



First Place Winner

***The Pursuit of Happiness:
Thomas Jefferson's Understanding of Liberty and
Empire in Early American Economic Development***

Olivia Maria Hubert-Allen

Historians have often remarked on the life of paradox that Thomas Jefferson led. He was an aristocratic democrat, a slave holder who preached for equality and a peaceful man who advocated for violent rebellions. In understanding Jefferson's economic practices, another paradox emerges – his desire for both liberty and empire. It is these two driving forces that shaped Jefferson's approach to American economic development. Though they often pulled him in different directions, Jefferson was able to reconcile the two and lay the foundation for a stronger economy.

The America of Jefferson's era was a budding economy on the fringe of the global market. Figuring out how America fit into the Atlantic economy was one of the many challenges Jefferson faced in his lifetime. Like many Americans, he hoped the distance of an ocean would make it easy for politicians to steer clear of foreign entanglements, especially when it came to issues of economics. "I should wish [America] to practice neither commerce nor navigation, but to stand with respect to Europe precisely on the footing of China. We should thus avoid wars, and all our citizens would be husbandmen," he told a European correspondent in 1785.¹ The reality however, was that Jefferson daily faced problems with European foreign policy that impacted America's economic agenda.

Fertile, cheap, and abundant land helped shape America into an agricultural society.² It was the indigo and rice fields of South Carolina, tobacco and grain fields of Virginia, and the fish, whale and livestock industries in New England that kept America successful and growing.³ As far as Jefferson was concerned, that was the way it should be. He believed that a society built on agricultural tradition was the most economically sound and provided the best opportunities

¹ R. W. Tucker, & H. C. David, *Empire of Liberty*, (New York: Oxford University Press, 1990), p. 30.

² Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, (Malden, Massachusetts: Blackwell Publishers, Inc. 2002), p. 131.

³ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 133.

to all members of the community⁴. He even insisted that farmers benefitted morally from the practice when he wrote, "Those who labour in the earth are the chosen people of God, if ever he had a chosen people, whose breasts he has made his peculiar deposit for substantial and genuine virtue."⁵

Jefferson supported the growth of the American agricultural economy, and he sought to keep manufacturing practices back in Europe. He believed that avoiding the manufacturing industry was crucial to the well-being and morality of American citizens. After all, it was industry that had bred the social and political problems that many, just decades prior, had left England to avoid. In *Notes on the State of Virginia* he wrote, "While we have land to labour then, let us never wish to see our citizens occupied at a work-bench, or twirling a distaff. Carpenters, masons, smiths, are wanting in husbandry: but, for the general operations of manufacture, let our work-shops remain in Europe."⁶ Jefferson initially hoped that America would remain an agricultural society.

Though wary of manufacturing, Jefferson knew America would have to sell its surplus raw goods to Europe to maintain a strong economy. While he served as Secretary of State in 1793, he prepared a report on the country's imports and exports. Great Britain was America's most important trading partner, accounting for \$9 million in exports and \$15 million in imports each year.⁷ America quickly grew dependent on foreign trade to support its citizens' needs and growing economy.⁸

During this time, many European countries were entangled in mercantilist practices that restricted trade and caused conflict within the continent. Jefferson sought to counter the infighting of European markets with free trade among all nations in the Atlantic economy. He aimed to create treaties with European countries that would liberate the markets and allow economic activity to benefit all countries involved.⁹ However, American independence had threatened the European balance of power, and England was wary of America's potential as a rising economic force.¹⁰ Instead of lifting the regulations that constricted Anglo-American trade

⁴ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 136.

⁵ Thomas Jefferson, *Notes on the State of Virginia*. (University of Virginia Library: <http://etext.virginia.edu/etcbin/toccer-new?id=JefVirg.sgm&images=images/modeng&data=/texts/english/modeng/parsed&tag=public&part=19&division=div1> , 1781), p 291.

⁶ Thomas Jefferson, *Notes on the State of Virginia*, p. 292.

⁷ Thomas Jefferson, *Report on the Privileges and Restrictions on the Commerce of the United States in Foreign Countries*, (Philadelphia 1793).

⁸ Joyce Appleby, *Thomas Jefferson*, (New York: Henry Holt and Company, 2003), p. 120.

⁹ Burton Spivak, *Jefferson's English Crisis: Commerce, Embargo, and the Republican Revolution*, (Charlottesville, Virginia: University Press of Virginia, 1979), p. 1.

¹⁰ Joseph Dorfman, *The Economic Philosophy of Thomas Jefferson*. (*Political Science Quarterly*, Mar. 1940), p. 98-121.

following the Revolutionary War, England reconstituted the Navigation Acts, taking a shot at America's growing economy.¹¹

"[As part of the new regulations] Canada would begin to supply lumber and foodstuffs to the West Indies, displacing the exports of the United States; those American goods for which there was no adequate Canadian replacement could come to the West Indies only on British vessels. The direct trade between Britain and American—which sent tobacco, rice, iron and other products to the former mother country in return for manufactures of all descriptions—was also to be reestablished on the basis favorable to Great Britain, and American ships were duly placed under onerous restrictions in British ports."¹²

International rivalries were swelling and Jefferson began to make compromises to his vision of a free and open market. John Adams, a colleague of Jefferson, wrote to him, "If we cannot obtain reciprocal Liberality, we must adopt reciprocal Prohibitions, Exclusions, Monopolies, and Imposts. We must not be the Dupes. All foreign nations are taking an ungenerous Advantage of our Symplicity and philosophical Liberality. We must not, my friend, be the Bubbles of our own Liberal Sentiments."¹³

During his presidency and thereafter, Jefferson began to make allowances for practices he had often criticized – trade restrictions. In 1807 he pushed through an embargo that prohibited all U.S. ships from sailing to foreign ports.¹⁴ Jefferson initially planned for the embargo to keep the United States sailors out of harms way. Another example comes after the War of 1812 when Jefferson supported a protective tariff that would protect infant industries. In both of these instances, Jefferson turned away from the liberty he had hoped for to protect the empire many dreamt the United States might become.

As Jefferson learned in his leadership role, America needed to become a major power in order to earn full economic liberty from England. His initial hopes for an isolationist approach had been realized earlier in the century, but now America was heading in a different direction. Following the Revolutionary War, America's fragile nature as a disjointed collection of states made unified action against Britain nearly impossible. However, when Americans were spurred by England's mercantilist action against the United States, many began to support a stronger federal government that could angle for optimal trade regulations. In short, it was the trade restrictions established by Britain that finally pushed Jefferson and America into vying for a position of power on the global stage.

Aside from trade arrangements, another impediment stood in the way of US trade – internal infrastructure. Jeffersonians knew that linking farmers and planters to distant markets would be essential to American prosperity.¹⁵ Though some areas of the country, such as the Chesapeake watershed, were easily accessed by natural rivers, other parts of the country were nearly inaccessible. As Jeffersonians began to dream about expanding west, they knew

¹¹ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 126.

¹² R. W. Tucker, & H. C. David, *Empire of Liberty*, p. 26

¹³ John Adams, *Letter of John Adams to Thomas Jefferson*, 1785.

¹⁴ Burton Spivak, *Jefferson's English Crisis*, p. 103.

¹⁵ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 136.

transportation impediments must be resolved. Soon, canal projects began in a number of northeastern states. One of the first major successes was the completion of the Erie Canal.¹⁶ Private companies also began to build turnpikes which had a great impact on agricultural producers who settled far from rivers. With the further development of America's infrastructure, Jeffersonians were pleased to see more opportunities opened for enterprising citizens. America was gaining further control over its economy.

The growth of America's infrastructure brought about an unforeseen consequence that Jefferson had been avidly avoiding – manufacturing. As American settlement spread wider, the immediate needs for supplies grew. Small-scale manufacturers started to develop to meet the needs of Americans on the western frontier. The pervasiveness of these manufacturing enterprises was first noticed by Tench Coxe who was commissioned by Albert Gallatin, who had been Jefferson's treasury secretary, to analyze the 1810 census. Coxe formed new conclusions about manufacturing that would challenge Jefferson's ideas. He saw that America's workshops did not need to reside in Europe, but instead could lie "adjacent to agriculture."¹⁷ Coxe believed that America should "grow, process and manufacture entirely within its borders."¹⁸ It was advantageous for America to diversify its economy, especially considering the uncertain future of international trade. Though Jefferson was critical of manufacturing practices, many of his decisions brought about the unintended consequences of increasing manufacturing in America.¹⁹ Years after Jefferson left office, he wrote in a letter to Benjamin Austin:

"We have experienced what we did not believe, that there exists both profligacy and power enough to exclude us from the field of interchange with other nations: that to be independent for the comforts of life we must fabricate ourselves. We must now place the manufacturer by the side of the agriculturist ... Experience has taught me that manufacturers are now as necessary to our independence as to our comfort."²⁰

It is examples like these that demonstrate the flexibility and adaption that Jefferson displayed as an economic leader in the United States. Though he initially resisted taking steps toward an American empire, he learned that in realizing his dreams of liberty from Britain, empire would be unavoidable. America is a melting pot of not just people, but of ideas - including economic principles. Jefferson was able to embrace duality in conflicting ideas for the benefit of the nation, despite his personal preferences. He went from promoting an agricultural society with free trade to advocating for further economic power through the development of manufacturing practices and trade restrictions in a matter of decades. It is this level of complexity and paradox that makes Jefferson one of America's greatest and most intriguing leaders.

¹⁶ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 137.

¹⁷ Tench Coxe, *A Statement of the Arts and Manufactures of the United States of America, for the Year 1810*. (Philadelphia: 1814).

¹⁸ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 138.

¹⁹ Peter S. Onuf & Leonard J. Sadosky, *Jeffersonian America*, p. 137.

²⁰ Noble E. Cunningham, *Jefferson vs. Hamilton*, (Boston: Bedford/St. Martin's, 2000), p. 76.

Annotated Bibliography

Adams, J. (1785). *Letter of John Adams to Thomas Jefferson*

This letter to Thomas Jefferson from John Adams in 1785 outlined some of the nations dilemmas in regard to their trade relations in Europe. In it John Adams suggests that America needs to take a firmer stance and impose trade restrictions that might help America win back some economic and political liberty.

Appleby, J. (2003). *Thomas Jefferson*. New York: Henry Holt and Company.

Two chapters in this book, A Painful Reelection and Foreign Policy Proves Quagmire, were especially important to understand what Jefferson's thoughts were during the time period. The writer examines the Jeffersonian era with a scrutinizing portrayal of Thomas Jefferson. Appleby's comprehensive look at the decisions Jefferson made are framed by things going on in his personal life, making the book especially unique.

Coxe, T. (1814). *A Statement of the Arts and Manufactures of the United States of America, for the Year 1810*. Philadelphia.

This report was drawn up following the 1810 census. In it Coxe writes about the benefits that allowing manufacturing to be a part of the American economy can be beneficial to foreign relations. This report was prepared for Jefferson's treasury secretary, Albert Gallatin.

Cunningham Jr., N. E. (2000). *Jefferson vs. Hamilton*. Boston: Bedford/St. Martin's.

This book has a number of letters written by both Hamilton and Jefferson with accompanying commentary. Cunningham explains the meaning behind these historical letters in good depth.

Dorfman, J. (Mar. 1940). The Economic Philosophy of Thomas Jefferson. *Political Science Quarterly*, 98-121.

Dorfman's journal article provides a especially fine view of Jefferson's economic philosophies while he worked as a minister to France from 1784 to 1789. It provided valuable background information that contextualized many of Jefferson's presidential actions.

Jefferson, T. (1781). *Notes on the State of Virginia*. Retrieved 4 1, 2009, from University of Virginia Library: <http://etext.virginia.edu/etcbin/toccer-new2?id=JefVirg.sgm&images=images/modeng&data=/texts/english/modeng/parsed&tag=public&part=19&division=div1>

Some of the most important and valuable words for this essay came from Jefferson himself. In *Notes on the State of Virginia*, Jefferson reveals many of his hopes for the American economy. Since this was written before his Presidency, it shines an important light on the actions he took while in office. This source is one of the most complete and candid that Jefferson wrote regarding the political economy.

Jefferson, T. (1793). *Report on the Privileges and Restrictions on the Commerce of the United States in Foreign Countries*. Philadelphia.

This was a document prepared while Jefferson served as secretary of state. It has useful data about the imports and exports of America at that time, including types of imports and exports and economic benefit of those trades.

Onuf, P. S., & Sadosky, L. J. (2002). *Jeffersonian America*. Malden, Massachusetts: Blackwell Publishers, Inc.

Onuf and Sadosky provide a well-written account of Thomas Jefferson's life, providing an especially interesting look at Jefferson as others around him saw him. They give insight into not only the mind of Jefferson, but also of other political leaders who shaped America's early economic decisions. In their chapter, Pursuits of Happiness, they explain how US economic situations shaped Americans acceptance of a federal government.

Spivak, B. (1979). *Jefferson's English Crisis: Commerce, Embargo, and the Republican Revolution*. Charlottesville, Virginia: University Press of Virginia.

Jefferson's English Crisis leaves no detail untouched relating to Anglo-American relations during Jeffersonian times. Detailed accounts of diplomatic negotiations between Jefferson's staff and foreign countries was pivotal to this essay's development. Ample excerpts from letters and other documents make Jefferson's voice especially prominent in this work.

Tucker, R. W., & David, H. C. (1990). *Empire of Liberty*. New York: Oxford University Press.

Tucker and David took one of the most critical views of Jefferson as they analyzed his statecraft. Their chapters, "Commerce, Manufactures and the West," heled to develop one of the core concepts of this essay. Tucker and David's constant allusion to Jeffersonian paradox was critical to the development of this essay's theme.



About the Contest

Philip L. Carret, a long-time New York investor, visited Elon in October, 1996 at the invitation of Mark Albertson, University Registrar. We celebrated with Mr. Carret his upcoming 100th birthday.

In 1997 Mr. Carret endowed an annual essay competition designed to have students reflect on the ideals and principles embodied in Thomas Jefferson's life and career. "Thomas Jefferson, with the possible exception of Abraham Lincoln, is the greatest statesman this country has ever produced," Carret said as he established the contest.

For 2008-2009, the competition's thirteenth year, students submitted essays on the topic:

In a March 1784 letter to George Washington, Thomas Jefferson lamented, "All the world is becoming commercial. Was it practicable to keep our new empire separated from them we might indulge ourselves in speculating whether commerce contributes to the happiness of mankind. But we cannot separate ourselves from them."

Men and women living in the new United States, in other words, bought and sold goods in a global economy, and they realized that their economic decision had important domestic and international political significance. Indeed, in Jeffersonian America, statesmen, essayists, merchants, farmers, and other routinely politicized Americans' economic decisions and assigned partisan attributes to their choices. During the Revolution, for example, Patriot leaders mobilized sentiment against Britain through a series of economic boycotts, and New England Federalists were so frustrated with Jeffersonian restrictions on international trade from 1807-1815 that they contemplated secession. Meanwhile, rising economic rivalries between the nation's sections generated increasing political tensions. Clearly, Americans' political ideas about economic development were increasingly shaped by global concerns that reverberated in every town and state.

In a well organized essay, address the relationship between economic development and politics in Jefferson's America (roughly 1770-1826). You might consider how and with what consequences a political leader or party addressed Americans' economic anxieties and hopes at the domestic or international level. Or you might assess how the nation's economic development shaped the country's political landscape. Please note that you do not have to cover the entire date range—nor should you limit your treatment to the ideas and actions of Thomas Jefferson himself.

In this booklet we present the essays of the first and second place winners, each of whom received a cash prize from the endowment.

Mr. Carret started the Pioneer Mutual Fund in 1924 and served as its leader for 55 years. He also founded Carret and Company, a money management firm in 1964. We regret the passing of Mr. Carret on May 28, 1998 in his 101st year and remember his generosity in establishing the competition. We are grateful for his wisdom in shaping it so that each new generation of Elon students will be invited to consider the values of a central founder of our nation.



About the Winners

First Place

Olivia Maria Hubert-Allen

Senior
Elon, North Carolina

Olivia is a Communications Fellow, Presidential Scholar, and on the President's and Dean's Lists. She is earning a Bachelor of Arts Degree in both Journalism and Political Science. Her parents are T. Scott Allen and Deven Ann Hubert.

As the first place winner, Olivia received a cash award of \$1000.

Second Place

Jenna Danielle Stout

Sophomore
Siler City, North Carolina

Jenna is a Presidential Scholar, Watson Scholar, and on the President's and Dean's Lists. She is earning a Bachelor of Arts Degree in History. Her parents are Roy and Deborah Stout.

As the second place winner, Jenna received a cash award of \$600.



The Carret Essay Committee for this year's competition included:

Dr. Kirstin Ringelberg, Associate Professor of Art
Dr. Nancy S. Midgette, Associate Provost and Professor of History
Rev. Richard W. McBride, University Chaplain
Dr. Charles F. Irons, Assistant Professor of History
Dr. R. Clyde Ellis, Professor of History
Dr. David A. Copeland, Professor of Communications
Dr. Michael Carignan, Assistant Professor of History
Mr. Mark R. Albertson, University Registrar and Assistant to the Provost