

# [Alexander hamilton vs. thomas jefferson](https://assignbuster.com/alexander-hamilton-vs-thomas-jefferson/)

[](https://assignbuster.com/)[History](https://assignbuster.com/essay-subjects/history/), [American History](https://assignbuster.com/essay-subjects/history/american-history/)

Philosophically speaking, Thomas Jefferson based his political ideals from the writings of John Locke who assumed that the function of the government (as a trustee of the people) is to protect the rights, property, and liberty of the individual, in the pursuit ofhappiness. Thomas Jefferson put this primary axiom when he wrote the Declaration of Independence, stating that governments created by men ought to protect the rights and liberties of an individual, moreso of the fecundity of every states under the protection of the United States confederation (that the state is the trustee of its citizens.

If the government then fails its duty, the people have the right to overthrow it. The implication of this principle is to establish a truly representative government; a government ruled by separated powers (to ensure the stability of the state) – the executive, legislative, and judiciary, - as in their case, the federal and state government. It was necessary for Jefferson to ensure that every state be given equal amounts of freedom, unconstrained by the functions of the federal government. This is not the case with Alexander Hamilton.

This two-star general and secretary of Treasury saw the future of political stability lying in the hands of a strong government, represented by a strong leader (accompanied in governance by an assembly elected by the people). In his words, “ An executive for life has not this motive for forgetting his fidelity and will therefore be a safer depository of power” (Zaide 392) He was in effect suggesting an executive elected for life, for which it is generally unconstrained by the rudiments of politicking.

Thus, in every occasion to which he was asked to explain his plans for the newly-born republic, he always made it clear that an elected executive for life is not tantamount to a monarch. Nevertheless, in the latter part of his life, he abandoned the idea, focusing instead on strengthening the powers of the federal government, often making many enemies at the state governments. On the Credit System When Hamilton became secretary of treasury, he had a ready made plan for transforming America’s economy into a credit-based economy, unhampered by the problems of agricultural production (land based economy).

Basing his policies from David Hume, an English economist, he argued that the only way for the private sector to participate in the economy is in the credit system. Private wealth would be converted into bonds, used as paper capital, which could be lent to foreign states. In such case, both the public and the government would benefit. Moneywould float in the economy, lowering interest rates, and hastening capital accumulation.

Although, the credit system has some advantages, Hume warned the dangers of this system (which Hamilton disregarded), included of which is an oppressive tax system, vulnerability to indebtedness, and of course wealth gap among the citizens. Jefferson dismissed Hamilton’s action in writing, claiming that such economic policies will put the nation in a state of limbo, hampered by the lack of respectability in the arts of economics, and infiltration of economic principles in the form and nature of the government to which they established.

He also noted that such schemes implemented by Hamilton where in themselves the representation of his interests; the tyranny to which he was and was always represented. Together with Madison, Jefferson indicated his concerned as to who should be paid and how much by the federal government; a proposition that Hamilton left without considerable measures. Nevertheless, a public credit policy would left the government at the mercy of the public sector via in the court of law, for which contracts are well-established to be good and sincere.

On the National Bank Hamilton was on the idea of establishing a national bank, governed by private individuals. He argued that efficiency would be the lasting mark of a bank ruled by the private sector (based from Adam Smith). Corruption would be a no-no for this group of entrepreneurs. Capital accumulation would hasten, giving the federal government revenues tofinanceits activities.

In his words, “ It is in therefore in the interest of the federal government to give the private sector a freehand in the economy; for an economy closely governed by the government seemed to be inefficient and lacked the motive to accumulate capital, be it in monetary monetary and discretionary forms"( Zaide 392). The bank then would be a safe haven of federal banks, for the governing body is itself not corrupt. Jefferson, on the other hand advocated for the establishment of a national bank, but unlike Hamilton, this bank will be predominantly governed by the federal government, with some representation from the private sector.

This would ensure according to him the efficacy of the federal government’s power over fiscal matters. Nonetheless, together with Madison, he argued that if such bank governed by the private sector is established, what are the chances then that such bank would represent the interest of the nation (Toynbee 359). On Taxation Hamilton implemented strict excise tax on liquors arguing that liquors was a good source of revenue, as it is dangerous for thehealthand morality of the citizens of the nations.

It was liquor that destroyed the dignity of the American nation during the Continental war (indiscipline broke among the soldiers of the revolution because of liquor). Nevertheless, economically, taxes on liquor would serve as the point of capital accumulation for other industries developing in the United States. Because of his policies, a peaceful Whiskey Rebellion followed. Although the citizens of Pennsylvania did not resist (when Washington and Hamilton came in with the militia), Hamilton ordered the detention of suspected dissidents.

Jefferson bitterly criticized the actions of Secretary Hamilton claiming that such acts were acts of tyranny. The tax on liquor itself was impinging the right of every citizen to the pursuit of common happiness. He put his views into action when he abolished taxes on liquor during his presidency. He simply backslide the policies of Hamilton, putting pressure on congress to adopt his own scheme, which Jefferson claimed would benefit the nation. Policies on War Hamilton did not support theFrench revolutionand its ideals claiming that such revolution was too radical and dangerous for the nation of America.

Jefferson bitterly opposed his plan to declare war on France, claiming that such actions would put the United States in the same footing as the Western imperial powers; of which represented the pinning of a tyrant and oppressive monarchical system of government. Jefferson however, supported the war against the Barbary States in North Africa, claiming that the pirates residing in the said states were harassing American shipping in the Mediterranean. Prospect for the Future of America Hamilton believed that the future of the United States lies in its economy and military strength.

The economic success of America would lift the status of the United States to a position of power. Thus, to maintain its status as a power, the United States then should maintain or create a large armed force capable of pressuring other nations to obedience, which is, following its political and economic agenda. Jefferson, during his presidency slashed the budget of the army and navy. War and aggression had no place in Jefferson’s policies. For him, prosperity lies in foreign diplomacy and fair trading.

There was definitely no room forimperialism. References: Declaration of Independence. USHistory. Org. http://www. ushistory. org/declaration/document/index. htm. June 28, 2007. Johnson, Paul. A History of the American People. Chapter V, VI. Harper Publisher’s. 1963. Thomas Jefferson. The White House. http://www. whitehouse. gov/history/presidents/tj3. html. June 28, 2007. Toynbee, Arnold. A Study of History. (Abridged) Oxford University Press, 1987). Zaide, Gregorio. World History. Manila: Rex Publishing House, 1965.