'Hamilton's Curse' beset by exaggerations

by: GLENN C. ALTSCHULER
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Alexander Hamilton and Thomas Jefferson, law professor David Post reminds us, conducted the longest-running feud in American history. Jefferson thought governments could be saved by their people; Hamilton thought the state could make popular passions subservient to the common good.

The two took opposing positions on nearly every issue facing the new nation — liberty or stability, rule by the many or the few, states' rights or a strong central government, legislative or executive power, free trade or tariffs, agriculture or manufacturing, a money supply regulated by the markets or a national bank, territorial expansion or an Atlantic seaboard state.

For more than 200 years, their philosophies and their programs have set the parameters for political contests in the United States.

In "Hamilton's Curse," Thomas DiLorenzo asserts that Hamilton's vision, not Jefferson's, has prevailed. The result has been disastrous for anyone who thinks of America "as the land of the free." Hamilton's legacy of centralized government power and mercantilist economics is responsible for the Civil War, massive political corruption, imperialism, the evisceration of the Constitution by activist federal judges, Internal Revenue Service tyranny, and the Great Depression. And this, DiLorenzo writes, "is only a partial list."

A libertarian ideologue, DiLorenzo isn't really all that interested in Alexander Hamilton or in establishing a chain of causation for his influence on American history. Blasting Hamilton's support of a large national debt, he dismisses the Secretary of the Treasury's qualification, "if it is not excessive." He does not mention that Hamilton's America was a capital-poor fledgling nation. Nonetheless, DiLorenzo maintains that no man of Hamilton's intelligence could have seriously believed that government debt, once established, would not be excessive. And he's off to the races: "Of course, all government spending is determined by politics, not by objective criteria of efficiency, excellence or the public good."

Since, for DiLorenzo, anything worth stating is worth exaggerating, "Hamilton's Curse" has more whoppers than all the Burger Kings in Oklahoma. On government regulation, Hamilton "was totalitarian-minded." He "invented the myth" that the federal government had "implied powers." Hamilton's big government ideas caused the Civil War (because the North used the power of the state "to plunder and exploit" the South) and the Depression. The income tax helped achieve Hamilton's goal of an "almost dictatorial executive branch." The Federal Reserve System "created the boom-and-bust-cycle" that afflicts America. The interstate highway system was "the biggest pork-barrel project" in our history. And this is only a partial list.

"Hamilton's Curse" is a militant states' rights manifesto. DiLorenzo denies that the Constitution gave the U.S. Supreme Court the power to strike down acts of state legislatures. He opposes the 17th Amendment to the Constitution, which mandated that U.S. senators be elected directly by the people and not the state legislatures. And, most alarmingly, like John C. Calhoun, he believes that each state has a right to "nullify" federal laws it deems unconstitutional — and secede from the Union at will. As Hamilton's heir, he insists, Lincoln "made war" on the South "under the phony guise of national unity" in a conflict that should be called "The War Between the States."

You don't have to beat around the Bush to believe that big government has at times betrayed fundamental national traditions. And these days, fundamental Jeffersonian tenets, especially the diffusion of power, individual rights, and the separation of church and state, seem really attractive. Nonetheless, the a-historical, one-size-fits-all, invisible hand prescriptions of "Hamilton's Curse" ain't the answer to what ails America.

Glenn C. Altschuler is the Thomas and Dorothy Litwin Professor of American Studies at Cornell University.
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