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The Hamiltonian Ground

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Alexander Hamilton was an ambitious young striver and created an economy where people like him could rise and succeed. He used government to rouse the energies of the merchant class, to widen the circle of property owners and to dissolve the constraints on commerce and mobility.

Abraham Lincoln was another ambitious young striver. As a young politician, he championed roads, canals and banks so enterprising farm boys like himself could ascend and prosper. While he was president, the Republican Party passed the Homestead Act, which gave people access to property they could enrich and develop. It passed the Land Grant College Act, so the ambitious would have access to knowledge. It passed railroad legislation to open vistas for the young and aspiring.

Margaret Thatcher was another young striver. When she became prime minister, she gave the British working class access to homes and property so that they would become more industrious and independent.

You'd think that in this and every election, the Republicans would want to continue this tradition. You'd think that they'd start every election by putting themselves at the kitchen tables of middle-class families with ambitious kids. Their first questions would be: What are the barriers to their mobility? What concrete help do these people need to realize their dreams?

Yet at the Republican economic debate in Michigan this week, there was no talk of that. The candidates declared their fealty to general principles: free trade, lower taxes and reduced spending. They talked a lot about the line-item veto and the Chinese currency. But there was almost nothing that touched concretely on the lives of the ambitious working-class parents who are the backbone of the G.O.P.

Sometimes the candidates seemed more concerned with massaging the pleasure buttons of the Club for Growth than addressing the real concerns of the middle class. They talked far more about cutting corporate taxes, for example, than about a child tax credit for struggling families.

At other times, they sounded as if they were running for a ceremonial post. The person who is elected president will need concrete proposals, but the G.O.P. contenders scarcely have them. Mike Huckabee has some sketchy plans. John McCain answered one element of middle-class anxiety yesterday with his new health care plan. Others seem to have decided concrete proposals are for geeks.

In this way, the Republican Party has abandoned the Hamiltonian ground. It has lost intimate contact with the working-class dreamer who longs to make good.

Instead this ground is being seized by a Democrat. Over the past few months, Hillary Clinton has issued a string of

specific policy programs aimed directly at members of the aspiring middle class.

Yesterday, it was a tax credit for college. Earlier in the week, Clinton offered a plan to give families down the income scale access to 401(k)-style plans. Right now, 75 million workers have no employee-sponsored pension accounts. The way our tax code is structured, people up the income ladder get big tax incentives to save, while working people, who have the most trouble saving, get the smallest incentives.

Under the Clinton plan, if a family making up to \$60,000 a year put \$1,000 into a new 401(k) account, they would get a \$1,000 matching tax credit. The plan would create millions of new investors. Struggling families could choose mutual fund options and participate in the capital markets. They'd be encouraged to move away from a month-to-month mentality to a saving-for-the-future mentality.

Clinton's plan poaches on economic values that used to be associated with the Republican Party. Moreover, it undermines the populist worldview that is building on the left of her party. Instead of railing against globalization and the economic royalists, Clinton gives working people access to Wall Street and a way to profit from the global economy.

No Republican would design asset-building plans the way Clinton does. No Republican would pay for them the way she does. But at least she has a middle-class agenda. Right now, the general election campaign looks like it's going to be a replay of the S-chip debate. The Democrats propose something, and the Republicans have no alternative.

When Hamilton was alive, big landowners stifled competition and economic dynamism. Hamilton created national capital markets to smash local oligarchies. When Lincoln was rising, vast distances retarded trade. The Whigs, and later Republicans, championed internal improvements to build national markets. Today, the global information economy makes it hard for people without human capital to prosper and participate.

There are potential Republican responses to this. But right now the message is: Proposals? We don't need no stinkin' proposals!

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