

# America's 'national party' spearheaded the battle against British ideology

by Anton Chaitkin

Benjamin Franklin and a small group of nationalists associated with him directed the American Revolution, and wrote the U.S. Constitution. The Franklin circle, with their particular political-economic tradition and their close organization, persisted well beyond the Revolution. They formed the core of a "national party," that brought about the modern world by industrializing the United States, and fighting for the industrialization of other countries, over the determined opposition of the rulers of the British Empire.

Yet the epoch-making, historical character of the American Revolution, and the true philosophical identity of its nationalist leaders, are largely unknown to the people of the Twentieth Century.

In an attempt to correct this deficit in our national memory, we shall here illustrate something of the profound gulf separating America's founders from their British enemies. We shall look in upon the Constitutional Convention, and then step back to survey the ideas of the nationalists, dating from before the Revolution, and extending up through the first Presidential administration of the republic.

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## 1. Spokesmen for humanity

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It was the summer of 1787, more than five years after the Americans and their French allies had forced the British Army to surrender at Yorktown. The British ruling clique had signed a treaty formally recognizing America's independence, but they continued pressing for the destruction of the new United States of America. British trade war undermined American home production, while impoverished mobs threatened anarchy. The British military still infested American frontier areas, arming the Indians.

The leaders of the Revolution met again in Independence Hall, Philadelphia, where 11 years earlier they had declared their separation from British tyranny. They now sought to create a strong national government for the United States, to protect the Revolution and carry out its goals.

The Constitution they wrote, though flawed by the necessity of including states which continued the British Empire's practice of Negro slavery, nevertheless provided a framework for national growth and progress that could transform

human society. The improvement of the population to enable real self-government, to allow man to conquer nature—these were the purposes of the nationalists who prevailed at Philadelphia that summer.

The debates were secret and no official transcript was published, but various notes were taken and some accounts of the proceedings were published. The argument at the Convention continued afterwards, during the fight over ratifying the Constitution. With this record of 1787-88, we are able to vividly contrast the nationalists' aims against those of the slaveowners, and other followers of John Locke's oligarchism.

In accord with Locke's sordid opinion that "the great and chief end . . . of men uniting into commonwealths, and putting themselves under government, is the preservation of their property," some delegates proposed that only substantial property-owners be allowed to vote in elections for Congress. Nationalist delegate James Wilson of Pennsylvania was reported to have replied, that "he could not agree that property was the sole or the primary object of Government and society. The cultivation and improvement of the human mind was the most noble object."

Must the majority of mankind remain fixed in the status of ignorant peasants or slaves, essentially the "property" of a caste of plundering aristocrats, who for their safety wish only to control the rude multitude? Nationalist delegate Alexander Hamilton wrote that America would now answer in favor of the dignity of all men:

"[I]t seems to have been reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not of establishing good government from reflection and choice, or whether they are forever destined to depend for their political constitutions on accident and force. . . . [T]he crisis at which we are arrived may with propriety be regarded as the era in which that decision is to be made; and a wrong election of the part we shall act may . . . deserve to be considered as the general misfortune of mankind."<sup>1</sup>

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1. Alexander Hamilton, James Madison and John Jay, *The Federalist*, Essay No. 1, written by Hamilton, (New York: The Tudor Publishing Co., 1942).

Without a strong national government, which could open up the West and develop modern industry, local petty establishments in league with the British could preserve rural backwardness and perpetuate slavery. Hamilton likened “states’ rights” to the anarchism of the ancient feudal nobility: “The power of the head of the nation was commonly too weak, either to preserve the public peace, or to protect the people against the oppressions of their immediate lords. The barons, or nobles, equally the enemies of the sovereign and the oppressors of the common people, were dreaded and detested by both; till mutual danger and mutual interest effected a union between them fatal to the power of the aristocracy.”<sup>2</sup>

Meanwhile, Thomas Jefferson, who had turned away from the humanist influences of his youth, now spoke the language of the cynical British radical philosophers with whom he had recently been keeping company. Though he remained officially neutral on the question of the Constitution while he was abroad as a diplomat, Jefferson wrote:

“In the American states . . . every one, by his property, or by his satisfactory situation, is interested in the support of law and order. Such men may safely and advantageously reserve to themselves a wholesome control over the public affairs, and a degree of freedom which in the hands of the canaille [the human dogs, or riff-raff] of the cities of Europe, would be instantly perverted to the demolition and destruction of everything public and private.”<sup>3</sup>

At the Constitutional Convention, James Wilson and Alexander Hamilton worked for the nationalist cause headed by the two principal leaders of the Revolution, Benjamin Franklin and George Washington. General Washington, as the Convention’s chairman, did not personally enter into the formal debates; and the 81-year-old Franklin gave his own few speeches to Wilson to read for him.

But the events of 1787 can only be comprehended as part of the long war of the “national party” against the British oligarchy, going back to the 1750s alliance of Franklin and Washington for American military defense and westward settlement, back further to the Mathers of Massachusetts and Spotswood of Virginia, back to Jonathan Swift and Gottfried Leibniz, who organized America as a project of European Renaissance humanism.<sup>4</sup>

Let us now step back to look at the “national party” that shaped the republic and its progress, beginning with the tight organization of Franklin and his associates. We will see the mobilization of the peculiar genius of the United States, the anti-British American Revolution that was to continue through Abraham Lincoln and Thomas Edison.

2. *The Federalist*, No. 17, Hamilton, op. cit.

3. Quoted in Catherine Drinker Bowen, *Miracle at Philadelphia* (Boston: Little, Brown and Co., 1966), p. 72.

4. H. Graham Lowry, *How the Nation Was Won: America's Untold Story, 1630-1754* (Washington D.C.: Executive Intelligence Review, 1988).

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## 2. Franklin: Plan progress to stamp out usury

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Philadelphia was the capital of the Revolution, because Franklin had made that city the headquarters for his own vastly influential organization called “The Junto” (1727-late 1760s). In the same period, Franklin worked in England and continental Europe, spurring the hopes and coordinating the actions of all the world’s republicans.

It has been said, by dishonest Anglophile historians, that Franklin’s opposition to British restrictions on the trade of their American colonial subjects made him an advocate of “free trade,” an enemy of “government interference in the marketplace”!

In a collection of Franklin’s writings published by the MacMillan Company in 1907, the editor, Albert Henry Smyth, says that “Franklin was an unfaltering believer in free trade . . . latter day schools of free traders seem to have borrowed much from him. . . . Franklin’s ideal was a life of thrift, caution, comfort and husbandry.” Franklin himself is then quoted, to the effect that when nations engage in trade war against each other, everyone suffers.

Yes—work, thrift, and industry. But should society *promote* this activity, or passively observe its failure under the

### Founding Fathers sought to abolish slavery

Contrary to revisionist, anti-American historiography, the leaders of the American Revolution not only counted on slavery being wiped out, but took concrete moves to abolish it. We list some instances:

**1779:** Alexander Hamilton proposed the formation of two to three battalions of Negroes for the Revolutionary War, which he notes “will open the door to emancipation.”

**1785:** Hamilton was a founding member of the Society for Promoting Manumission of Slaves, in New York. John Jay, another author of *The Federalist Papers*, was the president of this society.

**1789:** Benjamin Franklin’s last political act was an address, written in his capacity as president of the Pennsylvania Society for Promoting the Abolition of Slavery, which urged support for the emancipated slave, as well as the manumission of slaves, in a memorial to the House of Representatives.

thrall of a parasitical oligarchy?

The first book issued by Benjamin Franklin as a printer in Philadelphia, *Ways and Means for the Inhabitants of Delaware to Become Rich*, was a straight-out demand for government sponsorship of manufacturing, through protective tariffs and bounties on exports.

In March 1729, Franklin himself wrote "A Modest Inquiry into the Nature And Necessity of Paper Currency." In defiance of the British Board of Trade, he argued for plentiful money and credit, to give prosperity to all productive persons, and to defeat the power of usurers. Franklin's Junto then promoted his pamphlet and pushed a bill for the issuance of paper money through the legislature of the Pennsylvania colony. As Franklin had foreseen, the result was not inflationary, because the new buying power was chiefly applied to increasing productive investment.

In 1765, Franklin proposed to the British government, as an alternative to taxing the colonies, the setting up of loan offices throughout America. New money would be loaned to farmers and home builders, and the interest they paid on their mortgages would be the government's revenue. Franklin stressed that, with cheap credit assured by government intervention, society would not be at the mercy of usurers.

He had earlier proposed, as the first step toward uniting the colonies and forming a national leadership, "That one society be formed of *virtuosi* or ingenious men, residing in the several colonies, to be called the American Philosophical Society." The scientific organization, headquartered in Philadelphia and managed by members of his Junto, was to concern itself with agronomy, medicine, geology and mining, chemistry, machine-building, inventions and manufacturing, the design of infrastructure, and "all philosophical experiments that let light into the nature of things, tend to increase the power of man over matter, and multiply the conveniences or pleasures of life."

Franklin further proposed that, "by permission of the postmaster-general, [the society's] communications pass between the secretary of the society and the members, postage-free." The society was at length established, and acted effectively against British-imposed restrictions on American colonials' manufacturing. Franklin meanwhile organized a continental postal system as the postmaster-general. The projects and the training of America's industrial, scientific, and political leadership, were thus subsidized by government, under Franklin's personal direction.

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### 3. Nationalism or subjugation

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Late in 1776, as the British Army was advancing toward Philadelphia, the Continental Congress picked up and fled to Baltimore, leaving Robert Morris in complete charge of executive government for the five-month-old United States. Morris had been a vice president of the provisional military

government of Pennsylvania (the Committee of Safety) under its president, Benjamin Franklin. Morris was also chairman of the "Secret Committee" of the American Congress, responsible for procuring arms for the Revolution.

That same December, Franklin arrived in Paris, where he would direct American diplomacy and international fund-raising for the Revolution.

On Dec. 31, 1776, General Washington requested an immediate \$50,000 in silver from Morris. Washington needed money for an intelligence service; and his troops, having surprised the British by crossing the Delaware on Christmas Eve, were nonetheless about to leave the Army en masse unless they received some pay. Morris wangled a loan for the whole sum from a not-too-sympathetic Quaker acquaintance and sent the cash to Washington the next morning.

From then on, through the American victory at Yorktown in 1781, and past the Peace Treaty of 1783, Morris and Franklin corresponded very often, sometimes more than daily, across the Atlantic. Morris, General Washington, and a handful of Franklin-allied congressmen met together regularly, as a de facto executive committee.

No money was available to fight the war, but money had to be gotten anyway. There were substantially no industries in America that could be taxed, as the British had in recent decades done what they could to prevent industrial development in the colonies.

Franklin borrowed in Europe, and Morris and Franklin frantically juggled transatlantic bank accounts. Morris was forced to primarily use private channels for domestic loans and contributions to the patriotic military forces.

Without a strong central government, the American cause suffered badly. Exasperated by usury and war profiteering, and prodded by British-agent mob leaders, state legislatures passed laws to prohibit shipments of goods into other states as a vain form of price control. In 1779 and 1780, the Continental Congress issued \$203 million in currency, which sank in value as it was printed (Sam Adams had to pay \$400 for a hat in Boston). Having no power to levy taxes, Congress directly requisitioned supplies of grain, tobacco, and clothes; pigeons and rats overran the grain warehouses.

Was the country doomed to be left to the mercy of speculators, or abandoned to the British? In September 1780, Washington's intelligence coordinator Col. Alexander Hamilton called for the creation of an actual national government with power to save the country, in a letter circulated to men of influence through his friend James Duane. "Without certain revenue, a government can have no power. That power which holds the purse-strings absolutely, must rule." Under the present, vulnerable system, Hamilton said, the "moneyed men have not an immediate interest to uphold [public] credit. They may even, in many ways, find it in their interest to undermine it."

Hamilton's proposal of an official Department of Finance, with Morris as the Financier, was adopted by Con-

gress. On May 17, 1781, in his first official act as Financier of the nation, Morris proposed that Congress should charter a national bank, which Morris, Alexander Hamilton, and legal scholar James Wilson had worked out together in the preceding months and which was already functioning in a makeshift fashion.

Congress chartered the Bank of North America, with power to take deposits, issue legitimate bank notes, and loan funds to the government. The chartering act recommended to the states that no other bank or bankers should be established or permitted within the United States, during the war.

Morris visited General Washington in camp during August 1781, to plan the campaign that was to win the war. Morris promised to finance a drive into Virginia, and Washington agreed to undertake it. Some of the gold came on loan from France, some from Morris's private sources. Every phase of the march toward Yorktown was supplied by minute-to-minute planning out of Philadelphia.

Continuing to function under national charter after the war, the Bank of North America was able to expand available credit, forcing down interest rates that had gone as high as 2.5% per month. When "ultra-democratic" politicians in the Pennsylvania legislature attacked the Bank of North America, George Washington's pamphleteer Thomas Paine went back into action. Paine, who had called upon patriots to defend the Revolution in its darkest days, now counter-attacked the demagogues who would destroy the Bank.

In his "Dissertations on Government," Paine wrote of the military disaster that had faced the country in 1780. General Washington had written to the Pennsylvania legislature, warning that "the distress . . . from the want of every necessary [thing] . . . had arisen to such a pitch, that the appearances of mutiny and discontent were so strongly marked on the countenance of the army, that he dreaded the event of every hour." During that crisis, meanwhile, the populist politicians were busy bringing in "petitions [for their constituents] to be exempt from paying taxes." It was then, Paine wrote, that the patriots had organized the national bank, which these same demagogues now demanded be torn down.

Thus were the permanent battle lines drawn between the nationalist leaders, and their opponents, who would abandon the Revolution to the superior money power of the British Empire.

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#### **4. 'The moral sense, independent of advantage'**

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Under the loose compact of government ("Articles of Confederation") drawn up during the Revolutionary War, there was no secure source of national government revenue, no common tariff laws; the impoverished country was in chaos which threatened to break up the fragile Union.

In this continuing crisis, as the Constitutional Convention met in Philadelphia in May 1787, Benjamin Franklin organized a meeting at his home to define for his associates the necessary political economy of the new nation. He convened another such meeting on Aug. 9. At these gatherings of Franklin's "Society for Political Inquiries," the delegates heard addresses by a young merchant named Tench Coxe on the need for government encouragement of manufacturing and commerce, so that America could rapidly industrialize.

In the coming months, Coxe's writings would be published by Franklin's protégé, the radical Irish nationalist leader and immigrant Mathew Carey. When the first United States Presidential administration came into office, Tench Coxe was to be appointed Assistant Treasury Secretary under Alexander Hamilton, and he would do much of the detail work for Hamilton's 1791 *Report on Manufactures*, the plan for America's industrialization.

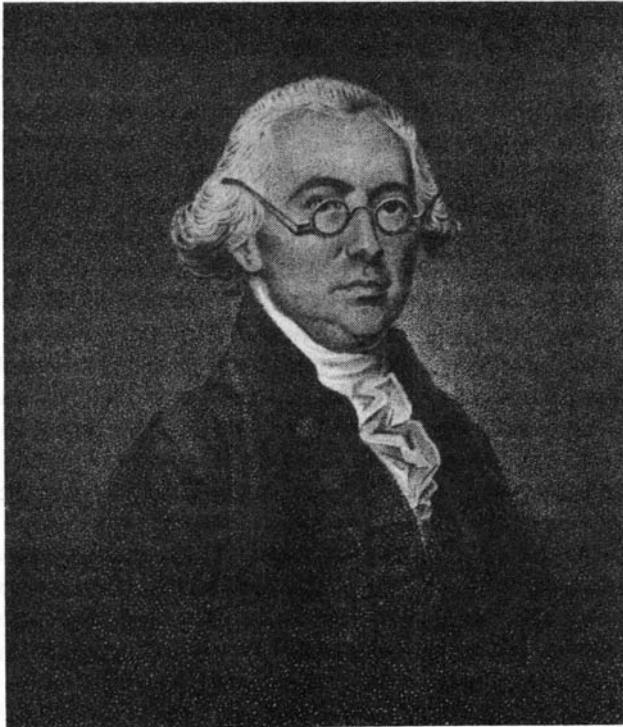
An absurd version of the history of those dramatic days (including the Constitutional Convention) has come down to us from the Anglophile historians, a version in which the nationalists play no significant role, and indeed, in which American nationalism seems never to have existed. This story makes James Madison the "Father of the Constitution," using Madison's own account of the Convention, which was only published 30 years after the events in question. He had in the intervening years aligned himself with the vicious attacks of Jefferson, Aaron Burr, and Albert Gallatin against the nationalist measures of George Washington's founding U.S. administration, and he was later to prove a pitifully weak President.

Yet Madison was a strong ally of Franklin and Washington at the Constitutional Convention, never agreed with John Locke's anti-Christian views, and reverted in old age to support of nationalist measures to save the Union. The ambiguity in Madison's biography has made him a tempting object for Anglophiles to use, to replace Franklin and Hamilton in the center of American thought.

The so-called Virginia Plan was the first outline for a central government brought into the Convention, as a point of departure for the deliberations. It had been worked out in preliminary discussion among Washington, Madison, and the other five Virginia delegates. The national structure called for in this plan was in many ways analogous to most of the state constitutions already adopted: a two-house legislature, with separate executive and judiciary departments.

The Constitution, as agreed to, differed from the Virginia Plan in several important features. Three crucial points, now in our scheme of government, were chiefly the work of James Wilson, who had been the legal counsel for the Bank of North America.

Wilson was also president of the Illinois-Wabash Company. He proposed that the U.S. government prepare the company's land (including the territory of what was later the state of Illinois) with pre-built towns and farms, to be occupied by



*James Wilson, an opponent of the philosophy of John Locke and one of the principal authors of the U.S. Constitution.*

poor immigrants who would make low monthly payments. Thus, in opposition to Locke, widespread private property was to be *created* under government patronage. This was in fact how the power of the nation was built up, in association with the midwestern canal-building of the 1830s-1840s, and under President Abraham Lincoln's massive giveaway, the Homestead Act.

## Congress

The preliminary Virginia Plan would have had the second branch of the legislature (later called the Senate) appointed by the first (the House of Representatives). In the ensuing debate, it was proposed by anti-democratic "states' rights" advocates, that both the House and Senate be appointed by the state legislatures; the Senate was to resemble somewhat the British House of Lords. Wilson and Madison led the successful fight for a popularly elected House, and Wilson defeated the proposal for property ownership to be the criterion for voting in Congressional elections.

As for the Senate, James Wilson disagreed that the British government could serve as any model for the United States: "Our manners, our laws, the abolition of entails and primogeniture, the whole genius of the people are opposed to it." But his argument for a Senate directly elected by the people was defeated; the legislatures would appoint senators, until Wilson's proposal became law in 1913, in the Seventeenth Amendment to the Constitution.

By Benjamin Franklin's compromise proposal, each state

would have two members of the Senate, but all spending bills would have to be initiated in the popularly elected House.

## The Executive

The Virginia Plan called for an undefined "national executive" to be chosen by Congress. James Wilson proposed that which the British Empire ruling clique has always feared the most in the United States: that the Executive branch be headed by a single person, with strong and clearly defined powers. As a member of the Committee of Detail, Wilson was the principal author of the first draft of the Constitution, in which this Executive chief got his job title; Wilson had invented "the President of the United States."

In his law lectures at the University of Pennsylvania a few years later, Wilson—then Associate Justice of the U.S. Supreme Court—explained the unique American concept of the Presidency:

"The British throne is surrounded by counsellors. With regard to their authority, a profound and mysterious silence is observed. . . . Between power and responsibility they interpose an impenetrable barrier. Who possesses the executive power? The king. When its baleful emanations fly over the land, who are responsible for the mischief? His ministers. Amidst their multitude, and the secrecy, with which business, especially that of a perilous kind, is transacted, it will be often difficult to select the culprits; still more so, to punish them. . . ."

". . . What is wanting in authority may be supplied by intrigue; and, in the place of constitutional influence, may be substituted that subtle ascendancy, which is acquired and preserved by deeply dissembled obsequiousness. To so many arts, secrets unceasing, and well directed, can we suppose that a prince, in whose disposition is found anything weak, indolent, or accommodating, will not be frequently induced to yield? Hence springs the evils of a partial, an indecisive, and a disjointed administration.

"In the United States, our first executive magistrate is not obnubilated behind the mysterious obscurity of counsellors. . . ."

## The Judiciary

The Virginia Plan would give Congress the power both to appoint, and to dismiss federal judges. But on behalf of the nationalists, Wilson fought for and won Presidential appointment of the judges, and their continuance in office except in cases of proven malfeasance.

In a law lecture, perhaps among those he delivered to President Washington and members of his cabinet, Justice Wilson warned of the dangers of a judiciary that lacks independence:

"Let us suppose a union of the executive and judicial powers. . . . The laws might be eluded or perverted; and the execution of them might become, in the hands of the magistrate and his minions, an engine of tyranny and injus-

tice. . . . Will redress be found in the courts of justice? In those courts, the very persons who were guilty of the oppression in their administration, sit as judges, to give a sanction to that oppression by their decrees. Nothing is to be more dreaded than maxims of law and reasons of state blended together by judicial authority. Among all the terrible instruments of arbitrary power, decisions of courts, whetted and guided and impelled by considerations of policy, cut with the keenest edge, and inflict the deepest and most deadly wounds.”

Wilson then described the exact historical model for the clique which had taken over power in Britain and Holland, to mankind’s great sorrow: “At Venice, where an aristocracy, jealous and tyrannical, absorbs every power, behold the state inquisitors, and the lion’s mouth, at all times open for the secret accusations of spies and informers. In what a situation must the wretched subjects be under such a government, all the powers of which are leagued, in awful combination, against the peace and tranquility of their minds!”

But what is the *source* of justice? Is the justice which we hope to see associated with a republican government, naturally to be expected, as reflecting man’s inborn moral sense? Gottfried Leibniz, and James Logan, had attacked John Locke for his assertion that man was born without a sense of right and wrong. Now, in explaining the grounds on which he and his associates formed the U.S. government, Wilson joined the fray and exposed Locke’s notions as *barbarism*.

In his lecture on the Law of Nature, Wilson said:

“All languages speak of a beautiful and a deformed, a right and a wrong, an agreeable and disagreeable, a good and ill, in actions, affections, and characters. All languages, therefore, suppose a moral sense, by which these qualities are perceived and distinguished.

“The whole circle of the arts of imitation proves the reality of the moral sense. They suppose, in human conduct, a sublimity, a beauty, a greatness, an excellence, independent of advantage or disadvantage, profit or loss. On him, whose heart is indelicate or hard; on him, who has no admiration of what is truly noble; on him, who has no sympathick sense of what is melting and tender, the highest beauty of the mimic arts must make, indeed, but a faint and transient impression. If we were void of a relish for moral excellence, how frigid and uninteresting would the finest descriptions of life and manners appear! How indifferent are the finest strains of harmony, to him who has not a musical ear?”

This expresses the thinking of America’s founders and defenders. We can hear the same from Alexander Hamilton, writing during the Revolution, criticizing the claim that man’s rights derive from a social contract, or a from a bargain negotiated with the powerful:

“The sacred rights of mankind are not to be rummaged for among old parchments or musty records. They are written as with a sunbeam in the whole volume of human nature by

## Wilson and the truth about ‘three-fifths’

Southern slaveowners demanded that the more *property* people in some state owned, the more representatives that state should be entitled to in Congress—and that slaves should count toward such representation. If a 500,000 population were required before a district could be represented, a northern district with 250,000 free persons in it would *not* be entitled to elect a congressman, but a southern district with 200,000 whites and 300,000 black slaves *could* send one of the slaveowners to Congress. So the more slavery, the more John Locke-style “freedom.”

James Wilson proposed a compromise—the famous three-fifths rule—to hold the union together, to hold the South under national law until slavery could be ended. The Convention adopted the rule, that slaves could not be counted fully toward representation for their masters, but only three-fifths of the slaves’ numbers. The “three-fifths of a man” rule was thus a slight improvement for human liberty, over what the slave-masters had demanded.

the hand of Divinity itself, and can never be erased or obscured by mortal power.”<sup>5</sup>

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## 5. The Constitution, despite the Tories

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Among the most contorted lies that confound the attempt to study American history, is that the immoral precepts of the British imperialist philosophers John Locke and Adam Smith—laissez-faire, free trade, the defense of usury—express the intent of the founders of the federal government.

The falsehood becomes particularly glaring in the examination of the career of Albert Gallatin, the leading advocate within America of British “free-market” political economy. Remembered now as Treasury secretary for Presidents Jefferson and Madison, Gallatin in his day was widely known as the “arch-fiend” and “enemy of mankind” who tried to crush the new republic.

It was just after the Constitution was drafted, and was

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5. In “The Farmer Refuted,” pamphlet written by Hamilton and issued in 1775.

sent out to be voted on by the people of each state, that Gallatin began to make his presence felt in America.

He had arrived from Geneva in 1780 during the Revolution, at age 19, but he took no part in the war. Back in Switzerland, Gallatin's mental universe was formed from childhood with his neighbor Voltaire, the cynical propagandist for Britain's Locke and Newton, the slanderer of Leibniz. By the time he left for America, young Gallatin had already become intimate with many of the top staff members of British secret intelligence director Lord Shelburne.

The prince of Hesse, closely connected to the aristocratic Gallatin family, had offered Gallatin the position of lieutenant colonel over the Hessians whom the prince was selling to King George III as mercenaries against America; but Gallatin came over in plain clothes. Three years earlier, Benjamin Franklin had written a savage satire on the enemy's use of mercenaries. It had been revealed that the British would pay Gallatin's friend, the prince, for each Hessian sent over, and extra money for each one who died. The satire purported to quote a Hessian count on his "joy" that only 345 out of 1,950 of his subjects escaped being killed at the Battle of Trenton, and how the wounded should be put out of their misery.<sup>6</sup>

After the Revolution, Gallatin came out from hiding in the Maine woods, moved to western Pennsylvania, and began guiding the anti-national political forces.

The Pennsylvania legislature, attempting to call a state ratification convention, was stalled, when the forces led by Gallatin staged a walkout and prevented a quorum from being achieved. Pro-Constitution laborers and tradesmen, incensed by this behavior, went to the houses of two anti-federalists, broke in, and dragged them kicking and screaming back to the legislature.

Gallatin and his underlings preached that the U.S. Constitution was dangerous "in inviting rather than guarding against the approaches of tyranny" and "its tendency to a consolidation, not a confederation, of the States."

At the Pennsylvania ratification convention, Gallatin worked through his floor captain John Smilie in a showdown against Franklin, Wilson, and the Philadelphians; Gallatin's forces lost two to one.

The national government having been successfully formed, Gallatin set out to smash it. Gallatin had the Pennsylvania state legislature appoint him a U.S. senator, but the Senate voted his appointment void, as he could not be considered a U.S. citizen. Meanwhile, Gallatin's agitators were leading backward rural people in the drunken rioting known as the Whiskey Rebellion, directed against the U.S. government's right to collect taxes. President Washington sent an

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6. Letter from the Count de Schaumburg to the Baron Hohendorf, Commanding the Hessian Troops In America February 18, 1777 in *Benjamin Franklin Writings* (New York: The Library of America, 1987), pp. 917-919.

army headed by Alexander Hamilton to enforce the law. Gallatin escaped justice, though Hamilton and his allies knew him to be a British agent. As Treasury secretary, Gallatin later effectively dissolved both the U.S. Army and Navy in order to "cut the budget," paving the way for the British invasion of the United States in 1814, during which they burned the White House.

In accord with his status as theoretical leader of the free-market faction, speaking for Locke and Jeremy Bentham and the radical British empiricists, the Anglophiles have boldly put forward Gallatin as representative of the Founding Fathers' philosophy! A visitor approaching the front of the rebuilt White House on Pennsylvania Avenue, may look to his left and see the lone statue of Albert Gallatin, the Swiss intriguer, standing next door, in front of the U.S. Treasury. Hamilton, who personally guided the national fight for the adoption of the Constitution, in opposition to Gallatin and his minions, has been allowed a statue on the other side of the Treasury building.

Back in 1788, strategy letters went out constantly from Hamilton in New York to his pro-federalist allies in Virginia, Pennsylvania, Massachusetts, and New Hampshire. This helped to swing the balance against the anti-Constitution forces, including assorted demagogues and Tories. The leader of the opposition in New Hampshire, for example, was Joshua Atherton, who had been imprisoned during the Revolution for his collaboration with the British Army.

Hamilton's own pro-Constitution political base was among the working class voters of New York City; the opposition was strongest in upstate regions dominated by the old Dutch land barons around Albany. In the New York State ratification convention, Hamilton faced down Gov. George Clinton, who was playing political games in support of the anti-nationalists. Hamilton let it be known that if Clinton's forces stopped New York from ratifying, New York City would join the Union on its own, leaving the state poor and powerless. At this, the governor's political patronage machine crumbled and the nationalist victory was won.

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## 6. Nationalism and free will

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Alexander Hamilton's name, more than any other, is identified with the economic doctrines of American nationalism. The world's educated persons admire Hamilton as the leader of a school of thought which successfully challenged British imperial tyranny and built up modern industrial society.

At the close of the Revolutionary War, the American economy languished; the small, backward country was threatened with collapse without a strong central governing authority. Col. Alexander Hamilton wrote an article for the *New-York Packet*<sup>7</sup> explaining the need for a supreme Union

7. April 8, 1782, No. 5, in his series called "The Continentalist."

government. Hamilton summarized the origin of the wealth of the two greatest European powers, in the purposeful action of their national regimes:

“Trade may be said to have taken its rise in England under the auspices of Elizabeth; and its rapid progress there is in a great measure to be ascribed to the fostering care of government in that and succeeding reigns.

“From a different spirit in the government, with superior advantages, France was much later in commercial improvements, nor would her trade have been at this time in so prosperous a condition had it not been for the abilities and indefatigable endeavors of the great *Colbert*. He laid the foundation of the French commerce, and taught the way to his successors to enlarge and improve it. The establishment of the woolen manufacture, in a kingdom, where nature seemed to have denied the means, is one among many proofs, how much may be effected in favour of commerce by the attention and patronage of a wise administration. The number of useful edicts passed by Louis the 14th, and since his time, in spite of frequent interruptions from the jealous enmity of Great Britain, has advanced that of France to a degree which has excited the envy and astonishment of its neighbors.” (emphasis in original)

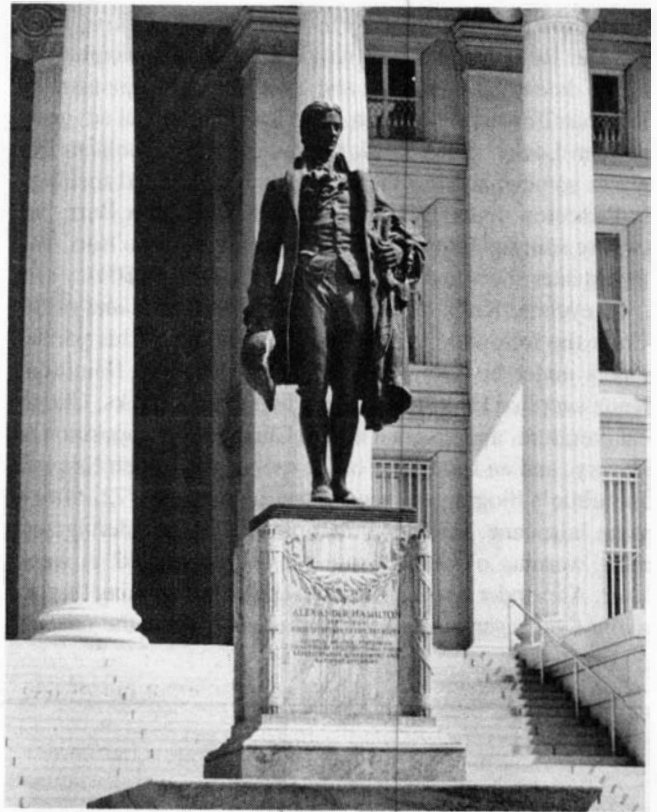
A powerful nation could be created, “where nature seemed to have denied the means”! Hamilton thus celebrated the accomplishments of Jean-Baptiste Colbert, the Minister of Finance who, while managing the economy, had made the young Gottfried Wilhelm Leibniz his protégé in the French Academy of Science. Hamilton wrote this some 80 years after Leibniz had attacked Locke’s claim that man, like the beasts, was the slave of nature rather than its creative improver, in the image of God.

Instead of Newton’s and Locke’s isolated individuals, each pursuing his separate pleasures while avoiding pain, Hamilton and the American founders believed that man’s free will must be expressed practically by a free society through its own government’s actions. And thus a country can change its *apparent destiny* of backwardness, can industrialize, and end its submission to imperial might.

Hamilton was born in the Danish West Indies, either in 1755 or 1757, a Scottish merchant’s illegitimate son. His unusual path to America was uniquely bound up with the struggle for national independence.

Several years earlier (in 1749), Franklin founded and became the first president of the Academy of Philadelphia; it was to grow into the University of Pennsylvania. In 1751, Franklin chose the Presbyterian minister and Classical scholar Francis Alison as the school’s principal. Franklin was rather heavily involved with Presbyterian affairs: He built Philadelphia’s Second Presbyterian Church, along with his next door neighbor and Junto member, Elias Boudinot III.

Also in 1751, a bright young Presbyterian graduate student named Hugh Knox arrived in Philadelphia, a Scots-Irish immigrant. Franklin’s Academy principal took Knox



*Alexander Hamilton's statue at the Treasury Department in Washington, D.C. Hamilton's name, more than any other, is identified with the economic doctrines of American nationalism.*

in hand, recruited him to Franklin’s growing intelligence organization, and got him a teaching job close by in Delaware. Knox attended the College of New Jersey (later Princeton University) from 1753 to 1755. At Princeton, Knox cultivated his friendship with the family of Elias Boudinot III, who had been appointed postmaster of Princeton, under Postmaster General Benjamin Franklin.

Hugh Knox went down to the West Indies in 1755 as a Presbyterian minister. For the next 16 years, Knox was the parson for the four-square-mile Dutch island of Saba. He lived in the Dutch governor’s house and married the governor’s daughter.

Tensions rose between the American colonists and the British, and Knox’s position as a Franklin intelligence agent, in precisely that forlorn place, became increasingly important. The Dutch were neutral in the wars between Britain and France, and the tiny Dutch island to the west of Saba, St. Eustacius, was a smuggling base for the Americans. Before the Revolutionary War broke out, Franklin’s European networks had quietly arranged for arms and ammunition to be shipped in quantity to St. Eustacia, as a depot for transshipment to the Americans. During the Revolutionary War, the waters around Saba and St. Eustacius swarmed with ships going to America from France, carrying supplies and men



for the war against Britain.

The Rev. Hugh Knox wrote a blistering pamphlet in 1770, defending free will, and attacking the Calvinism of Jonathan Edwards, the main American theological advocate of John Locke. Knox knew the radical anti-republican Edwards somewhat from the inside, having studied theology at Princeton under Edwards's son-in-law Aaron Burr, Sr. (whose son, the future U.S. Vice President Aaron Burr, Jr., would later shoot and kill Hamilton in a duel in 1804).

Reverend Knox moved over to the Danish island of St. Croix the following year. There he took one of his parishioners under his wing, the teenager Alexander Hamilton. Knox supplied Hamilton with his first serious books, Classical literature, and inspired him to Christianity, opposition to slavery, and an awareness of the evil of the British Empire. Hamilton's biographies record that in August 1772, after a great hurricane, the clergyman preached a thundering sermon, warning of God's wrath against the wicked. A week later, Alexander wrote an identical polemic, warning that, to avoid God's vengeance, the rich must "succor the misera-

ble," and the white slavemasters who "revel in affluence" must "see the afflictions of humanity, and bestow your superfluity to ease them"; and that he had personally "absolutely been an eyewitness to" each injustice that he reported.

Recognizing Hamilton's talent, Knox organized his reception among his contacts and sent the young man up to the American mainland. With a letter of introduction from Knox, Hamilton went to live with Elias Boudinot IV—the son of the Princeton postmaster—in Elizabethtown, New Jersey.

Hamilton was prepared for college in the passionately patriotic Boudinot household, and after a year he was sent to New York to attend King's College (later Columbia University). The outbreak of a shooting war with the British found the young student fully ready to play a man's part in the military struggle. He had already been recruited to the American Revolution, in fact, by the Franklin intelligence organization, before he had even arrived on the continent.

Hamilton served during the Revolution as General Washington's chief aide and military intelligence officer. Within the Continental Congress, which was often slow to function

## The 'deranged' Newton

*John Maynard Keynes, himself a "very peculiar" person and member of the occultist Cambridge Apostles, wrote this assessment of Isaac Newton, "Newton the Man," in his Essays in Biography (New York: The Norton Library, 1951).*

*Geniuses are very peculiar. . . . In the eighteenth century and since, Newton came to be thought of as the first and greatest of the modern age of scientists, a rationalist, one who taught us to think on the lines of cold and untingered reason.*

I do not see him in this light. I do not think that any one who has pored over the contents of that box which he packed up when he finally left Cambridge in 1696 . . . can see him like that. Newton was not the first of the age of reason. He was the last of the magicians, the last of the Babylonians and Sumerians. . . .

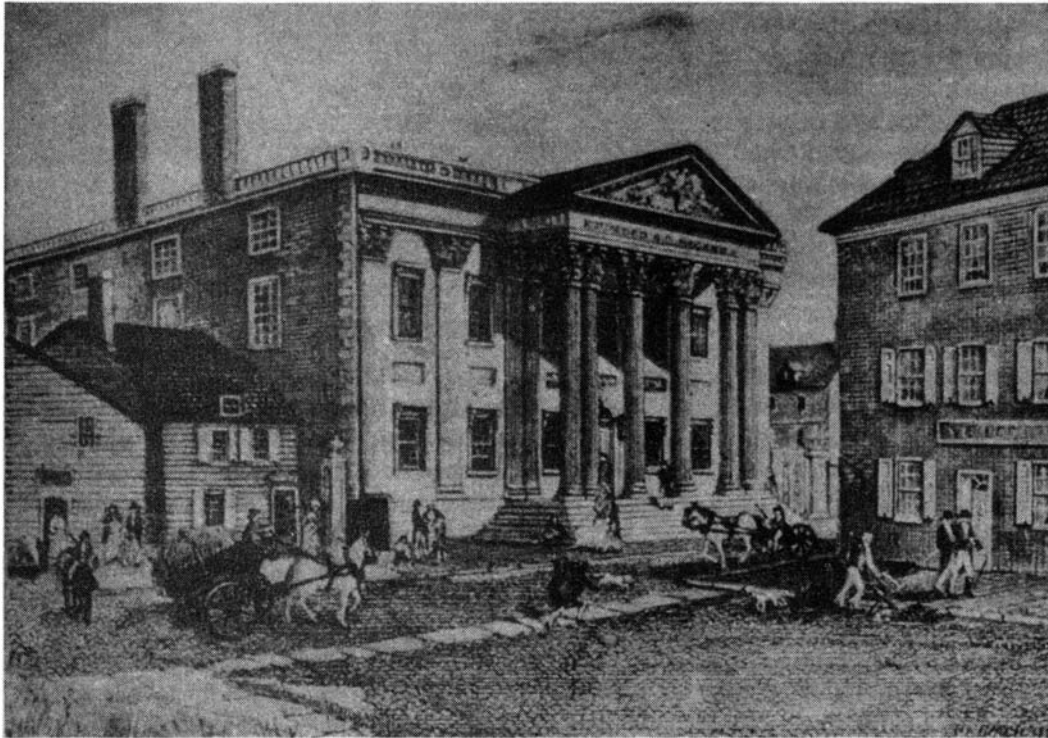
For in vulgar terms Newton was profoundly neurotic of a not unfamiliar type, but—I should say from the records—a most extreme example. His deepest instincts were occult, esoteric . . . with profound shrinking from the world, a paralyzing fear of exposing his thoughts, his beliefs. . . . The too well-known conflicts with Hooke, Flamsteed, Leibnitz are only too clear an evidence of this. Like all his type he was wholly aloof from women.

. . . He believed that . . . clues [to the riddle of the universe] were to be found . . . partly in certain papers and traditions handed down by the brethren in an unbroken chain back to the original cryptic revelations in Babylonia. . . . All his unpublished works on esoteric and theological matters are marked by careful learning. . . . They are just as sane as the *Principia*, if their whole matter and purpose were not magical. They were nearly all composed during the same twenty-five years of his mathematical studies. . . .

A large section [of his writings] . . . relates to alchemy—transmutation, the philosopher's stone, the elixir of life. The scope and character of these papers have been hushed up, or at least minimized, by nearly all those who have inspected them.

. . . He was a very successful investor of funds, surmounting the crisis of the South Sea Bubble, and died a rich man. . . . And when the turn of his life came . . . he put his books of magic back into the box. . . . Somewhere about his fiftieth birthday [in] 1692 he suffered . . . a severe nervous breakdown. Melancholia, sleeplessness, fears of persecution—he writes to Pepys and Locke . . . letters that lead them to think that his mind is deranged. . . . He never again concentrated after the old fashion or did any fresh work.

. . . Voltaire returning from his trip to London was able to report of Sir Isaac—'. . . Reason alone was cultivated and Mankind could only be his Pupil. . .' Newton, whose secret heresies and scholastic superstitions it had been the study of a lifetime to conceal!



*Alexander Hamilton's First Bank of the United States. His concept of national banking was to provide credit for the development of industry and infrastructure, and to defeat the usury of Wall Street and the British.*

effectively in support of the Army, Elias Boudinot IV was the congressman politically closest to Washington and Hamilton, helping them coordinate intelligence matters, prisoner exchanges, etc.

After the adoption of the Constitution, in the first session of the new U.S. Congress, Congressman Boudinot proposed that the functions of the Treasury be supervised by one man. He tailored the office to suit Alexander Hamilton, who was then chosen for the job by President George Washington. When Hamilton's economic development program came under attack by Albert Gallatin and Thomas Jefferson in 1793, Boudinot led the defense.

We cannot elaborate here Hamilton's economic program for the founding Presidential administration.<sup>8</sup> He restored the national credit, while creating a national bank and America's national currency. During his term of office, he intervened vigorously in markets, using every public and private instrument available to defeat usury and to counter Wall Street speculators who were trying to destroy the value of government securities.

Hamilton fought for the right of the national government to assume all outstanding Revolutionary War debts of the states that were being consolidated into the Union. No separate negotiations or bargains with powerful creditors could be allowed to undermine national sovereignty. Hamilton achieved this nationalist objective in a political deal with

Thomas Jefferson: In return, Hamilton had to agree to place the future national capital within the southern slave section of the country.

He sharply differed with the heirs of John Locke on the question of slavery. Hamilton continued the role of Benjamin Franklin, who had died in 1790, as the preeminent U.S. anti-slavery activist. A Hamilton letter (March 14, 1779) to Continental Congress head John Jay had endorsed the project of creating two or three Revolutionary War battalions of Negroes. This "will open the door to emancipation," he wrote. "This circumstance, I confess, has no small weight in inducing me to wish the success of the project; for the dictates of humanity and true policy equally interest me in favour of this unfortunate class of men." He continued that Negroes' "natural faculties are probably as good as ours" and "an essential part of the plan is to give them freedom with their muskets."

In his 1791 *Report on Manufactures*, Hamilton called for protective tariffs, bounties, and other means by which government could engineer a dramatic change in the character of the U.S. population, from a rural to a modern skilled people. This urbanization and industry-building, together with heavy immigration and westward infrastructure development, was the plan of Franklin, Washington, and Hamilton for outflanking and gradually overcoming the system of plantation slavery.

But mounting opposition by the Jefferson-Gallatin party effectively blocked Hamilton's policy outlook—and U.S. industrialization—for a span of about 30 years. The ideas of Franklin and Hamilton were revived by a new generation

8. See *EIR*, Jan. 3, 1992, "200 Years Since Hamilton's Report on Manufactures."

of nationalist leaders in the 1820s, and again by Abraham Lincoln during the Civil War of the 1860s. Belatedly, the *Report on Manufactures* was put into effective action. And the Founding Fathers' program, under the name of "Hamiltonian economics," spread throughout the world.

During the first administration of President Washington, Secretary of State Jefferson and his Swiss economic theoretician, Albert Gallatin, launched an all-out attack against the U.S. national development program. Under the direction of their crony, British spy Aaron Burr, a prostitute successfully trapped Hamilton into a blackmail scenario; Hamilton eventually resigned after suffering a campaign of lies and terror against his integrity. Jefferson ran successfully for President in 1800, choosing Burr as his Vice President and Gallatin as Treasury secretary.

Jefferson was always ambivalent and opportunistic—Lyndon LaRouche recently described him perfectly as "politically bisexual"! As a young man in Virginia, Jefferson had been the political and intellectual companion of humanists, allies of Washington and Franklin. The most important was Jefferson's law professor and string quartet partner, George Wythe, the Platonist teacher of Greek and natural law. Though Jefferson played no outstanding role in the Revolution, in 1776 as a Continental Congressman, he was the principal author of the magnificent Declaration of Independence, which was edited by Franklin and others.

In France, as the U.S. ambassador in the middle 1780s, Jefferson became a constant companion of two British imperial representatives: Dugald Stewart, a teacher of radical empiricist philosophy; and his housemate Lord Dare, the son of the chief of the British intelligence service Lord Shelburne. Jefferson more and more identified himself with the anarchist attack on the French nation, run by Shelburne's networks, which culminated in the Reign of Terror, and the execution of France's leading scientists and nationalists.

As President, Jefferson did act to double the size of the nation, with the Louisiana Purchase. And he spoke out against northern Anglophile secessionists during the 1812-1815 U.S. war with Britain: Jefferson wrote to Lafayette, saying he knew that similar anti-national "French revolutionaries" had been paid British agents.

But the Anglophile mythmakers have brought forward Jefferson's most vile sabotage of national development, which they call a defense of the free market, and they have fraudulently mashed that perfidy together into a package with the ideas of human equality which he earlier shared with the Revolution's leaders.

The insane racialism and feudalism of America's enemies such as John Locke, have thus been peddled as the very founding principles of the nation. Yet the real American Revolution had, as Wilson had written, "a beauty, a greatness, an excellence, independent of advantage or disadvantage, profit or loss," which Newton and Locke would not have understood.

## Cotton Mather's Leibnizian conspiracy

by H. Graham Lowry

Cotton Mather (1663-1728), the most prolific intellectual figure in colonial America, was the direct political heir of the republican founders of the Massachusetts Bay Colony. As a desperate measure to save Western Civilization from oligarchical destruction, Massachusetts was established in 1630 by English colonists under Gov. John Winthrop (1588-1649), to become the beachhead for an American continental republic.

Having outwitted King Charles I to secure self-government for Massachusetts, Winthrop and his followers established an elected legislature—which soon created the world's first system of public education. They drafted a constitution and code of laws known as the "Body of Liberties," and used the only printing press in the colony to make them available to all citizens, to protect them from "arbitrary government." Subsidies and tax exemptions for inventions and industrial development were also enacted—along with a system of fortifications, and a people's militia, for defense against *England*. In 1643, while England was racked by civil war, Winthrop expanded the drive for independence by founding the New England Confederation.

To support the effort, Winthrop's son John, Jr. (1606-1676) developed north of Boston the water-powered Saugus Iron Works, America's first automated industrial complex—which by 1647 had overmatched anything in England. The younger Winthrop extended this industrialization drive to Connecticut, and was elected governor there in 1657. In 1662, he secured a new charter for it on the Massachusetts model.

The two colonies' rate of development, both in population and productive economic power, soon terrified the new regime of Charles II. Against Massachusetts especially, Charles II in 1664 launched a 20-year campaign of subversion, economic warfare, military threats, and Indian massacres—and finally revoked its charter by decree in 1684.

### Origins of the republican idea

Cotton Mather grew up in the midst of this deadly warfare between oligarchism and republicanism. In his youth, Cotton knew John Winthrop, Jr., the leading New England statesman and scientist of his day, who corresponded late in life with the young Gottfried Leibniz (1646-1716). Win-