton was born in the British colony of Nevis, a tiny island in the Carribean. His father was a Scottish merchant in St. Christopher and his mother, Rachel Fawcett, was the daughter of a French physician and planter in Nevis. She was an educated woman who had an unhappy marriage with a Danish landholder named John Micheal Levine. Levine divorced her, and by Danish law she was forbidden
to remarry. Nevertheless, she met James Hamilton and was socially recognized as his wife. James Hamilton's business in St. Croix kept him away from Rachel and his two young sons and forced her into dependence on relatives to support her family. Rachel died in 1768 and although Alexander's father lived until 1799, he never saw him after his mother's death. Thus, Hamilton was practically an orphan at age eleven (Mitchell 3-11).

After getting an elementary education from his mother and learning to speak fluent French, he went to work in a general store owned by Nicholas Cruger. Young Hamilton wanted a college education very badly and his opportunity came with the force of a hurricane that swept St. Croix in 1772. In a letter to a local newspaper he brilliantly described the storm and it caught the eye of a Presbyterian clergyman who with the financial support of Hamilton's aunts sent him to New York in 1772 to attend college. Francis Barber's grammar school at Elizabethtown, New Jersey, provided Hamilton some preliminary training he needed before entering King's College (now Columbia University) in the fall of 1773 (Mitchell 13-23).

Hamilton's college career was interrupted by the events that led up to
the revolution and gave him opportunities for distinction. At a mass
meeting on July 6, 1774, he spoke against British actions with a style that
attracted much attention. He contributed to the proliferation of pamphlets
in 1774 with "A Full Vindication of the Measures of Congress from the
Calumnies of their Enemies", he continued with "The Farmer Refuted; or a
More Comprehensive and Impartial View of the Disputes Between Great
Britian and the Colonies." These anonymous pamphlets show such an
exhaustive knowledge of British and American government and reasoning
ability that they were thought to be written by John Jay. Dr. Cooper was
astonished that a boy of seventeen had written them. He also formed a
volunteer organization in 1775 and applied for command of an artillery
company early in 1776, he received his commission from General
Nathaniel Greene who was so impressed with Hamilton's skill at training
his company that he introduced him to Washington. He fought with
Washington on Long Island, fortified Harlem Heights, commanded artillery
at White Plains and was involved in the New Jersey retreat. Washington,
mindful of his writings made Hamilton a secretary and later a
lieutenant-colonel acting as his aide-de-camp (Mitchell 23-45).

Hamilton's position as secretary and aide was one of great
responsibility and he soon became a trusted advisor to Washington. This gave him the chance to learn first hand the problems that involved the army and the nation. He gave considerable attention to the difficulties facing the government, giving it enough energy to accomplish its ends. Thus, Hamilton began to develop his political theories (Mitchell 56-62).

When the war ended he returned to Albany, where after only five months of study, he was admitted to the bar. In 1782 he was elected to the Continental Congress which he found weak and impotent. He would have introduced resolutions calling for constitutional convention if he thought they would pass. He retired from the Continental Congress in 1783 to pursue his law career. However, he continued to advocate a stronger federal government outside of public life. The call for the convention at Annapolis in September of 1786 he saw as a fantastic opportunity and so he secured an appointment as a delegate from New York. Much of the matters before the convention were commercial in nature and when it failed to reach any agreement, he saw the chance to teach those delegates that commercial accord was impossible without political unity. Hence, he was able to get an unanimous adoption of a resolution that called for the States to appoint representatives to meet in Philadelphia the
following May. Those delegates would meet "to take into consideration the situation of the United States, to devise such further provisions as shall seem to them necessary to render the Constitution of the Federal Government adequate to the exigencies of the Union, and to report an act for that purpose to the United States in Congress assembled". "It was a most timely and resplendent stroke for the young politician" (Mitchell 131-44).

When the New York State Legislature named three delegates to the convention, Hamilton was the only federalist. The other two, Robert Yates and John Lansing, were state rights advocates who held that the Articles of Confederation needed only minimal amendment. At the Constitutional Convention, Hamilton's theories of centralization made him widely distrusted by the delegation. He proposed that senators and the chief executive serve for good behavior, that the state governors be appointed by the federal government, and the state laws be subordinate for federal laws. However, he believed strongly that the people should elect the House of Representatives, but only for short terms. Lansing and Yates left the convention so he was the only New Yorker to sign the proposed Constitution at the end of the session. Hamilton knew that his struggles
for ratification were just beginning. While the delegates were still in Philadelphia he wrote the first of many newspaper essays advocating adoption of the Constitution. Several of them he signed "Ceasar". At the same time, he began planning the "Federalist," a magnificent series of eighty-five articles arguing for ratification of the proposed constitution. The Federalist articles began being published in the New York newspaper on October 27, 1787 continuing for seven months. Hamilton wrote at least fifty-one of them. His next task was to influence a predominantly anti-federalist New York convention to adopt the constitution. At the convention that met at Poughkeepsie in June of 1788 at least forty-six delegates were considered to be anti-federalist and only nineteen were in favor of the new government. But with John Jay and Robert Livingston supporting him, Hamilton led an effective battle on the floor. His speeches before the convention refuted every argument the anti-federalist offered, and his efforts paid off. New York was in favor of ratification by a margin of three (Mitchell 145-174).

The new government would need capable and faithful officers and Hamilton knew he would be one of them. In fear that Washington would refuse to become the first president of the United States, Hamilton wrote
him an insistent letter. When the new government finally became effective, Washington asked Robert Morris to be his Secretary of Treasury. But because of personal reasons, Morris was unavailable. Washington then offered the post to Hamilton who gladly accepted it (Mitchell 175-179).

Hamilton's career climaxed in his service to the Treasury Department. Though he had no practical experience with finances, he carried out his charge with great efficiency. In January of 1790, he presented the House with his "Report on Public Credit". It was the first of many treatises on political economy. His proposals in the report were bold. He held that the government should meet it's obligations completely, punctually, and without discrimination between the original holders of public securities and those who had paid a small fraction of the face value in purchase.

Also, he argued that the federal government should assume the debts of the states incurred during the war because they were for a common cause. To provide immediate revenues he advocated both import and excise taxes.

Finally he offered a plan for a national bank to handle government money. Congress with much debate passed all of his proposed measures. In 1791, he wrote his "Opinion of the Constitutionality of the Bank" to gain support for the bank; but only after a political compromise he arranged with
Madison and Jefferson. This agreement would ensure that the capital be placed somewhere on the Potomac and the bank be established by law. In the debate over constitutionality of the bank, Hamilton was the first to use the doctrine of implied powers to justify his position. His last treatise on political economy, "Report on Manufacturers," was sent to Congress in late 1791. The main feature of this proposal was that protection be given to new industries by import duties thereby decreasing the United States reliance on imports. Through these three documents his ideas became evident. He was planning a fiscal system that would strengthen the central government, stimulate commerce, and bring about more equity between agriculture and industry (Smertenko 176-183). He resigned from the administration because of financial reasons in 1795 however he remained an advisor and confidant of Washington's until the President left office. He even assisted in the drafting of Washington's farewell address. Hamilton remained out of the public life until his death, and though he was the leader of his political party, he had no aspirations for the Presidency (Mitchell 305-317).

When the Jefferson-Burr Presidential election resulted in a tie in 1800 it went to the House. Hamilton helped Jefferson to gain the Presidency by
influencing the Federalists to cast their votes for Jefferson believing that Burr was ill-equipped and dangerous. After Jefferson's election, certain political leaders in New England because of animosity for the Republican administration threatened succession from the Union. In 1804 Burr sought to become governor of New York. Hamilton suspected that if Burr was elected he would lead New York into a northern confederacy with other dissatisfied states. Hamilton again used his influence to block Burr's aspirations. This was more than Burr could stand, so he challenged Hamilton to a duel. Hamilton reluctantly accepted the challenge because he did not have the courage to defy public opinion. On July 11, 1804, Alexander Hamilton was fatally wounded by Burr's first shot. He died the next afternoon at the age of forty-seven (Mitchell 361-376).

**HAMILTON'S HUMAN NATURE**

Much of Hamilton's views of mankind are found in "Federalist #6". Here, Hamilton trusts "the course of human events" to show the true nature of man. Clearly, Hamilton was not interested in how men should behave. His deductive method exhibits a sinister opinion of man. He warns that to ignore history "would be to forget that men are ambitious, vindictive, and
rapacious". History has shown that men are motivated primarily by self-interest and to hope for any lasting peace or cooperation between them is to disregard human experience.

There are other sources that suggest that Hamilton thought of human nature as being selfish. In his pamphlet "The Farmer Refuted," published in 1775, he shows the humans limitations that constitute politics. Also, in a speech before the Philadelphia Convention Hamilton said:

Take mankind as they are, and what are they governed by? Their passions. There may be in every government a few choice spirits, who may act from more worthy motives. One great error is that we suppose mankind more honest than they are. Our prevailing passions are ambition and interest; and it will ever by the duty of a wise government to avail itself of those passions, in order to make them subservient to the public good.

At the New York Ratifying Convention, he again put forth his pessimistic view of man. He said that "Men will pursue their interest. It is as easy to change human nature, as to oppose the strong current of selfish passions" (Stourzh 79).

The importance of Hamilton's notion of mankind is that states are made up of men and the structure of government must be adapted to the nature of man. In "Federalist #6" he states that collective bodies of society are
actuated by "the love of power or desire of pre-eminence and dominion - the jealousy of power, or the desire of equality and safety". He also points out other attributes of man that political systems must accommodate in order to reduce conflict "which take their origin entirely in private passions; in the attachments, enmities, interest, hopes, and fears of leading individuals in the communities of which they are members". Hamilton thought that political leaders because of their own selfish-interests "have not scrupled to sacrifice the national tranquility to personal advantage or personal gratification".

Hamilton added, that history is full of what he calls in "Federalist #6", "the agency of personal considerations in the production of great national events". He further states that "those who have a tolerable knowledge of human nature will not stand in need of such lights to form their opinion there of reality or extent of that agency". The most relevant example he cites is Shay's Rebellion and its effects on Massachusetts.

He acknowledges the arguments of "visionary or designing men who stand ready to advocate the paradox of perpetual peace between the States, though dismembered and alienated from each other". These men also believed that commerce tends to soften the nature of men and
commercial republics like those found in America because of their mutual interest will not engage in hostilities like monarchies do.

Hamilton refutes these arguments by stating that both republics and monarchies are controlled by a few select men subject to "rivalries and unjust acquisitions that affect nations as well as kings". According to him, there has been as many popular wars as royal wars, and many commercial wars and political wars because the "momentary passions, and immediate interest" of political leaders. In fact, he believed that commerce has added new incentives to war.

In "Federalist #6" Hamilton calls on the record of events of those "whose situations have borne the nearest resemblance to our own" to show that a disunited group of States, because of their vicinity, will inevitably become adversaries. According to him, the way out of this dilema is for the States to fuse their interest through a strong central government, empowered to regulate commerce and to act directly on citizens thereby modifying their selfish interest like that found in the proposed constitution.

The proper role of government, as Hamilton outlines in "Federalist #23," is realized only through an energetic union. The chief functions a
central government provides are:

the common defense of the members; the preservation of the public peace, as well against internal convulsions as external attacks; the regulation of commerce with other nations and between the States; the superintendence of our intercourse, political and commercial, with foreign countries.

These pursuits of government, according to Hamilton, are necessary to a stable society; therefore, society is obliged to give government the requisite capacity to achieve these objects. This notion Hamilton clearly states in "Federalist #23": "it will follow that that government ought to be clothed with all powers requisite to complete execution of its trust."

The notion of the states adequately fulfilling their obligations to the central government there by allowing it to carry out its charge is rejected by Hamilton in "Federalist #23." The framers of the Articles of Confederation were making the erroneous presumption that "a sense of their true interest, and regard to the dictates of good faith" would actuate the States in performing their constitutional duties to the central government. Actually, the States had been lax in the execution of these tasks. As a result Hamilton held:

that there is an absolute necessity for an entire change in
the first principles of the system; that if we are in earnest about giving the Union energy and duration we must abandon the vain project of legislating upon the States in their collective capacities; we must extend the laws of the federal government to the individual citizens of America; we must discard the fallacious scheme of quotas and requisitions as equally impracticable and unjust.

Anything less than these means to the end of strength, stability and peace were believed by Hamilton to be insufficient and intolerable.

By now it is obvious that Hamilton's focus is on conducting national interest. He believed that only a properly entrusted government would be able to handle such business and it was foolish to continue to rely on the States to see beyond their narrow interest. An active central government drawing its authority directly from and acting directly on its citizens is the only way that the national interest is served.

VISIONS

When looking at Alexander Hamilton's and James Madison's thoughts on history, it is important to distinguish between a record of historical knowledge and speculative philosophy of history. The record of history is concerned with the observation of important events in the development of civilizations. A philosophy of history is a general theory about historical events and their use in the interpretation of history. A deduction made
from the study of historical records is used to induce a philosophy of
history. Both Madison and Hamilton relied upon their own observations as
well as their studies of previous occurrences to predict future trends
(White 55).

James Madison and Alexander Hamilton had completely different
visions of the United States future. This contradiction in views was not a
result of differences in education, even though Madison's knowledge of
political philosophy went back to classic times and therefore was more
extensive than Hamilton's. It probably was a product of contrasting
experiences. Madison grew up in an agrarian environment, even his father
was a large scale farmer. His friends and college mates were sons of
farmers as well. His very good friend, Thomas Jefferson was the founder
of the "Agrarian Myth," his own notion that true wealth could only come
from land. He was opposed to the interventions of mercantilists in the
free law of nature. His beloved home in Virginia was isolated and nearly
self-sufficient. In this environment government role could be small
(Burns 427). Hamilton spent most of his life in seaports that thrived on
commerce. "The means of wealth were man made, like ships and shops, and
the things that made them work were social, like credit" (Mitchell
Heritage 56). In his environment people were interdependent, and tied together by convention. Hamilton's background was urban. He was fully aware of the emerging industrial revolution and economic force of capitalism (Mitchell Heritage 56).

In Hamilton's reports on public credit, minting, banking and manufacturing he proposed a "means to prosperity". The political chaos and economic depression which dominated before the Constitution were obtrusive to the potential capacities of the young country. From this he induced that if national wealth was to be obtained it could only be done through effective political organization. Hamilton was influenced by the coordinated efforts of government and industry he saw in European nations. Furthermore, he sought to emulate them in the United States. He would not trust the individual motives of laissez faire economics or the political rights of individuals in the development in America. He thought that freedom of private choice would turn common goods into selfish gain (Mitchell Heritage 40).

Thus Hamilton could be called a collectivist, but not a socialist. He would use governmental guidance to restrain and promote for the common good. However he was not a socialist because he did not have a theory of
history as class competition. Yet at the same time, he held that some men are naturally better than others. Hamilton's system was founded by practical considerations not on class antagonism. His goal was to combine all components of society for national development. A mixed economy, through national guidance could create mutual benefits for farmers, merchants, manufacturers and financiers by combining governmental with individual initiative. He welcomed private enterprise and knew government could protect it. Yet, at the same time, individuals would realize which side their 'bread was buttered on' and support government too.

Hamilton strongly believed that faith in the new government, and fiscal success, were intimately connected; if one failed so did the other. The heart of his new scheme was his idea of rendering the public debt valuable. This was the base upon which he would build a nation. The important means to economic prosperity, revenue, securities, banks, commerce and private investment all relied upon public credit. In his "Report on Credit," (1790) he proposed that consolidating and redeeming the public debt would be a common benefit, as well as a means to cement the nation together. The principles he set forth in this report he knew
would create a nation. He was acting as more than a minister of finance, he was acting as a statesman. He was the greatest strength of his own program and would use his power to project the national future (Mitchell Heritage 53).

Throughout all of Hamilton's Treasury reports, political systems were mixed with fiscal design. The blend of objects was closely scrutinized in the case of the Bank of the United States. The power of the Treasury to establish a national bank was fundamental to the philosophy of the Constitution. The bank brought about the issue of how the Constitution would be interpreted. Was the kind of government set forth in the Constitution positive with a liberal interpretation of authority, or was negative with a restrictive use of authority? (Mitchell 189-205).

When Hamilton was a soldier in the Revolution he observed many problems that could only be solved by a national bank. To Hamilton the bank was the greatest tool that the nation could use to produce security. Also, he believed that the corporation could be used to express governmental authority and therefore serve as a political bond (Mitchell Heritage 189-205).

Hamilton's defense of the bank centered on the principle of implied
powers and was refuted by his anti-Federalist opponents such as Jefferson and Madison. Hamilton argues that the central government within its intended sphere was clearly sovereign. Hamilton saw the bank as more than expedient. It was a theory of sovereignty contained in the federal system that would combine unobstructed government with the shelter of powers. With loose construction, the Constitution finally came to life as a dynamic instrument that would serve to meet arising needs (Mitchell Heritage 189-205).

With the credit and currency provided by funding, the debt, and the bank, Hamilton expected an increase in production. In his "Report on Manufactures" (1791) he clearly showed his intentions to plan production. He would not leave economic forces to a natural course, but he would induce diversity so that agriculture, commerce, and industry would stimulate each other. Hamilton rejected both laissez faire economics and the single attachment to capitalism. He appealed to the interest of the opposition by arguing that agriculture could best be served by developing commerce, transportation, industry, and credit. Manufacturers would be encouraged by rewards for invention and the national government would pay for improvements in states of unequal capacities. There would be
social costs in sheltering American industries from European ones, but the
sacrifice would be temporary and would more than pay for themselves in
expanded production, prosperity and security. A safe manufacturers
market at home would create an increasing demand for agricultural goods.
Hamilton borrowed slightly from Adam Smith's concept of division of
labor, with the variety of economic possibilities he was creating.
However, there was a considerable difference in the economic philosophies
of the two. Smith would let a free market place determine the
multiformity of production; Hamilton on the other hand, would use
government to guide production, at least until the nation was economically
mature (Mitchell Heritage 60-61).

The "Report on Manufactures" expresses a most important lesson, that
is, that full economic development, particularly in new countries, is the
result of deliberate thoughtful organization and the co-operation of
political and economic interest. Hamilton's was a true political economy.

All of Hamilton's proposals were tested by the strict analysis of
Madison who did not like what he saw. Madison held that Hamilton's fiscal
and centralization policies would only benefit the affluent by regulation
and paper profits. Madison had a Lockean conception of property; Hamilton
did not. To Madison property meant real wealth only, such as land, money and buildings. Although he had championed the rights of men to obtain property through employment of their talents, he never encouraged a scheme of capitalism, envisaged by Hamilton, that created so called value through speculation.

Madison saw Hamilton's proposal to fund the national debt fully, without discrimination in value between original owners and speculators as absurd. Additionally, he thought that the notion of the central government assuming the debts of the States would be absurd. In Hamilton's program, the debt was not to be paid off, but perpetuated. The rising price of government securities did not represent faith in the new government, but it did reflect greed of speculators who rushed to buy securities when rumors of the debt becoming valuable were passed. Were these the men who would cement the nation together? Madison believed that the debt should be paid off in full because the United States had contracted to do so. But to whom it would be paid was a point of contention. Madison proposed that speculators be paid the highest market price while the original owners would receive the difference between that and face value. His compromise was rejected; Hamilton's plan to pay
speculators full face value won (Hunt 179-182). Madison also saw problems in the central government assuming the war debts of the States without justice between state and state. Therefore, he proposed that the states that had paid their debt, since the end of the war, be paid those amounts by the central government. This proposal was carried. Later, a political compromise concerning the location of the nations capital commenced between Madison and Hamilton. Hamilton agreed to supply the votes necessary to have it placed somewhere on the Potomac. Madison's responsibility would then be to support Hamilton's program of assumption without conditions. (Hunt 184-189).

Madison asked from what clause of the Constitution did Congress derive the power to set up a bank? The bill did not lay a tax, and the power to give money to the general welfare was limited to enumerated objects. The power did not come from the "necessary and proper clause". It only enabled Congress to carry out specific powers. If the power was not in the Constitution it would establish a dangerous precedent (Hunt 201-206).

According to Madison, the proposed bank was not necessary to the government. Its utility could be provided by collection of taxes, from loans, and by other banks the government could control. He was disgusted
by the growing partnership between government and expanding private wealth. That led him to a position that contradicted his earlier conception of federal power and his vision of the nation's development. Ironically, Hamilton used Madison's broad interpretation of "necessary and proper" set forth in The Federalist to gain support for his bank (Hunt 209-210).

The contrasting views of the federalist system between Madison and Hamilton are best contrasted in the context of Hamilton's "Report on Manufactures". Madison readily agreed that there was a need to stimulate them, but he took exception to Hamilton's authorization of the means to do so. Hamilton believed that the power to tax, in hopes of promoting the general welfare, was as broad as the general welfare itself. Again, Madison stated that the power was limited to objects spelled out in enumerated powers. Madison believed that if the means and the objects were unlimited, the Constitution had little force (Hunt 211-213).

The principles that inform Madison's political philosophy are grounded in agrarian values. He believed strongly in the political leadership of a virtuous gentlemen class, and the source of virtue, was the ownership of land. He feared centralization would lead to tyranny and urbanization, poverty, and insecurity. He had confidence in the people to select the most
talented ones to hold the positions of leadership in government. However, he realized man's limited nature made some goals unattainable and agreed that gentlemen virtue was necessary to structure institutions for the common good. James Madison is primarily an anthropocentric humanist. His observations of men and governments made him so (Losco).

Alexander Hamilton's political philosophy contains a small element of anthropocentric humanism. In the first of The Federalist he recognizes the unique opportunity his generation had to mold their institutions to fit their nature and thereby create endless opportunities. Nevertheless, Alexander Hamilton was a man of his times. He wanted to make bold adaptations that would allow his society to be swept along be the developing forces of capitalism. In general, Hamilton is a metastatic humanist.

According to Hamilton, an ideal society allows its government to be energetic and united. A central government getting its mandate from the people, and with the capacity to act on those same people, is the only means to prosperity and stability. Hamilton also believed that a loose confederation of states was obtrusive to the end of security. Only a strong centralized government could obtain such an end.
Madison believed that a good society gives its authority to a single republic which controls both society and itself. The rights of people are secured because of the separate branches check each other. Also, Madison would enlarge society by including a wide range of interest that would limit interested majorities.
WORKS CITED


