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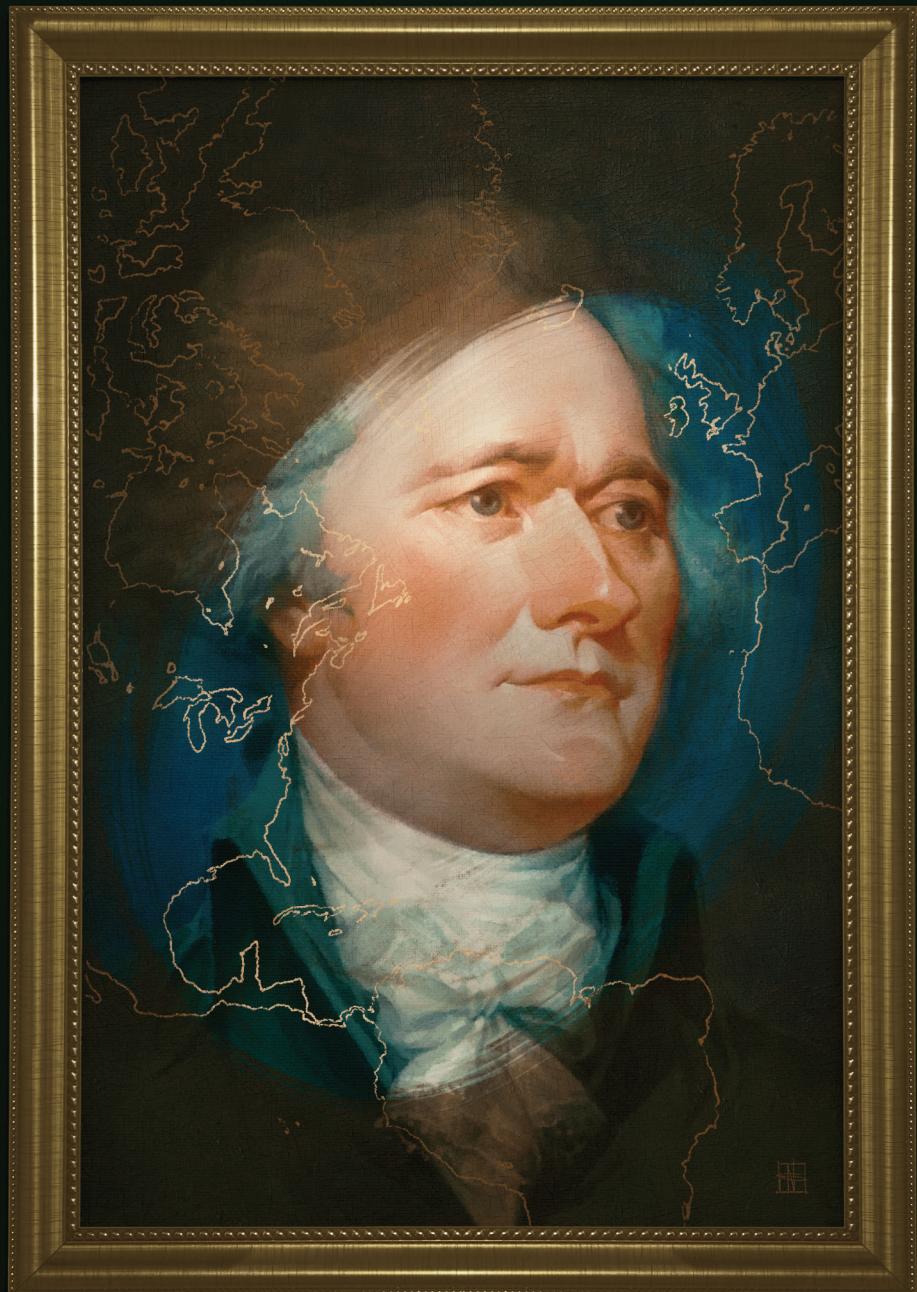
A Grand Strategy for a Turbulent World

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The twenty-first century has seen the return to prominence of U.S. foreign policy traditions once largely considered relics of an outmoded past. Jacksonian national populism, once dismissed as an immature sentiment that an enlightened nation had left behind, returned with a fury after 9/11. With the George W. Bush administration's invasion of Iraq in 2003, Jeffersonian isolationism—the belief that U.S. intervention abroad leads only to endless war, the enrichment of corporate elites, and the erosion of American democracy—also reemerged as a potent force on both the right and the left.

These two schools returned to prominence as the post–Cold War foreign policy consensus broke up. After 1990, a broadly liberal and globalist consensus defined the boundaries within which mostly

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Democratic liberal internationalists competed against mostly Republican neoconservatives. President Barack Obama's retreat from humanitarian intervention following the disastrous campaign in Libya in 2011 illustrated the waning hold of liberal internationalism among Democrats. So did his restrained response to Russian aggression against Ukraine in 2014. Likewise, Donald Trump's shock victory in the 2016 Republican presidential primary contest signaled the collapse of neoconservatism as a significant electoral force among the Republican base. In both parties, restraint eclipsed intervention as the dominant mode of foreign policy, and a commitment to free trade gave way to various forms of protectionism and industrial policy.

The liberal, globalist consensus collapsed just as geopolitical competition returned to the center of world affairs. Today, the security of the United States and its allies, along with a variety of international public goods that the Pax Americana once largely secured, is increasingly under threat. The foundations of the U.S.-led world order are steadily eroding, with deepening crises on Russia's western frontiers, in the Middle East, and in the contested waters around China. Effective responses to the growing challenges require the kind of stable consensus that a politically fragmented America can no longer provide.

U.S. foreign policy has turned in a widening gyre in the last quarter century, as one president after the other—Bush, Obama, Trump, and Joe Biden—brought very different approaches to the White House. Allies and adversaries alike began to discount the commitments of each president, given the likelihood that his policies would be reversed or dramatically modified by his successor. Although Jacksonian national populism and Jeffersonian isolationism have their legitimate place in American foreign policy debates, neither can fully address today's challenges. Another historical school of U.S. foreign policy, Hamiltonian pragmatism, is better suited to the crises of the contemporary world. Based on the political philosophy of Alexander Hamilton, the Founding Father and first secretary of the treasury, this school offers a grand strategy that actively promotes U.S. commerce, American patriotism, and enlightened realism in foreign affairs. The Hamiltonian school lost its way in the “end of history” optimism of the early post–Cold War era, but the pressures of a more sober era in world

history are leading to a rediscovery of the foundational ideas that make the Hamiltonian tradition an essential component of successful American foreign policy.

LIBERALISM UNDER FIRE

The driving force behind the Hamiltonian renewal is the rising importance of the interdependence of corporate success and state power. In the heady days of post–Cold War unipolarity, Wall Street, Silicon Valley, and many leading companies started thinking of themselves as global rather than American firms. Moreover, it seemed to many foreign policy thinkers and officials that the distinction between U.S. national interests and the needs and requirements of the global economic and political system had largely disappeared.

U.S. economic and security interests, the thinking went, required the construction of a strong international system promoting liberal economic and political values. It was increasingly anachronistic to think of U.S. interests as opposed to those of the emerging U.S.-led world system. To adapt the famous phrase of Charles Wilson, President Dwight Eisenhower's secretary of defense: in the post–Cold War, end-of-history era, what was good for the world was good for the United States.

Today, that vision of a global liberal utopia is under fire from all sides. China and other illiberal regimes seek to use and abuse state power to build up economic challenges to leading U.S. tech firms. Companies such as Alphabet, Apple, and Meta face growing legal and regulatory obstacles from the governments of revisionist powers. Moreover, the growing trend toward the use of subsidies and trade restrictions to promote climate goals increases the degree to which government decisions drive private-sector investment decisions and affect the profitability of businesses around the world. Never has the strength of the state been so closely tied to the dynamism of the corporate world. This connection operates most strongly at the most advanced levels of tech and production: the information-finance-business-government complex is increasingly necessary to the prosperity and security of the American state and people.

Meanwhile, geopolitical conflict poses actual and potential risk to the business models of private-sector companies that rely on global supply chains. Ragtag militias can throttle commercial navigation in a waterway as vital as the Red Sea. A real crisis in the waters around

Taiwan could block commerce in and out of the island, denying global access to the most advanced semiconductors. A crisis could also close those waters to shipping to and from China, Japan, and South Korea, triggering the greatest economic shock since World War II—and perhaps even nuclear war. The information revolution is also driving the state and the corporate sector together. Increasingly, the gathering, storage, and exploitation of information is joining money as a critical element of the power of states. Information today plays a growing role as the basis of military power, of the economic strength that makes military power affordable, of a viable arms industry, and of both defensive and offensive cybersecurity capabilities. Given the strategic importance of the information sector, and the reality that only profitable private firms can support the huge investments required to build a sophisticated tech innovation culture that can allow a given state to compete, states cannot avoid taking a strong interest in the health and prosperity of a domestically based tech sector (or at least a friendly foreign one). Nor can they view with indifference the success of businesses based in hostile or unreliable countries.

Both business and government leaders are today discovering something that Hamilton could have told them has long been true: economic policy is strategy, and vice versa. The combined effects of the information revolution, the massive mix of investment and regulatory activism by governments in the energy complex involved in the fight against climate change, and the continuing impact of the regulatory changes introduced in the wake of the financial crisis have brought the corporate world and the American state into intimate contact. The role of economic and technological competition in the contest with China reinforces the marriage between the White House and Wall Street.

The libertarian right will be disappointed that the nexus exists and that it will inexorably deepen. The anticorporate left will be pained to realize that states will choose, of necessity, to use their economic and political clout to strengthen rather than check Big Tech. In the current era of geopolitical competition, Washington is going to worry more about whether its leading tech companies are strong enough and well resourced enough to stay ahead of their Chinese rivals than about whether U.S. tech companies are becoming too big. Future presidents are more likely to push back against European Union efforts to impose heavy antitrust fines on U.S. tech companies than

to impose similar rules at home. The question of whether a given tech company is a loyal and reliable partner for Washington will matter more to the U.S. government than whether the company is too big or too rich. That reality, in turn, will drive large tech companies to seek a modus vivendi with the state.

The U.S. political system has become newly sensitive to the relationship between business and national security. From the Trump administration's battle against the Chinese telecommunications giant Huawei to the Biden administration's ban on Russian cybersecurity companies such as Kaspersky Lab, policymakers are scrutinizing investment and purchasing activities by private companies to identify potentially adverse consequences for national security. Increasingly, U.S. economic diplomacy explicitly incorporates security issues among its core objectives. Agreements such as AUKUS (the nuclear submarine deal among Australia, the United Kingdom, and the United States) open the doors to closer tech relationships with trusted partners. Meanwhile, U.S. diplomats seek to influence decisions by semiconductor manufacturers and friendly governments to prevent hostile countries from gaining access to critical technologies.

The rise of populism is also driving business in self-defense to embrace the nation-state. Populist nationalism views multinational corporations, big business, and finance capitalism with deep suspicion. Companies seen as less than loyal to the United States can face swift backlash from angry politicians attacking them as either woke or pro-China, or both. For domestic as well as international reasons, American corporate leaders are likely to find new value in staying close to Old Glory.

PROSPERITY THROUGH PRAGMATISM

None of this would have come as a surprise to Hamilton. In 1772, he arrived in New York from the Caribbean as a penniless teenager. He was a formidable youth. When Princeton refused to admit him at a sufficiently advanced level, he went to King's College (now Columbia) in New York, but he returned to the Princeton campus as a captain of artillery during the Revolution and shelled Nassau Hall.

During the debates over the ratification of the Constitution and his time as secretary of the treasury in George Washington's administration, Hamilton created both an intellectual framework and a practical foundation for constitutional order, economic development, and

foreign policy that dominated almost all of U.S. history. The Hamiltonian tradition in political life offers a mix of pragmatism, financial prudence, strategic focus, and, when necessary, ruthlessness that has inspired generations of past American leaders. Secretary of State Henry Clay in the early nineteenth century, President Abraham Lincoln, and President Theodore Roosevelt all claimed to stand in this tradition. From Washington through Secretary of State Dean Acheson and Secretary of State George Shultz in the modern era, many of the country's greatest leaders used Hamilton's ideas to shape the United States' success at home and abroad.

The Hamiltonian way is not a rigid system or an ideological straitjacket. It is a way of thinking pragmatically about the relationship between the requirements of market capitalism, the demands of domestic politics, and the realities of the international system. It proposes a strong but limited federal government that favors the development of a thriving business sector at home and promotes U.S. security and trade abroad. Domestic policy should be grounded on a sound financial system and a profound but not rigid or doctrinaire embrace of pro-market economics. Foreign policy should be based on a commonsense mixture of balance-of-power politics, commercial interests, and American values.

Hamilton's statecraft sought to adapt the most important features of the British system for the United States—which is one reason it encountered such deep hostility from Anglophobes such as Thomas Jefferson. As Hamilton looked around the world for models that the newly independent American republic could emulate, he realized that the essence of British statecraft, adapted to American conditions, offered the best opportunity for his country to achieve the prosperity and strength that could stabilize its domestic politics. A powerful executive, a solid financial system supported by an independent central bank and a stable management of the public debt, an integrated national market supported by the rule of law and intelligent government investments in infrastructure—all these elements would, given the United States' ample natural resources and entrepreneurial spirit, develop a strong, dynamic, and technologically advanced national economy.

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That economy, in turn, would allow the rising nation to support a navy that could defend its global interests and an army powerful enough to address the security threats that the United Kingdom, France, and Spain still posed in the Western Hemisphere. Today, beyond ensuring supremacy in the hemisphere, the United States' foreign policy goals should be to preserve, at the lowest possible cost, a balance of power on both ends of Eurasia while keeping the Middle East and the Indo-Pacific open to U.S. trade.

“AMERICA FIRST” IN PRACTICE

Through more than two centuries of sometimes dramatic change, three ideas stood at the heart of the Hamiltonian vision: the centrality of commerce to American society, the importance of a strong national identity and patriotism, and the need for an enlightened realism in foreign affairs. The era after the Cold War, when much of the American establishment sought to transcend the national element of Hamiltonian thought, reflected an unusual and, as it turned out, short-lived period in American history, one in which the construction of a global order appeared to have replaced the more parochial tasks of safeguarding the interests of the American state and American business. The separation of the business agenda from any sense of a national or patriotic goal had profound and sharply negative consequences for the political standing of pro-business politicians and interests in the United States. It also encouraged the rise of antibusiness populism across the political spectrum.

The shift from a focus on building a postnational order back to a more nation-centric foreign policy will likely result in significant and, overall, positive changes in U.S. foreign policy and in the political climate around it. Such a shift could also promote the development of a more intellectually robust and internationally viable understanding of what an “America first” policy agenda would involve. A brief review of the three pillars of national Hamiltonian thought should illustrate some of the ways in which the return of an invigorated Hamiltonian voice to the U.S. foreign policy debate should raise the level of that debate and, one hopes, help drive better outcomes at home and abroad.

The first critical idea from Hamiltonian thought is that business is the foundation not only of the United States’ wealth (and, therefore, of its military security) but also of its social and political

stability. Thanks to the abundance of the country and the resourcefulness of its people, Hamilton believed, the United States could be a society like no other. Unlike in European countries, most of the people would be owner-entrepreneurs. Widely distributed property ownership and prosperity would insulate the American experiment from the tumultuous and revolutionary fate of republics in European history.

The first business of government, therefore, is to ensure the conditions that allow private business to flourish. A sound currency, a stable financial system, and deep capital markets are key parts of the infrastructure that sustains American life. A legal system that protects property and enforces contracts, backed by competent police and military forces able to preserve order, is another. Physical infrastructure—such as roads, harbors, and canals in Hamilton’s day and, later, railroads, highways, and airports—is necessary, as well. What can be called “infostructure” also matters: the legal and regulatory frameworks that allow for the orderly conduct of business in the complex fields of modern commerce, such as the regulation of the electromagnetic spectrum and the definition of intellectual property.

A Hamiltonian government is pro-market, but it is not exactly laissez-faire. It has economic policies beyond observing the operation of free markets. It acts. It invests. It uses its power to promote some types of enterprise over others. Hamilton saw tariffs as a way to tilt the balance of American development away from agricultural commodities to manufactured goods and financial services. His successors would adopt policies such as the 1862 Homestead Act, which gave public lands for free to those who would bring them under cultivation, and support policies that subsidized mining and railroad construction. These public-sector policies often resulted in massive corruption, but they also created wealth for the nation as a whole. After World War II, Hamiltonians supported initiatives such as the Marshall Plan, which financed the rebuilding of Europe, and the General Agreement on Tariffs and Trade, the predecessor to the World Trade Organization. They did so out of a belief that promoting economic recovery and integration among the United States’ Cold War allies would both strengthen and solidify the anti-Soviet coalition.

The second big Hamiltonian idea—the critical role of the nation and national feeling—is likely to be at least as important in the com-

ing era of American politics. Hamilton was a patriot. Perhaps because he was an immigrant without deep roots in a particular colony, he believed that the bonds that hold Americans together mattered more than the ethnic, regional, religious, and philosophical differences that divided them. For Hamilton, and for Hamiltonians such as Lincoln and Roosevelt, the preamble to the Constitution mattered. “We the people of the United States,” the founders wrote, not “We the peoples.”

Then, as now, Americans must embrace a duty of care toward one another. Nationalism—or patriotism, for those allergic to the more common term—is a moral necessity, not a moral failing. Americans are not just citizens of the world but also citizens of the American republic. And just as individual Americans have duties and ties to their family members that they do not have to the public at large, they have obligations to their fellow citizens that do not extend to all humankind. Hamilton risked his life fighting for a nation that was just being born. His successors have characteristically made patriotism the bedrock of their participation in political life. The sincerity of patriotism, which led so many into military service, has helped to legitimize the Hamiltonian vision for other Americans who were not instinctively drawn to the Hamiltonian ideal.

Hamiltonians have understood that patriotism lends American business a legitimacy without which its future is insecure. It is the patriotism of businesspeople as a class that ultimately safeguards their property and their lives. If a corporation considers itself a citizen of the world; is as at home in China, India, Russia, and Saudi Arabia as it is in the United States; and has leaders who feel no special obligations toward the American people, why would the American people support this business against unfair competition from foreigners? Or for that matter, why would they not simply tax its profits and confiscate its assets?

The shift from national Hamiltonianism to globalism across much of the post–Cold War American elite has massive, although often overlooked, implications for the immigration debate. If U.S. business leaders are not committed, first and foremost, to the American people, populists will be free to impugn corporate

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advocacy for higher levels of immigration as a sinister plot against the well-being of the average American family.

Hamilton stood for an impassioned but enlightened patriotism. He risked his life in battle for his country and dedicated himself to its service, at times to his considerable financial or personal cost. He understood that the security of property and liberty rests on the legitimacy of society's leaders and that if the great and the powerful are seen to despise the common good and the common man, the social order will come crashing down. He was neither a jingoist nor a xenophobe, but he understood that a commercial society cannot flourish unless its social and business leaders are clearly, conspicuously, and consistently identified with the flag.

This sense of the necessary connection between solid patriotism and the political legitimacy of business and property was largely, although never entirely, lost in the post-Cold War years. Elite universities moved ever farther away from their old role of instilling patriotism in their students or expecting it from their faculties. Hamilton would have condemned this as a dangerous folly likely to end in attacks on the legitimacy of the state and the security of property. Hamiltonians have long understood that elite privilege can be justified only by a conspicuous adherence to a widely accepted vision of the common good—and that serious patriotism is an indispensable element of that adherence.

The third idea to recover from Hamilton's legacy is the concept of realism in foreign policy. The originality of the Anglo-American foreign policy intellectual tradition is not sufficiently appreciated with respect to this idea. Hamilton and his followers neither stand with the naive liberal internationalists nor with the Machiavellian realpolitikers. Unlike the naifs, he did not believe that humanity was naturally good or naturally disposed to settle down in democratic and egalitarian societies, all harmoniously at peace with one another. Short of divine intervention, he did not expect the arrival of a perfectly just society, a perfectly honest government, or a perfectly fair international order. He did not even expect a reasonable approximation of these eminently desirable conditions to appear.

Hamilton believed that people were naturally flawed. They were selfish, greedy, jealous, petty, vindictive, and sometimes extraordinarily brutal and cruel. Elites were arrogant and grasping; mobs were ignorant and emotional. With such material you could not build a

perfect village, much less a perfect nation or a perfect world order. Democratic peace theory, the idea that democracies would never go to war with each other, had not received its modern form, but Hamilton's argument in "Federalist No. 6" (of *The Federalist Papers*) is a sustained attack on what he saw as the delusional folly behind such utopian dreams. And the idea that global institutions such as the United Nations would ever have the wisdom, power, or legitimacy to replace national governments would have seemed dangerously credulous. He never accepted the idea that U.S. foreign policy should be about installing democracies in other countries or establishing a global system of government. He rejected Jefferson's call for an ideological crusade at the side of revolutionary France. But that view did not drive him, or those who follow in his footsteps, to cynical depths of despair. Hamiltonians might not be able to transform earth into heaven, but that did not mean they had to go to hell. Following a tradition of Anglo-American thought grounded in books such as Adam Smith's *Theory of Moral Sentiments*, Hamiltonians see human nature offering the hope for limited and perhaps only temporary but still real improvements in the human condition.

Through commerce, Hamiltonians have believed, U.S. foreign policy could make the world at least somewhat more peaceful. By encouraging Germany and Japan to reenter the global economy on equal terms after World War II, American diplomats, such as Acheson and Secretary of State John Foster Dulles, hoped to promote the integration of these countries into a peaceful order.

ENLIGHTENED REALISM

But Hamilton was not a determinist. He did not think that textbook maxims and social science "laws" of human development, either Marxist or liberal, could explain the crooked course of human history. Economic integration could create the possibility for the construction of a durable and stable international system, but there was nothing automatic about this process. Germany and Japan embraced a Hamiltonian capitalist system and entered into new kinds of international relationships, but countries such as today's China, Iran, North Korea, and Russia have made different choices. Unlike so many policymakers and analysts in post-Cold War America, Hamilton would not have been surprised by their rejection.

Law-based and democratic societies might tend toward more stable and less violent international relations, but there is no guarantee that nations will persist on this path and even less that all nations will ever embrace it. In this wicked and imperfect world, the United States cannot unilaterally disarm. It cannot afford to let down its defenses, and it cannot align its national strategy with arcs of history that never quite bend when you want them to.

But neither can the United States turn its back on the world. The

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prosperity on which Americans' domestic peace and happiness depend has always been bound up in overseas trade. When one country seeks to dominate Europe or Asia, U.S. security at home quickly comes under threat. Engagement may sometimes demand that, as during World War II, Washington aligns with and actively supports mass murderers

such as Soviet leader Joseph Stalin. And it may sometimes require ruthless and decisive actions that test the uttermost boundaries of what is morally permitted. But it equally requires fidelity to some values beyond the United States' own selfish interests, narrowly conceived.

As Americans struggle to deal with a world in which powerful countries have rejected the kind of order the United States hoped to build, they will need both sides of the Hamiltonian vision: the enlightenment and the realism. Hamiltonian policymakers can act ruthlessly in support of the national interest; they can also be models of enlightened statecraft. They choose their course of action depending on their reading of the circumstances of the time.

The revival of national Hamiltonianism in American life is being driven by the interplay of a new era of geopolitical competition with the dynamics of the information revolution. The ideas and priorities that come with it are essential if the United States is to regain its cultural and political balance at home while navigating the increasingly challenging environment overseas. American leaders must embrace the return of a set of ideas that in past generations have done so much to make the United States, for all its shortcomings, one of the richest, most powerful, most open, and most progressive societies in history. ☀