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# ALEXANDER HAMILTON.

(THE FIRST PROTECTIONIST.)

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AN ACCOUNT OF HIS SERVICES IN THE STRUGGLE FOR POLITICAL AND INDUSTRIAL INDEPENDENCE OF GREAT BRITAIN

AND IN THE

FOUNDING OF THE AMERICAN SYSTEM OF PROTECTION OF HOME INDUSTRY,

BY DEB. RANDOLPH KEIM.

~~MEMBER OF THE~~ SECRETARY EASTERN PIG IRON ASSOCIATION.

1886.







Hamilton Washington

The Hamilton Protective Tariff  
League

PROTECTION OF AMERICAN INDUSTRY.

—Advocacy of the doctrines of ALEXANDER HAMILTON  
—Policy, Trade, Protection and Public Economy—Opposition  
—Theories—American Markets for American Products—Pro-  
—Maintenance of the exalted standard of American Labor  
—in honor of American Industry—Extension of American Commerce  
—government aid to Ship-building and Mail Transportation.  
PROTECTIVE CLUB, HEADQUARTERS, WASHINGTON, D. C.  
: THE TARIFF RECORD, Washington, D. C.

Gift

De B. R. Heim

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## THE AMERICAN ECONOMIC SYSTEM.

### CORNERSTONE OF INDUSTRIAL AUTONOMY.

#### THE DECLARATION OF INDEPENDENCE.

AMONG the long list of grievances charged against the British King and Ministry were the "Cutting off our trade with all parts of the World," "imposing taxes on us without our consent" and "plundering our seas."

### KEYSTONE OF FEDERAL INDUSTRIAL POLICY.

#### THE CONSTITUTION OF THE UNITED STATES.

CONFERRING upon Congress the power to lay and collect taxes, duties, imposts and excises, to pay the debts, and provide for the general welfare of the United States. To regulate commerce with foreign nations and among the States, coin money and to promote the progress of science and useful arts.

### FOUNDERS OF AMERICAN PROTECTION.

#### GEORGE WASHINGTON OF VIRGINIA.

A free people ought not only to be armed, but disciplined, to which end a uniform and well digested plan is requisite; and their safety and interest require that they should promote such manufactories as tend to render them independent on others for essential, and particularly military supplies \* \* \* The advancement of agriculture, commerce and manufactures by all proper means will not I trust need recommendation. (*Washington's First Annual Address to the Congress of the U. S., Jan. 8. 1790.*)

#### ALEXANDER HAMILTON OF NEW YORK.

\* \* \* A full view having now been taken of the inducements to the promotion of manufactures in the United States, \* \* \* it is proper, in the next place to consider the means by which it may be effected, \* \* \*

1. *Protecting duties*—or duties on those foreign articles which are the rivals of the domestic ones intended to be encouraged.

The propriety of this species of encouragement need not be dwelt upon, as it is not only a clear result from the numerous topics which have been suggested, but is sanctioned by the laws of the United States, it has the additional recommendation of being a source of revenue. \* \* \*

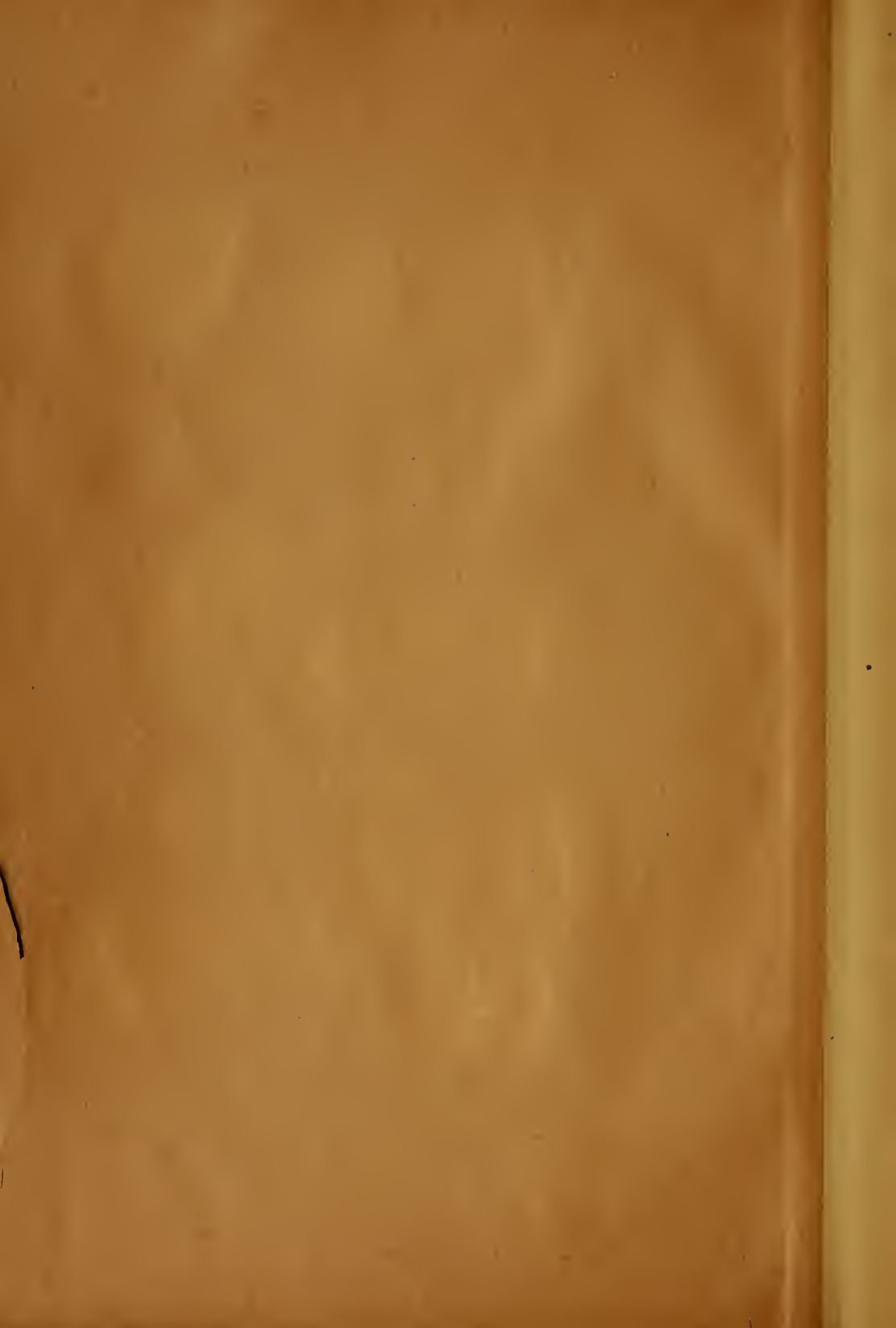
2. *Prohibitions of rival articles*, or duties equivalent to prohibitions. 3. *Prohibitions on the exportation of the materials of manufactures.* 4. *Pecuniary bounties* 5. *Premiums.* 6. *The exemption of the materials of manufactures from duty.* 7. *Drawbacks of duties on the materials of manufactures.*

\* \* \* Considering a monopoly of the domestic market to its own manufacturers as the reigning policy of manufacturing nations, a similar policy, on the part of the United States, in every proper instance, is dictated, it might almost be said by the principles of distributive justice; certainly, by the duty of endeavoring to secure to their own citizens a reciprocity of advantages. \* (*Report of Alexander Hamilton, First Secretary of the Treasury.*)

#### THE FIRST CONGRESS OF THE UNITED STATES.

WHEREAS it is necessary for the support of government, for the discharge of the debt of the United States, and the encouragement and promotion of manufactures that duties be laid on goods wares and merchandise

(Preamble of first Act but one, passed by Congress July 4, 1789.)



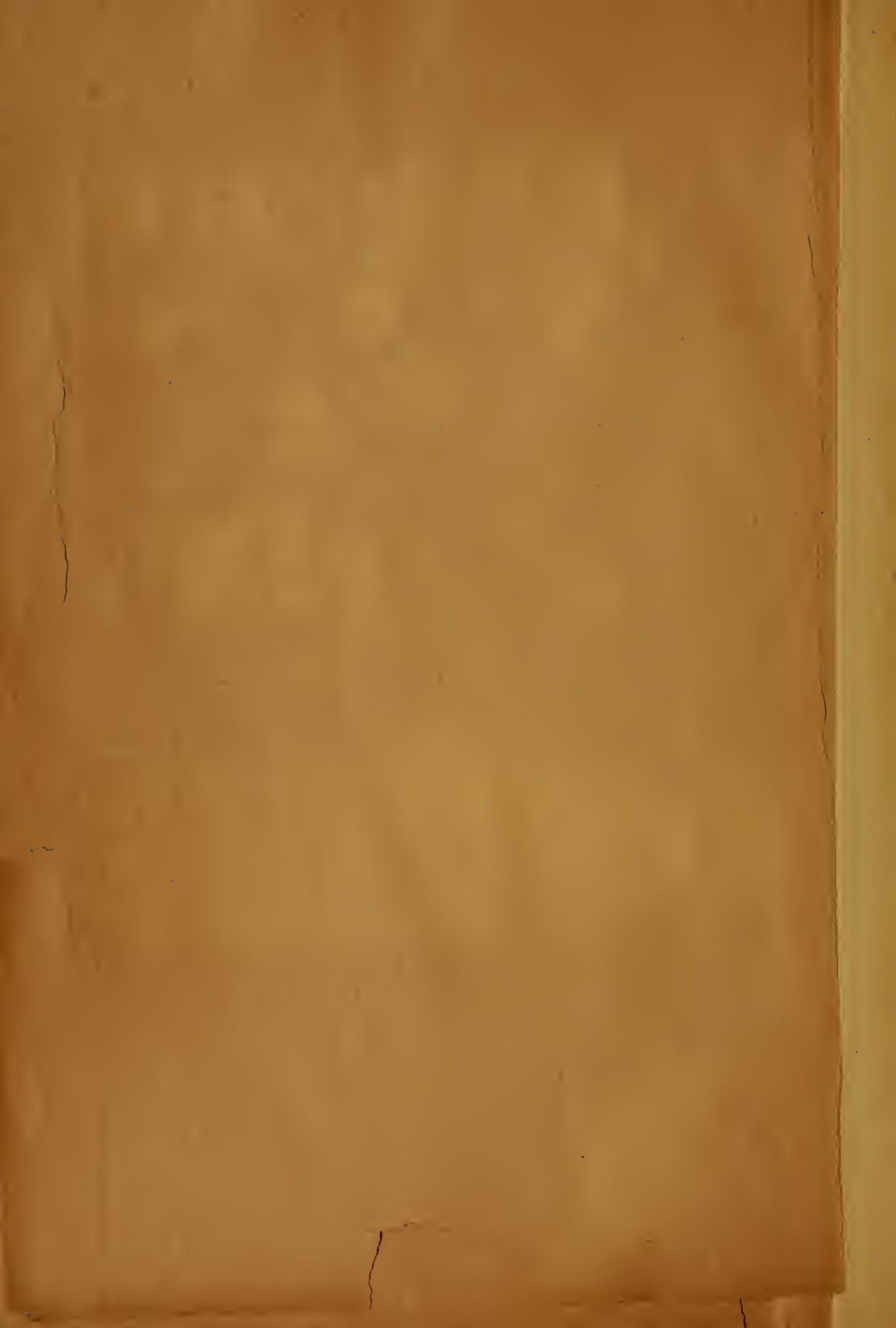
## PREFACE.

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IN the following sketch of the life of Alexander Hamilton, first Secretary of the Treasury in the Cabinet of President George Washington, the object in view has been to present in a concise form the origin of the American doctrine of encouragement of home industry by protective legislation. The Colony of Massachusetts adopted measures to encourage textile industry by colonial enactments. In the province of Pennsylvania the same system was adopted with respect to certain branches of metallurgical industry. So beneficent were the results that acts of the British Parliament were passed making it a criminal offence to engage in certain manufactures in the Colonies. The restrictive measures of Parliament against the trade and manufactures of the American Colonies were as conspicuous among the causes which led to the war for independence as was the opposition of the Colonists to taxation without representation. The formulation of the doctrine of American Industrial Autonomy was the work of Hamilton in the very incipency of the struggle, and how intelligently, persistently and successfully he ingrafted that doctrine into the policy of the Government, will have been seen in the following pages. The experience of the country has also demonstrated that the nearest approaches to free trade have invariably been periods of industrial ruin and National disaster. Such was the fact in 1837, 1847 and 1857. High protective tariffs have always been attended by prosperity and industrial activity. The facts set forth in this sketch should, therefore, be a necessary part of the information of every citizen of the United States who desires to think and act intelligently on the subject of Protection as the paramount principle of American public economy.

K.

Washington, D. C., 1886.





# Alexander Hamilton.

AUTHOR—PUBLICIST—SOLDIER—STATESMAN.

## CHAPTER I

IN adopting the name of ALEXANDER HAMILTON, First Secretary of the Treasury in the Cabinet of WASHINGTON, as the title of the Administrative and auxiliary organizations contemplated in this movement in the maintenance and support of sound doctrines of Public Economy, represented in their dissemination in this series of papers under the League title, we take from the roll of founders and architects of American constitutional government, the foremost statesman of an age of statesmen without limitation of country or nationality. The romance of his birth and childhood; the precocity of his youth; the maturity of his early manhood; the growing splendor of his ripening years and the tragedy of his untimely death, unite to make him one of the most conspicuous figures in American History. In his life we have an example worthy of imitation by all Americans. In his works we have the enduring monuments of a man who sought only the advancement, prosperity and welfare of his countrymen. To retrace the footsteps of his career; to study the grandeur and receive the inspiration of his public acts is a first duty of those who believe in American nationality and American institutions.

### BIRTH, FAMILY AND YOUTH.

ALEXANDER HAMILTON in whose veins coursed the blood of one of the most illustrious of the Scottish clans, the Hamilton's of Grange, was born January 11, 1757, on the little British island of Nevis, a fertile zone encircling a volcanic cone 2,500 feet above the waters of the Caribbean sea, and one of the West India group known as the Leeward Isles about 35 square miles. The elder Hamilton turned to mercantile pursuits, in his youth sought a larger field of activity in the West Indies, settling at St. Christophers or "St. Kitts," another member of the same group, northwest of and separated from Nevis, by a strait 1 1/2 miles wide.

Hamilton's mother, who was by descent had been the wife of a rich Dane, when she married James Hamilton. Of the family born of this happy nuptial alliance Alexander was the youngest and the only child to reach mature years. His mother who was a woman of great beauty, refined manners, cultivated mind and social accomplishments, died when he was quite





child. His father through the misfortunes of trade fell into hopeless bankruptcy and poverty. The child thus became a charge of his mother's relatives who resided on the Danish Island of Santa Cruz, the most southern of the Virgin group, and a short distance west of St. Christopher's. There he acquired English and French, and the rudiments of knowledge at the school of a Jewess. Under the friendly direction of a Presbyterian clergyman he also enlarged his range of study. He was placed in the counting house of Nicholas Cruger, a successful merchant and estimable man. Before he had reached fourteen years his mastery of the business led his employer to place it in his sole care and left the island for a time. The life of a merchant was not tasteful to young Hamilton, but following a cardinal principle of his subsequent career, he never failed in his duty.

In 1772 a hurricane swept over the Leeward Isles with great violence. In the newspaper of St. Christopher's, immediately after, there appeared so thrilling a description of the fury and effects of the warring elements that the inhabitants and governor of Santa Cruz, were eager to know its author. Their efforts resulted in tracing the account to Hamilton, then but fifteen years old.

#### ARRIVAL IN THE COLONIES—EDUCATION.

The remarkable aptitude displayed by one so young enlisted the friendly interest of the chief residents of the Island. A fund was placed at his disposal and in October, 1772, he sailed for Boston. From Boston he proceeded to New York. He entered the grammar-school under the patronage of Governor Livingston and Elias Boudinot, at Elizabethtown. Through his early friend the venerable pastor of Nevis, he was introduced to the best society of New York. One year later and the toiling pedagogue of the grammar-school at Elizabethtown, announced that his pupil was ready to enter college. Appearing at Prince on the stripling of sixteen astounded the venerable President, Dr. Witherspoon, by asking admission to any class that examination might find him fitted for and permission to go on with such rapidity as his studies might determine. This request was refused. He turned to King's, now Columbia College New York. There he made the same request which was granted, and in the fall of 1773, began his collegiate course.

Events were ripening for the Revolution of 1776. The Stamp Act of 1765 the proceedings of 1768 in Massachusetts, the collisions between the Royal troops and the people; the Boston Massacre of 1770, and public agitation would have been sufficient to divert most youths, fired with the longings of ambition, from their studies. But Hamilton continued at his books, laying up stores of knowledge and intellectual training as his opportunities offered, and which he utilized with such resplendent glory so soon after.

Early in 1774 Hamilton took time from his studies to revisit Boston. That town of liberty-loving people was all excitement over the boarding of the British tea-ships. Born and reared to years of adolescence in a colony submissively British, young Hamilton might naturally have inclined to unquestioning loyalty to his sovereign. Having passed his time since his arrival in a royal colony and royal city, dominated by Tories and Tory influences, and pursuing his studies in an institution under Tory control, he was in no position to give the cause of the colonies his scrutinizing consideration. In Boston, however, he found himself rapidly warming to the approval and sympathy with the people in their assertion of their rights against tyranny.



We soon see him again at his studies in New York. No longer do we find him indifferent to passing events, but a vigilant observer of their minutest details. On July 6, 1774, we see him an earnest listener at a meeting of patriots in the suburbs of New York, convened for the choice of delegates to the proposed general Congress of all the Colonies. The fire of his nature rose with the earnestness of the occasion. Soon we find him, a boy in years, stature, appearance and manner, rising to address the assembled multitude. In the gathering were old men, and sages of note in the patriot cause. It was a trying moment for a youth of seventeen, but the maturity of his views, the wisdom of his counsel and the force of his arguments soon won for him the most earnest attention of his patriot auditors.

## CHAPTER II.

### ESPOUSAL OF THE PATRIOT CAUSE.

**T**HE conspicuous part taken by Hamilton at the New York Meeting of July 6, 1774, at once fixed his place in the front rank of the advocates of the cause of the Colonies. He supplemented his voice by his pen. His contributions to the whig newspapers of the city, though anonymous, attracted universal attention, and their unknown author was loudly applauded not only by the large whig element, but by the discerning minds of John Jay, Governor Livingston, and other leaders. In Sept., 1774, the first general Congress representing all the Colonies but Georgia, met at Philadelphia, and prepared a second Declaration of Rights, that of 1765 claiming taxation and representation as inseparable, pledging the colonies against commercial intercourse, and drew up a petition to the King, and an address to the people of Great Britain and Canada. After the adjournment of the Continental Congress, the Tory writers and leaders were ready and active in their criticisms and condemnation of the measures of that body. The celebrated Dr. Seabury, afterwards Protestant Episcopal Bishop of Connecticut, and the first Bishop of that church in the United States led off in a pamphlet, entitled "Free Thoughts on the Proceedings of the Continental Congress," which was followed by "Congress Condemned, by a Westchester Farmer." The latter also by a clerical Tory, named Wilkins, of Westchester County, N. Y. Both pamphlets were characterized by great force of argument, and were doing great injury to the cause of the Colonies in the minds of the people. The Whig leaders were bewildered by the erocity of these attacks. Several weeks elapsed without reply. The silence of the Whigs, gave the Tories renewed courage and emboldened by the supposed invulnerability of their position, they became abusive both in the press and in public.

#### THE MEASURES OF CONGRESS DEFENDED.

On Dec. 15, 1774, there appeared a pamphlet under the title: "A full Vindication of the Measures of Congress from the calumnies of their enemies, in answer to a Letter under the signature of a Westchester Farmer;

*Samuel*





where by  
not  
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with his *sophistry* is exposed his *cavils* confuted, his *artifices* detected, his *ridiculed*, in a General Address to the inhabitants of America, and a particular Address to the Farmers of the Province of New York *Veritas magna est et preval bit.*—[Truth is powerful and will prevail.]

The entire paper displayed a purity of diction, euphony of expression, brilliancy of thought, profundity of reasoning, boldness of conviction, rationalism of principle and courage of declaration, which filled the Tories with surprise and consternation, and raised the lagging spirits of the Whigs to the highest point of enthusiasm. They attributed this overwhelming vindication of their cause to John Jay, later Chief Justice of the independent United States of America. They little thought that so mature a paper emanated from the brain of a youth of seventeen. As a defence of the action of the First Continental Congress of the United States of America, it was a masterpiece of dispassionate eloquence and convincing and overwhelming logic. But it was more than this, it was the first presentation to the people of the American colonies of the whole scope of the impending struggle, the righteousness of their cause, the burdens of the conflict and the certainty of success. It presented every cardinal principle embodied by Jefferson in the Declaration of Independence, eighteen months later. In fact it was the Revolution of 1776, on paper nearly two years before the conflict began.

#### THE AMERICAN DOCTRINE OF EQUAL RIGHTS PROCLAIMED.

It would be impossible in this connection to go into the details of this remarkable pamphlet. It will be sufficient to note a few of its salient points, in order to show that the Hamilton League in advocating the principles of their hero are supporting Constitutional Government and Industrial Independence in its original and most exalted American form. In addressing his "Friends and Fellow-Countrymen," the then anonymous pamphleteer asserted, "The equity, wisdom and authority of the measures adopted by Congress," whether considered in connection with "the characters of the men who composed it; the number and dignity of their constituents; or the important ends for which they were appointed," he claimed; "that Americans are entitled to freedom, is incontestable upon every rational principle. All men have one common origin, they participate in one common nature and consequently have one common right, since then Americans have not by any act of theirs empowered the British Parliament to make laws for them, it follows they can have no just authority to do it." Here is the very doctrine enunciated in the Preamble of the Declaration of Independence, eighteen months later. This fundamental principle of American Liberty he ably supported by arguments and facts and exposed the subterfuges of logic, by means of which the Tory leaders endeavored to divert popular sentiment from the real principles of the controversy.

#### INDUSTRIAL AUTONOMY FORESHADOWED.

In treating upon the tyrannical acts of parliament affecting American trade and manufactures, he boldly enunciated the first declaration of the cardinal principles of the American Economic System. "There is no law either of nature or of the civil society, in which we live, that obliges us to purchase and make use of the products and manufactures of a different land or people. \* \* \* Humanity does not require us to sacrifice our own security and welfare to the convenience or advantage of others. \* \* \* In civil society, it is the duty of each particular branch to promote, not only the good



of the whole community, but the good of every other particular branch. If one part endeavors to violate the rights of another, the rest ought to assist in preventing the injury. When they do not, but remain neutral, they are deficient in their duty and may be regarded, in some measure, as accomplices." Here is a precept for all manufacturers to note.

He adds with respect to the manufacturers of Great Britain, they are criminal in a more particular sense. Our oppression arises from that member of the great body politic, of which they compose a considerable part. \* \* \* It may not be amiss to add, that we are ready to receive with open arms any who may be sufferers by the operation of our measures, and recompense them with every blessing our country affords to honest industry."

He advised a restriction of trade with England as the only peaceable method to avoid the impending mischief. He gives a review of the rivals of British Trade, shows the leading importance of that of the American Colonies, and "that it would be extremely hurtful to the commerce of Great Britain, to drive us to the necessity of laying a regular foundation for manufactures of our own; which if once established, could not easily, if at all, be undermined or abolished."

With the mature reasoning of a ripened statesman thus early, fifteen years before his report on manufactures, the foundation of the American Industrial System, he propounded the idea of the Colonies becoming manufacturing rivals of the Mother Country.

#### POLITICAL SEPARATION POSSIBLE.

This overwhelming vindication not only of the measures of the First Continental Congress, but of the cause of the Colonies drew out a reply from the Westchester Farmer, under the head "A view of the Controversy &c." The pen of the anonymous writer, "mightier than the sword," on February 5, 1775, rallied to the support of the patriot cause in a pamphlet, "The Farmer Refuted," &c. *Tituli remedia pollicentur sed pices ipsae venena continent.* (The title promises remedies, but the box (thing) itself poisons.) In this paper the writer discusses the relations of the Colonies to Great Britain and the constitutional authority of Parliament, giving prominence to the fact that the settlement of New England was "instigated by a detestation of civil and religious tyranny." He foreshadowed the possibility of political separation and prophetically cast the political and industrial horoscope of America.

The credit of these pamphlets was at first given to John Jay, or Gov. Livingston, but soon irrefragable proof established the fact of Hamilton's authorship. He was then but eighteen. The clerical champions of the Tory cause were so completely routed that they retired from the field.

Any American whether in Congress or out of it, falling into Tory notions of 1774-'75, revived in the pro-Britishism of 1886 under the guise of Tariff Reform or Tariff for Revenue only, or any other false pretenses of the enemies of American Industrial Autonomy, would honor himself and save his reputation for patriotism and intelligence by reading up in this pamphlet controversy. He would come out of the task a better American than by giving ear to pro-British economic theories, filtered through the mercenaries or dupes of the Cobden Club.





## CHAPTER III.

## HAMILTON IN THE REVOLUTION.

THE vigor of Hamilton's pen and the influence of his zeal were so marked in their effects upon popular sentiment; not only in New York, but in all the Provinces; that the Tory leaders soon realized the importance of trying to induce him to abandon the Colonies and to enlist in support of their own views of the questions at issue. The advantages of social position were presented to him, but these failing the last argument of British power—gold, was tried. The temptations of social and pecuniary rewards backed by the supporters of his King, it might have been feared, would have their effect upon a youth of 18. But not so. All inducements to betray the cause he had espoused were passed in contempt. In order to make his devotion to the Colonies more emphatic a few months after, June, 1775, he gave out another pamphlet "Remarks on the Quebec Bill." This as did his former efforts, attracted universal attention and was his answer to Tory attempts to debauch him.

## LEARNING THE ART OF WAR.

The contact of armies had at last been reached. The news of Lexington had demonstrated that more direct and conclusive methods than the pen were demanded in the assertion of the principles of liberty for which the Colonies were contending. Congress having decided to accept the arbitration of arms, we find Hamilton among the earliest pupils of an adept in the art of war. He was one of a number of students whose patriotism had called them together into a corps under the fierce name "Hearts of Oak." Under the military tuition of an English bombardier and ex-adjutant, the company not only reached great proficiency in the manual and manœuvres, but in the execution of the orders of the Provincial Committee to remove the cannon from the Battery, they received their baptism of fire in a broadside from the frigate Asia, which wounded three and killed one of the company.

## CAPTAIN OF ARTILLERY—IN THE FIELD.

In the course of military preparations in New York, Hamilton was appointed to the captaincy of an Artillery Company and was assigned to the duty of guarding the Records of the Colony. His proficiency in drill and command was so noticeable as to attract the attention of Gen. Schuyler which soon after was followed by an invitation to the headquarters of Gen. Washington. At the disastrous battle of Long Island, Hamilton was distinguished for heroic conduct in saving the Continental forces from annihilation. He later figured in the movements on the Hudson. At one time he urged Washington to permit him to storm Fort Mifflin, an important strategic point then just taken by the British, which, however, was refused as too hazardous. He also took part in the retreat through New Jersey and the



guns of his company performed effective service in checking the advance of Cornwallis, who with a superior force, came upon the American Army as it was crossing the Raritan. He distinguished himself in the glories of Princeton and Trenton-

#### ON THE STAFF OF WASHINGTON.

On March 1, 1777, we find him at the age of 20 reluctantly leaving his company of Artillery, now celebrated in the army, to accept a position on the staff of Washington, with the rank of Lieutenant Colonel. Once here he was soon recognized as the Commander-in-chief's, "principal and most confidential aid." His advice was not only sought by the General, but in many instances outweighed that of all others. Hamilton accompanied Washington in all his campaigns. It was not, however, without frequent feelings of impatience that he contemplated his separation from the more active field of military duty, which opened the way to heroic exploits and promotion. But his pen was active and mightier than the sword on more than one occasion. The letters of Publius, written by him about the time of the Gates-Conway Cabal were admired by Washington and the military minds of the army, as well as by the Statesmen and Patriots of the American cause. In the seasons of greatest despondency the hope of success never faltered in the breast of Hamilton. In his correspondence in the newspapers and his more thoughtful writings, he uniformly treated the outlook in such terms of encouragement and unflinching conviction of success, that even Washington often found himself re-invigorated and stimulated by his faith in the destiny of the Colonies. During the cold, hunger, suffering and defeat, which surrounded the army at Valley Forge, in winter of 1777, it is but necessary to compare the correspondence of Washington and Hamilton, in order to appreciate the foreboding which occupied the thoughts of the one and the buoyant and well grounded hope, even cheerfulness, of the other. It was in the month of November, 1777, that Washington's superior confidence in the judgment and discretion of Hamilton was most notably shown. Gen. Gates having forced the surrender of Burgoyne, was naturally the recipient of much popular applause. There was little doubt that he was deeply implicated in the infamous Cabal of that year, and even looked upon himself as the rival of Washington. The necessity of reinforcements in the vicinity of Philadelphia was imperative. Gates had ample forces under his command with no immediate demand for their services. Hamilton was sent on a special mission to secure a portion of this force. At first he was treated with disdain, but ultimately through firmness he accomplished substantially what he went for, and at the same time brought the refractory General to a sense of subordination to his Commander-in-chief.

In January, 1778, at 21 he prepared an elaborate paper on the re-organization of the Army, which was submitted by Washington to the Committee of Congress.

#### ADVOCATES ARMING THE NEGROES.

At the height of the struggle he proposed the enlistment of negroes in the South, and Col. Laurens a southern man, was willing to command one of these battalions. In March, 1779, he addressed a letter to Congress on the subject, in which he expressed his confidence that the Negroes would make excellent soldiers; that the contempt entertained for them was not founded in reason or experience. He explained that an essential part of his plan was "to give them their freedom with their swords." "This," said he "will



secure their fidelity, animate their courage and have a good influence on those who remain by opening a door to their emancipation, \* \* \* the dictates of humanity and true policy equally interest me in favor of this class of men." Here again we find Hamilton far in advance of his age. More than eighty years had elapsed before the soldierly qualities of the African race were put to the test. Results have demonstrated that the judgment of Hamilton was founded in wisdom and sagacity.

At the age of 23 he also prepared important state papers on Military Regulations and Discipline, which were submitted by Washington to Congress.

#### LEAVES THE STAFF.

In February, 1781, in a moment of difference, Hamilton severed his connection as a member of the Staff. While passing on the stairs of the Headquarters, Gen. Washington said he wished to speak, to which Hamilton, then conveying a letter to an aid, replied that he would wait upon him immediately. On his return, being stopped for a moment by Marquis de Lafayette, upon reaching the head of the stairs, Washington accosting him said angrily:

"Col. Hamilton you have kept me waiting at the head of the stairs these ten minutes. I must tell you Sir, you treat me with disrespect."

"I am not conscious of it Sir," said Col. Hamilton, "but since you have thought it necessary to tell me so, we part."

"Very well Sir," said Washington, "if it be your choice."

Hamilton in a letter to Gen. Schuyler said that his absence could not have exceeded two minutes. Washington at once saw the injustice of his anger and within less than an hour sent an aid to Col. Hamilton, expressing his desire "to heal a difference, which could not have happened but in a moment of passion." The request for a reconciliation was refused by Hamilton, on the ground that he had long wished to leave the Staff, as during the four years service there, he had lost frequent opportunities to distinguish himself. He had sacrificed his future to the wishes of his Chief. The opportunity to sever his connection by his Chief's own act was now offered, and he seized it. Not, however, from motives of resentment, but from a dislike of the position. Cavaliers have made this a ground of assault upon Hamilton, and in the heat of political excitement years after it was raised against him. The events of later years are the best answer to all these assaults. Immediately after this event he applied for a command in a light corps. The jealousy of other officers gave Washington great embarrassment and while unable to grant the request, Washington sent a letter of explanation. Hamilton appreciated the situation of his chief and quietly acquiesced in the disappointment.

#### LEADING AN ASSAULT AT YORKTOWN.

In the early summer of 1781, finding his inactivity growing irksome he enclosed his commission to Washington, but the General's solicitation and the hope of early occupation in the field caused him to withdraw it.

We next find Hamilton in command of a corps of light Infantry in Lafayette's Division on the Peninsula of Yorktown. On October 6, 1781, he occupied the first parallel within 600 yards of Cornwallis' works. On October 14, Hamilton with his men stormed the abatis and carried the British Redoubt in a manner which called forth the applause of Washington and Lafayette. It was the most brilliant exploit of the siege and sealed the fate of Cornwallis, the last act in the drama of the American Revolution.





## LEAVES THE ARMY.

It was apparent to Hamilton that the surrender of Cornwallis and his army dissipated the last hope of the British cause in America. With the prospects of peace came a desire to enter into the practice of law. He returned to New York, with permission to hold his commission until there was no further prospect of fighting. He refused all pay and emoluments for the time he was absent from the Army. His resignation followed soon after. We see him at the early age of 24, brilliant as a writer and distinguished as a soldier, entering a career of private worth and public service, which has made him a model of American citizenship. During the time of his military services Hamilton was laying the foundation of a career of greatness in the walks of state-manship. On the tented field and surrounded by the discomforts and trial of hard marches and ill-supplied campaigns, his mind was engrossed in the study of Government, Public Economy and Finance. In the pay book of his Artillery Company, as early as 1776, still preserved, may be seen copious notes of his views on political economy.

## CHAPTER IV.

## ENTERS PROFESSIONAL LIFE.

ON December 14, 1780, Hamilton married Elizabeth, second daughter of General Philip Schuyler, one of the most earnest patriots and worthy soldiers of the American war of Independence. In the early spring of 1782, he began the study of law, in Albany, N. Y. After four months, in the following July, we find him not only admitted to the bar as an attorney, but also prominent as the author of "A manual on the practice of Law," which possessed so much merit that it served for the instruction of future students, and later formed the groundwork of an enlarged treatise. His thoughts, however, had long been much engrossed in the demands of his country in this formative period of its progress toward national existence and responsibilities of government.

## PREPARING THE WAY FOR A STRONG CENTRAL GOVERNMENT.

Even before the outlook of the struggle for Independence had assumed a most promising aspect, he began July, 1781, three months before the surrender of Cornwallis, the publication of a series of papers under the general title "The Continentalist," designed to show the necessity of an augmentation of the powers of the Confederation, and to prepare the way to the establishment of a form of civil government possessed of more of the elements of National authority. In approaching the subject he said, "we began this revolution with vague and confined notions of the practical business of government;" \* \* \* "an extreme jealousy of power is the attendant on all popular revolutions and has seldom been without its evils; to this source we are to trace many of the fatal mistakes, which have so deeply endangered the common cause; particularly that defect which will be the object of these remarks—a want of power in Congress."





His ideas on that point were, that the existing powers of the Confederation were unequal "to a vigorous prosecution of the war or the preservation of the Union in peace; that History is full of examples, where in contests for Liberty, a jealousy of power has either defeated the attempts to recover or preserve it, or has subverted it, by clogging government with too great precautions for its felicity or by leaving too wide a door for sedition and popular licentiousness \* \* \* too much power leads to despotism too little leads to anarchy."

#### WHAT POWERS WERE NEEDED.

Having pointed out the defects of the system of the Confederation, he proceeded in No. 4, (August 30, 1781) of the series, to show in what the augmentation should consist. The very first in the list was:

"The Power of Regulating Trade, comprehending a right of granting bounties and premiums, by way of encouragement, of imposing duties of every kind as well for revenue as regulation, of appointing all officers of the customs, and of laying embargoes in extraordinary emergencies." He claimed that the great defect of the Confederation was that it gave the United States no revenue nor means of acquiring it inherent in themselves. He then showed the practical result in the absence of credit and indifference of the States.

#### THE POWER TO REGULATE TRADE.

At the very time that Hamilton was completing his legal studies in Albany he issued the last of his able "Continentalist papers." In this he pointed out more in detail the fatal consequences of not authorizing the Federal Government to regulate the trade of the States, "Besides" said he "A precarious Union and a deficiency of provident superintendence to advance the general prosperity of trade, the landed interest and laboring poor would fall a sacrifice to the trading interest and the whole eventually to a bad system of policy. "claiming that Duties and Imports would lighten the burthens on land; that the landed and trade interests are naturally dependent, what benefits the one serves the other." The Government having long been in a state of bankruptcy and verging on the borders of dissolution for want of revenues and powers, Congress passed an Act creating in each State a receiver of the Government quota of taxes. At the urgent solicitation of Governor Morris, of N. Y., Hamilton accepted the somewhat thankless office. The New York quota for the current year was \$373,598, and Hamilton set about collecting it. He visited Governor Clinton, at Poughkeepsie, notifying him of his appointment and asked a conference with the Legislature.

#### THE FIRST STEP TOWARDS THE PRESENT FORM OF GOVERNMENT.

No sooner had Hamilton entered his new field of duty than he infused into public affairs of New York, a marked degree of activity. The Legislature of New York cordially seconded his efforts to collect the State quota of government taxes. One of his first steps was to prepare a plan of specific taxation for the State of New York, and a schedule of State taxes on imports in addition to the imports granted by Congress.

On July 21 1782, the Legislature also passed a Resolution prepared by Hamilton for "A General Convention of the States to revise and amend the Confederation," so as to enlarge the power of Congress and vest that body in funds.

The resolution was to be transmitted to Congress and the several States, for their co-operation. On the next day, July 22, 1782, he was chosen a



delegate for the State of New York, to Congress for the next ensuing year.

#### IN THE CONGRESS OF THE CONFEDERATION.

No sooner had Hamilton entered the Congress of the Confederation than he began to apply himself to the advocacy of those principles of strong and responsible government, which had so often been the theme of his voice and pen. Congress was in a state of hopeless perplexity on every question. It was without power and without means. The reputation of public office had sunk so low in the scale of national aspiration that men of ability would not accept the places. From 1783 till 1789 is one of the most humiliating periods in the Annals of American History. As Washington well said of this period, "To be more exposed in the eyes of the world and more contemptible than we already are, is hardly possible." The Delegates, mostly men of little minds, as a rule had no interest beyond their own States. It was, therefore, a fortunate thing for American destiny that such a man as Hamilton entered the arena of public life at this time. When the Commissioners were signing the Definitive Treaty declaring the United States of America a free Nation, American Nationality at home was tottering in imbecility. That which the sword of Washington and the pen of Hamilton, had reared to the splendor of an independent state, was crumbling away through the puerility, indecision, incapacity and narrowness of the men entrusted with civil administration. Every friend of the American cause looked with contempt upon the men who by weight of numbers and not of brains, held the future of America in their hands, and daily expected to see the Union fall into hopeless disruption. America had not a sincere friend among the Nations of Europe and was treated with open indifference.

#### EFFORT TO RESTORE THE CREDIT OF THE GOVERNMENT.

On December 6, 1782, Hamilton's first important act was the introduction of a resolution urging the States to comply with the requisitions of Congress for paying the interest on the debt and for current expenses, assuring the public creditors that the fullest justice would be done. On December 16, he submitted a plan for the creation of a sinking fund and pledging the faith of the United States to its execution.

In February 12, 1783, he introduced a resolution asserting as indispensable to a restoration of public credit, the providing of Congress with permanent and adequate funds "to be collected by Congress."

#### REVENUE, PROTECTION AND COMMERCE.

On March 20, Hamilton presented resolutions urging the States to comply with their obligations to provide revenues and to pass laws for the establishment of certain funds, "to be vested in the United States and to be collected and appropriated by their authority and their own officers." Among his recommendations as to the sources of taxation was an ad valorem duty on articles of foreign growth and manufacture imported into any State from a foreign country, except wool cards, cotton cards and wire for making them, which at that time were prohibited as articles of export from England to the United States, under penalties of imprisonment and heavy fines.

On May 1, he submitted a resolution authorizing the negotiation of a commercial treaty with Great Britain, meanwhile to enter into a commercial convention for one year.



FORMULATES THE AMERICAN DOCTRINE OF NON-PARTICIPATION IN FOREIGN POLITICS.

In a resolution of May 21, 1783, Hamilton formulated the doctrine of non-participation in European politics. The treaty of recognition of the Independence of the United States by Great Britain having removed the primary object of the mission to Russia, and while in all respects approving the principles of armed neutrality founded on the liberal basis of a maintenance of the rights of neutral nations and the privileges of commerce, he was "unwilling to complicate the interests of the United States with the politics of Europe," and suggested that if no steps were taken to make it dishonorable to refuse, to suspend further action.

OPPOSES DEPORTATION OF NEGROES.

On May 20, 1783, he introduced a resolution to prevent the deportation of Negroes belonging to citizens of New York.

CHAPTER V.

DANGERS OF THE CONFEDERATION.

THE defects of the Confederation continued to increase the difficulties of the situation to such an extent that the outlook was anything but hopeful. A powerful party in Congress added to the existing complications a positive leaning towards a subjection of the interests of the United States to France. While appreciating the services of that friendly power, Hamilton was strenuously opposed to any "undue preponderance of Foreign influence." The Provisional Treaty with Great Britain had been signed November 30, 1782, but the Independence of the Colonies, still hung in the balance. The French Count de Vergennes in his efforts to force the quasi Independent States of America into the attitude of diplomatic dependencies of France, was stoutly combatted in Congress by Hamilton, and to his efforts was the new Government indebted for release from this threatening dilemma.

DEFECTS OF THE CONFEDERATION.

The greatest apprehension in Hamilton's mind arose from the inability of the Confederation to meet these foreign as well as domestic dangers. In June 1783, he prepared for submission to Congress a Resolution for a Convention of the States, to correct the defects in the organic law of the land. Next to a strong government for internal as well as external defense, his idea was necessary taxation, the observance of National good faith and stimulation and Protection of Home industries, both for Revenue and Regulation. In the preamble to his Resolution he therefore renewed his efforts in that direction by enumerating among the defects to be remedied:

The "vesting in Congress the power of general taxation, and yet rendering that power nugatory by withholding control of its imposition or collection."





## AGAIN URGES THE ADOPTION OF THE PRINCIPLE OF PROTECTION.

In not vesting in the United States a general superintendence of trade in view of Revenue and Regulation: Of Revenue, because duties on Commerce when moderate, are one of the most agreeable and productive species. Of Regulation, because by general prohibitions of particular articles, by a judicious arrangement of duties, some times by bounties on the manufacture or exportation on cost in commodities, injurious branches of commerce might be discouraged; useful products and manufactures promoted: none of which advantages, can be as effectually attained by separate regulations, without a general superintending power: because also, it is essential to the due observance of the commercial stipulations of the United States with foreign powers.

## RESIGNS HIS SEAT IN CONGRESS.

ON November 25, 1783, the British forces evacuated New York City. No sooner had this culminating act of the British Government in its abandonment of the struggle with the Colonies taken place, than Hamilton against the urgent solicitations of Jay and others to remain, resigned his place in Congress and returned to New York, to enter into the practice of the law. His life in Congress was irksome on account of the indifference of a majority of that body to the real situation.

## PROFESSIONAL LIFE.

In professional life Hamilton was as active a friend of the best interests of the Government and people as he had been in his performance of public duty. There were many in the country who were disposed to bitterly criticise Congress. While no one knew better than himself the imbecility of that body, in 1783 he gave to the public a vigorous vindication against this growing tendency to popular disparagement.

## PREDICTS THE INFLUENCE OF AMERICAN LIBERTY.

In 1784, in two letters under the signature "Phocion" addressed; "to the considerate citizens of New York on the politics of the times, in consequence of the peace," Hamilton administered a rebuke to the rashness of the Whigs against the Tories, insisting now that the war was ended, upon the exercise of due regard for law and order. His pride in the good name of the new-born Republic, he thus expressed, "The world has its eye upon America. The noble struggle we have made in the cause of Liberty, has occasioned a kind of revolution in human sentiment. The influence of our example has penetrated the gloomy regions of despotism, and has pointed out the way to inquiries, which may shake it to its deepest foundations."

The influence and vigor of Hamilton's pen did much towards assuaging the tendency to popular license at this critical period. He was also the object of premeditated personal violence on account of his determined efforts against the designs of the rash spirits of the day. A club of gentlemen (?) was formed in New York, to compass his death. It was solemnly resolved that one after another should challenge him on various pretexts until he should be put out of the way. Mr Ledyard who had answered "Phocion" in a letter signed "Mentor," heard of this nefarious plot. While he was bitterly opposed to Hamilton, he placed him anonymously, in full possession of the particulars of the conspiracy. A short time after at a dinner party, at which both Hamilton and Ledyard were present, a guest addressed the latter





by his *nom de plume* "Mentor." Hamilton hearing it, for the first time knew who his anonymous friend was, and seizing him by the hand exclaimed:

"Then you, my dear sir, are the friend who saved my life."

To which Ledyard replied "That sir, you know, you once did for me."

In 1784, Hamilton took an active part in founding the bank of New York, the first institution of the kind in that State and the second in the United States.

#### FOUNDING THE FIRST SOCIETY FOR THE FREEDOM OF THE SLAVES.

During the Revolutionary struggle Hamilton strongly urged upon Congress the arming of the Negroes of the South for military operations against the British, and in his efforts was ably and vigorously seconded by the best men of the South. After the Independence of the Colonies had been secured he was early in the field against slavery in the State of New York and for the accomplishment of that object was one of the founders of the Manumission Society of that State.

#### REVISING THE GOVERNMENT.

The brief space of three years had sufficed to demonstrate that something had to be done to strengthen the General Government or the Union would go to pieces. Hamilton's efforts in that direction in 1783 were now recognized as necessary. The Legislature of New York, named him a Delegate to the Convention at Annapolis, which met September 11, 1786, to consider a uniform system of Trade and Commerce. Four States not being represented, it was decided to recommend the calling of a Convention to meet in Philadelphia, second Monday in May, 1787, "to devise such further provisions as shall appear to them necessary to render the Constitution of the Federal Government adequate to the exigencies of the Union." Hamilton was selected and drafted the address to the States, which led to the Convention of 1787, which framed the Federal Constitution as we have it to-day.

## CHAPTER VI.

### APPOINTED TO THE CONSTITUTIONAL CONVENTION.

HAVING been chosen a Member of the Legislature of New York, Hamilton exerted himself to secure their co-operation in bringing about the proposed convention of the States. In February, 1787, he introduced a Resolution instructing the New York Delegates in Congress to move for a convention to "revise the articles of Confederation and perpetual Union between the United States," and also a resolution to appoint delegates to meet those of other States. The dominant party in the New York Legislature was not favorable to strengthening the powers of the general government, but when the time came to select the delegates to the Constitutional Convention, Alexander Hamilton was named. He was handicapped however, by the appointment of two colleagues, Yates and Lansing, who were



opposed to his views, and were chosen to prevent, if possible, any steps to create a Federal system with certain powers of general administration.

#### THE LIBERALS IN THE ASCENDANCY.

The Convention which gave the United States of America a frame of Government worthy of their destiny, met at Philadelphia, Pa., May 14, 1787. One of the first acts of the Convention was the submission by Hamilton of a plan of constitution of Government which formulated the essential features of the Federal system of three coordinate branches, afterwards elaborated and finally adopted.

The business of the Convention soon took the form of two definite, and opposite propositions, viz.:

The Virginia plan which contemplated a National Government with executive, legislative and judicial powers, advanced by Edmund Randolph, and The New Jersey plan, or simply an amendment of the existing confederation.

#### HAMILTON'S IDEA.

In the course of the discussion Hamilton delivered an elaborate speech setting forth his views on the subject, generally and explanatory, of the frame of Government he had submitted. He favored an Elective Assembly, a Senate to serve during good behavior, a Governor (President) chosen during good behavior with power of appointments, to be confirmed by the Senate, and the appointment of Governors of States by the general Government, to have the negative of laws. In a word his idea was to create a National Government capable of sustaining itself, with a counter-balance against the State governments which were to be maintained in a subordinate relation. Hamilton, however, conceded that public sentiment, his unerring guide to the popular will, was not ready to go so far in forming a more positive centralization of authority in the general Government. He accordingly sustained the "Virginia plan," as approximating his views, and as a wide improvement on the Confederation.

#### HAMILTON'S COLLEAGUES QUIT IN DISGUST.

As the business of the Convention progressed and the sentiments of its members began to crystallize in defined measures, the two reactionist delegates from New York discovered that the Convention was controlled by a positive Liberal majority, and had therefore, succeeded in maturing a completely new system of Government. On the strength of these revelations Hamilton's colleagues, on July 5, 1787, withdrew from the Convention. In explaining their action to the Governor and people of New York for campaign clap-trap use, they claimed that their credentials did not contemplate the formation of a consolidated Government. The Convention was better without them.

#### EDMUND RANDOLPH'S VIEWS.

That there was an exercise of power beyond that which a literal construction of authority would suggest was admitted, but Hamilton, on that subject, stood with Edmund Randolph, of Virginia, a leading spirit of the Convention, who said, "We owe it to our country to do on this emergency, whatever we shall deem essential to its happiness. The States sent us here to provide for the exigencies of the Union. To rely on and propose any plan not adequate



to those exigencies, merely because it was not clearly within our powers would be to sacrifice the end to the means."

#### THE NATIONAL CONSTITUTION ADOPTED.

The form of Constitution as it stands to day having been adopted, Hamilton was appointed one of a committee to revise the style and arrangement. This having been completed, it was found that the culminating act of signing the instrument was in danger of failing through the absence of many of the delegates. He, therefore, urged its signature by the members present, as the best that could be done, and trusted to the wisdom and patriotism of the States to ratify their action. This course was adopted, and the permanent Federal form of Government of the United States of America was signed and the Convention adjourned Sept. 17, 1787. The report of the Convention was submitted to Congress Sept. 28, 1787, was adopted with but prolonged debate and submitted to the States for ratification. Within three months the Constitution was ratified, first by the State of Delaware, and by eleven of the States, by July 26, 1788. Two States, North Carolina and Rhode Island ratified after the Constitution went into operation. In the New York Convention of ratification, of which he was a member, Hamilton supported the Constitution with great zeal.

One of the most conspicuous considerations in Hamilton's mind in favor of the Constitution, was that it had the good-will of the commercial interests of the States which would, he said "add their influence in support of the establishment of a Government capable of regulating, protecting and extending the commerce of the Union."

### CHAPTER VII.

#### HAMILTON AND THE CONSTITUTION.

OF the sixty-five members chosen to the Convention of 1787, ten never attended its meetings, thirty-nine signed the Constitution and sixteen refused to sign it. The preliminaries leading to the Convention, intelligent co-operation incident to the framing of the Constitution, and the influence necessary to secure its adoption, were promoted more by the efforts of Alexander Hamilton than any other single individual in the United States. Hamilton stands forward as the earliest and most zealous promoter and propounder of Constitutional Government in America. Madison takes conspicuous rank as the framer of its form, as exemplified in the Constitution of Government of the United States.

#### THE FEDERALIST PAPERS.

On October 27, 1787, there appeared the first of that series of celebrated papers, the *Federalist*, in support of the new Constitution, which continued until June 1788, and which were republished with excellent effect throughout the States, and even in foreign countries. These papers numbered eighty-five, and were the joint production of Alexander Hamilton, later Secretary of the Treasury, who wrote fifty-one, James Madison, afterwards President







of the United States, who wrote twenty-nine, and John Jay, later Chief Justice of the United States, who wrote five.

#### HAMILTON'S WORK APPRECIATED.

The Constitution was ratified by the State of New York on July 26, 1788. On July 29, Hamilton arrived in New York from the protracted and long-doubtful contest in convention at Poughkeepsie, and resuming his seat in Congress had the incited honor of presenting to that body the formal instrument of ratification by that State. The news of the ratification, after the desperate effort of Governor Clinton and others to defeat it, was received with great enthusiasm. A procession of merchants, traders, and artisans, displayed banners bearing the portraits of Washington and Hamilton. The printers appeared with a press and banner bearing the familiar *non de plume* of the *Federalist*, "Publius." The sailmakers bore upon a stage the new Constitution and a banner with the figure of Hamilton, holding in his left hand the scroll of the Confederation and in his right the Constitution, while Fame, with her trumpet and laurel, appeared in the act of crowning him. Conspicuous, also, was the Federal Frigate Hamilton, fully manned, responding with frequent salutes.

#### HAMILTON IN THE FIRST CAMPAIGN.

In the first election owing to the opposition of the Clintonians, there were no New York electors, and in the first session of the 1st Congress no Senators from New York appeared.

Soon after, in the state elections, the Federalists organized for a contest. Governor Clinton, the leader of the anti-Federalists, was candidate for Governor. His opponent was Chief Justice Yates. Hamilton, leading the Federalists, supported Yates. Clinton, the former author of reactionary politics in the State, was elected by so small a majority that his leadership was broken, and out of six Representatives from New York to the new Congress, four were Federalists. The political complexion of the State Assembly was also revolutionized, the Federalists carrying a majority of both branches which led to the election of two United States Senators before the close of the first Congress.

#### HAMILTON FIRST SECRETARY OF THE TREASURY.

No sooner had the choice of the people patriotically fallen upon Washington to be the first President of the United States, under the Constitution of 1787, than he announced his intention to place Alexander Hamilton at the head of the financial department of his Administration. This was received with approbation among the friends of the new Constitution. Robert Morris, the experienced financier, spoke of him as "the only man in the United States competent to cope with the extreme difficulties of that office." Congress, in the reorganization of the executive, established the Treasury Department on September 2, 1789, and on the 11th of that month Hamilton was appointed its first chief officer. He was now but 32 years of age, but his public services had made him the first statesman of his day.

#### ORGANIZING THE TREASURY.

His first duty in his new field was the arrangement of the methods and forms of the business details of his department. So perfect was the system that he devised, and so capable of expansion to meet every requirement, that



it has not been improved upon nor materially changed after a century of trial, and is still in active operation in every department of administration and accounts.

#### THE ESTABLISHMENT OF PUBLIC CREDIT.

Ten days after assuming charge of the department, Congress called upon Hamilton for a report upon the provisions to be made for the National debt, and to sustain the National credit. This report was made at the ensuing session, January 14, 1790. He favored an observance of good faith with all public creditors without resort to sharp practice as proposed by some. His funding system was based on this idea, and was carried over great opposition. He also advocated the assumption of the State debts incurred during the war of the revolution, as an act of "sound policy and substantial justice." In this he was also successful.

#### HAMILTON'S FINANCIAL POLICY A SUCCESS.

The finances of the Government at once began to exhibit the vitalizing effects of his policy. President Washington announced that in little more than thirteen months \$1,900,000 had been collected, and that certificates substantially worthless had gone up to 75 cents on the dollar. What a contrast as compared with the bankrupt Treasury of the old Confederation.

#### ESTABLISHMENT OF THE FIRST NATIONAL BANK.

Part of his plan for the restoration of the finances was the establishment of a National Bank. To that end he submitted a charter with a capital stock of \$10,000,000. The Senate adopted the measure substantially as submitted, but in the House it was attacked with great ferocity by the same class who supported the disgraceful system of the Confederation, against the wise and vitalizing principles of the constitution. They now raised the cry that the bank was in the interests of the moneyed class, and was a pernicious scheme to "strengthen and perpetuate the Government." Like the existing generation of "wild cat" banks and currency, and financial irresponsibility generally, these opponents appealed to the prejudices of agriculture and manufactures against trade and commerce. Sound argument prevailed, and the bill passed two to one. In the Cabinet, Randolph and Jefferson opposed the signing of the bill, and Madison, at the request of Washington, made a written objection to its legality. These were submitted to Hamilton by Washington. His answer was such a forcible refutation of all the argumentative bug-bears presented that Washington signed the bill. Thus was established the first National Bank of the United States. As a sufficient vindication of the measure it should be added that Madison, one of the earliest and most influential opponents of the First, afterwards as President of the United States first vetoed and then through the irresistible force of conviction signed the act for the incorporation of the Second National Bank of the United States.

#### THE EXCISE AND BONDED WAREHOUSE SYSTEMS ESTABLISHED.

Notwithstanding the liberal revenues flowing in from sources already established, the receipts were still \$826,000 short of the requirements of the Government. Hamilton now went a step further. On December 13, 1790, he submitted his second report on public credit, in which he urged an excise upon domestic wines and spirits, but with such modifications upon the odious British system as to meet with success. He favored the excise as a tempor-



any expedient, because it would afford the necessary increase of revenue without resorting to a "land tax," a direct blow to agriculture.

In the same report Hamilton suggested the system of bonded warehouses, one of the greatest conveniences ever devised in behalf of the importing trade.

#### ESTABLISHMENT OF THE MINT.

Hitherto the Nation had no distinctive National coinage. Hamilton saw the importance of this, not only as a matter of convenience, but of National dignity. He suggested the basis of the denominations, designs and value of the coins, and made other recommendations essential to the success of the scheme. The discussion was protracted, but his plan in its material points finally prevailed. Coinage was made free except when coin was simultaneously exchanged for bullion, in which case one-half of one per cent. was deducted. The ratio of gold to silver was as one to fifteen, which, however, was afterwards found erroneous and remedied.

### CHAPTER VIII.

#### THE FIRST PROTECTIVE LEGISLATION.

THE new Constitution having specifically granted to the Congress of the United States the power to raise revenue, and regulate trade and the bankrupt condition of the National exchequer when the new form went into operation, rendered it necessary in the very beginning of legislation to pass a bill to raise funds to meet accumulated and current obligations. James Madison, the father of the Constitution, prepared such a bill. This bill provided "that duties be laid on goods, wares and merchandise imported," and was the first bill passed by the 1st Congress. The preamble stated three reasons for its passage:

1. "For the support of Government."
2. "For the discharge of the debts of the United States."
3. "For the encouragement and protection of manufactures."

The debate on the measure also showed a decided advocacy of the protective system as a measure of National policy. The effect of this preliminary statute was immediately felt in the prompt inflow of revenue, rise of Government credit, quickening of home industry, and activity of home markets.

#### HAMILTON ASKED TO FURNISH A PLAN TO CARRY OUT WASHINGTON'S RECOMMENDATIONS.

On January 15, 1790, the House of Representatives, having resolved itself into committee of the whole on the state of the Union, reported a resolution distributing the President's message. Among other recommendations by President Washington was the following:

"A free people ought not only to be armed, but disciplined, to which end a uniform and well digested plan is requisite; and their safety and interest require that they should promote such manufactories as tend to render them







independent of others for essential, and particularly military supplies \* \* \* The advancement of agriculture, commerce and manufactures by all proper means will not, I trust, need recommendation." On this the House *Ordered*, That it be referred to the Secretary of the Treasury, to prepare and report to this House a proper plan or plans conformably to the recommendations of the President of the United States in his speech to both Houses of Congress, for the encouragement and promotion of such manufactories as will tend to render the United States independent of other nations for essential, particularly for military supplies."

#### HAMILTON'S CELEBRATED REPORT ON MANUFACTURES.

On December 5, 1791, Secretary Hamilton communicated his reply to the House of Representatives. This report determined the future economic policy of the Nation. Its wisdom has been exemplified at every step of National progress. The theory of the economic doctrines advocated as expressed by Hamilton himself, and let patriotic Americans observe, was "to let the thirteen States bound together in a great indissoluble union, concur in erecting one great system superior to the control of trans-atlantic force or influence, and able to dictate the connection between the old and the new world." In other words, Hamilton's idea was not so much the creation of a protective as a "modern system," which should establish the complete autonomy of American industry, and the preservation of the American markets for American products.

It would be impracticable to give in this connection the full text of this great State paper. A synopsis of its chief features will, therefore, have to suffice, with the suggestion, however, that every citizen of the United States, having the interests of his country and his countrymen at heart, should read the entire document and

#### THE SALIENT FEATURES OF THE REPORT.

Secretary Hamilton introduced the subject as follows: "The embarrassments which have obstructed the progress of our external trade have led to serious reflections on the necessity of enlarging the sphere of our domestic commerce. The restrictive regulations, which in foreign markets abridge the vent of the increasing surplus of our agricultural produce, serve to beget an earnest desire that a more extensive demand for that surplus may be created at home, and the complete success which has rewarded manufacturing enterprise in some valuable branches, conspiring with the promising symptoms which attend some less mature essays in others, justify a hope that the obstacles to the growth of this species of industry are less formidable than they were apprehended to be, and that it is not difficult to find, in further extension, a full indemnification for external disadvantages, which are or may be experienced, as well as an accession of resources favorable to National independence and safety."

He then presents the principal arguments of those unfriendly to encouraging manufactures and answers them. He shows that the claim that agriculture is the only productive industry, is not sustained by facts.

#### IMPORTANCE OF MANUFACTORIES.

He next demonstrates that manufacturing establishments not only occasion a positive augmentation of the produce and revenue of society, but that they



contribute essentially to rendering them greater than they could possibly be without such establishments. This proposition he considers under the following heads :

1. Division of labor.
2. An extension of the use of machinery.
3. Additional employment to classes of the community not ordinarily engaged in business.
4. The promoting of emigration from foreign countries.
5. The furnishing greater scope for the diversity of talents.
6. The affording a more ample and various field for enterprise.
7. The creating, in some instances, a new, and securing in all, a more certain and steady demand for the surplus produce of the soil.

#### HOW MANUFACTURES MAY BE ENCOURAGED.

After an elaborate treatment of each of these heads and a presentation of the inducements to the promotion of manufactures in the United States, he submits and discusses the means by which the ends may be effected under the following heads :

1. Protecting duties, or duties on those foreign articles which are the rivals of the domestic ones intended to be encouraged.
2. Prohibitions of rival articles, or duties equivalent to prohibitions.
3. Prohibitions of the exportation of the materials of manufactures.
4. Pecuniary bounties, applicable to the whole quantity of an article produced, manufactured or exported.
5. Premiums or rewards for some particular excellence.
6. The exemption of the materials of manufactures from duty if necessary to the success of a new manufacture.
7. Drawbacks of the duties which are imposed on the materials of manufactures.
8. The encouragement of new inventions and discoveries at home, and of the introduction into the United States of such as may have been made in other countries, particularly those which relate to machinery.
9. Judicious regulations for the inspection of manufactured commodities.
10. The facilitating of pecuniary remittances from place to place.
11. The facilitating of the transportation of commodities.

The report then treats upon the capacity of the country to furnish the raw material; the degree in which the nature of the manufacture admits of a substitute for manual labor in machinery; the facility of execution, and the extensiveness of the uses to which the article can be applied. Then follows a designation of the principal raw material of which each manufacture is composed, under the heads, iron, copper, lead, coal, wood, skins, grain, flax and hemp, cotton, wool, silk, glass, gunpowder, paper, and refined sugar and chocolate.

This report, written at the age of thirty-four years, was unquestionably the ablest of all the able State papers prepared by Hamilton. In its preparation he consumed nearly two years adding to his already large stock of information on the economic conditions of his own country, a series of extensive inquiries into the policy of foreign countries. He also took time to study the practical operations of the protective-tariff act of 1789, particularly in its effect as a means of revenue and encouragement of home industry.



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 THE PRACTICAL TEST.

The vindication of these doctrines has been complete through the practical results of industrial energy and prosperity during their supremacy, and National calamity and industrial disaster during their abatement. Even Jefferson and his anti-federalist followers could not stand before the people against them in 1792. When they came in control of affairs later they were forced to yield to public sentiment, and support the Hamiltonian or American economic system. In 1809 a Congress having a majority opposed to Hamilton's ideas of Federalism ordered the report to be reprinted.

## THE SYSTEM COMPLETE IN ITS INCEPTION AND FORMULATION.

As has been truly said by one of Hamilton's biographers, "the inferences and arguments adduced in the report constituted as able a presentation of the protectionist theory as has ever been made. Arguments have since been put into new forms, and a host of fresh similies and comparisons have been suggested; but the substance of the reasoning has received no material accession," since the report of 1791 first formulated the fundamental doctrines of the "American system" of protection.

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 CHAPTER IX.

IT is not necessary to enter into a discussion of the heated political controversies which had their origin in the differing views of statesmen during the earlier formative period of National existence. It is sufficient to say that Alexander Hamilton was always the foremost champion of federalism in its fullest exemplification in the fundamental principles and practical development of Constitutional government, responsible and vigorous methods of administration and sound doctrines of finance and public economy. His views on all great questions, earnestly endorsed by Washington, were inspired by the loftiest appreciation of the high aims and purposes of American institutions and destiny.

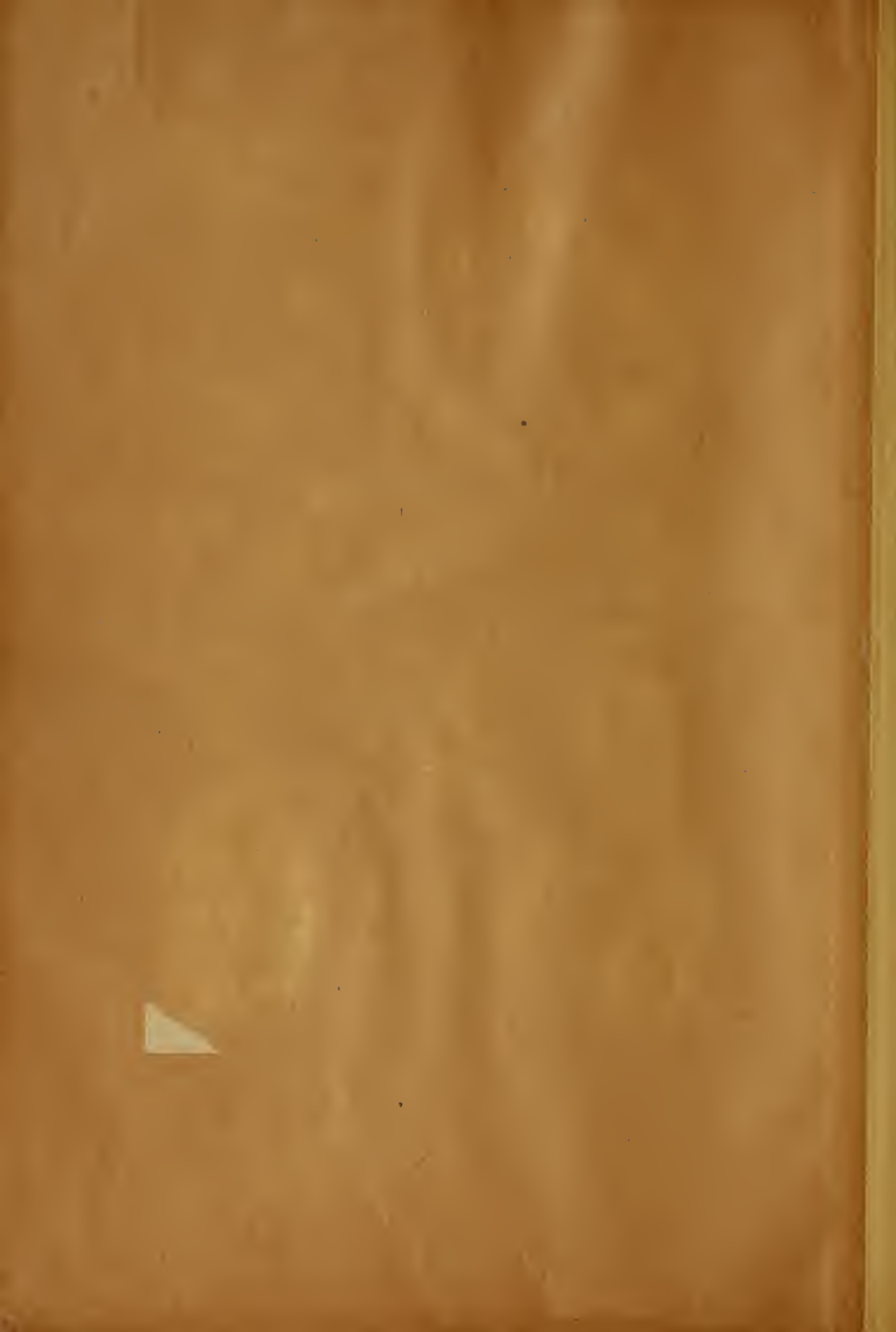
## TENDERED THE OFFICE OF CHIEF JUSTICE OF THE UNITED STATES.

The vacancy on the Supreme Bench of the United States caused by the appointment in 1794 of Chief Justice Jay, on the recommendation of Hamilton, to negotiate the much-needed commercial treaty with England, was tendered to Hamilton but was declined.

## HAMILTON'S WORK.

When Hamilton entered the cabinet of Washington he saw around him nothing but the debris of the old confederation, blasted credit at home and abroad, a bankrupt Treasury, a Union bound by a rope of sand, commerce and industries at the mercy of England, and business without a responsible circulating medium. When he left the cabinet five years after, (Jan. 31, 1795.)







through his efforts, the public debt had been funded, the State debts on account of the war had been assumed by the general Government, a National Bank had been organized, a System of gradual redemption of the public debt had been adopted, a fiscal system and method of Treasury administration organized, the people had a trustworthy currency, commerce was rapidly increasing in spite of the malign influence of the commercial regulations of Great Britain, the coastwise trade was expanding with marvelous rapidity, agriculture was prosperous, manufactures were developing, the tide of Western emigration had set in, taxes were paid promptly, population and wealth were increasing rapidly, the revenues were large and growing, and the influence of American institutions was attracting an inflow of the oppressed.

#### THE COUNSEL OF WASHINGTON AND HAMILTON.

Notwithstanding his withdrawal from the direction of public affairs, Hamilton supported the administration of Washington with great vigor, and when that great citizen was about to retire from public service he turned to his trusted friend and counsellor to aid him in the preparation of that immortal embodiment of the highest example of American patriotism and the purest principles of American institutions, the "Farewell Address." That document, so marked by the impress of Hamilton's ideas and diction, may be regarded not only as a fitting sequel to the public services of two of the noblest examples of American citizenship, but as wise counsel to the living generation of American citizens, whether in public or private station, and especially when confronted by un-American doctrines disseminated by foreign political organizations through alien and native mercenaries and dupes.

#### CLOSING EVENTS OF A GREAT LIFE.

Although nine years elapsed before Hamilton met his tragic fate the events of these closing years of his brilliant career may be briefly told.

#### HAMILTON SUCCEEDS WASHINGTON IN COMMAND OF THE ARMY.

In the summer of 1798 the army of the United States was increased on account of threatened difficulties with France. Ex-President Washington was tendered the post of Commander in Chief with the rank of Lieutenant-General. He accepted upon condition that Alexander Hamilton should be made a Major-General, second in command. Upon the death of Washington, December, 1799, Hamilton succeeded to the Command-in-chief. When France found that the new Government was not to be trifled with, her martial ardor abated. The prospects of war thus dissipated Hamilton, in July, 1800, resigned the command preferring to resume his profession.

#### HAMILTON AND AARON BURR.

Washington entertained towards Burr a most profound aversion, considering him an unscrupulous and dangerous man. Hamilton had prevented him from being sent upon a foreign mission during the administration of Adams. Hamilton had frustrated his bold scheme for the Presidency even to the extent of earnestly urging federalists to support Jefferson, despite the fact that the latter had led intrigues against his measures of public economy and Federal policy. Jefferson hated Burr as a political trimmer, and when in power inaugurated the movement to expel him from his party. Madison hated him as a possible rival in the future selection for the Presidency.



## DEFEAT AND REVENGE.

Hamilton's opposition to Burr at this time grew out of the fact that certain influences were at work to create an opinion favorable to a dismemberment of the Union. He had reason to think that Burr's scheme was to make himself the chief of the northern portion. Hamilton knew that with such an unscrupulous man in the gubernatorial chair of New York the scheme would have many of the elements of success. Burr was nominated and defeated. His last hope of recovering his lost ground had vanished.

## THE CHALLENGE.

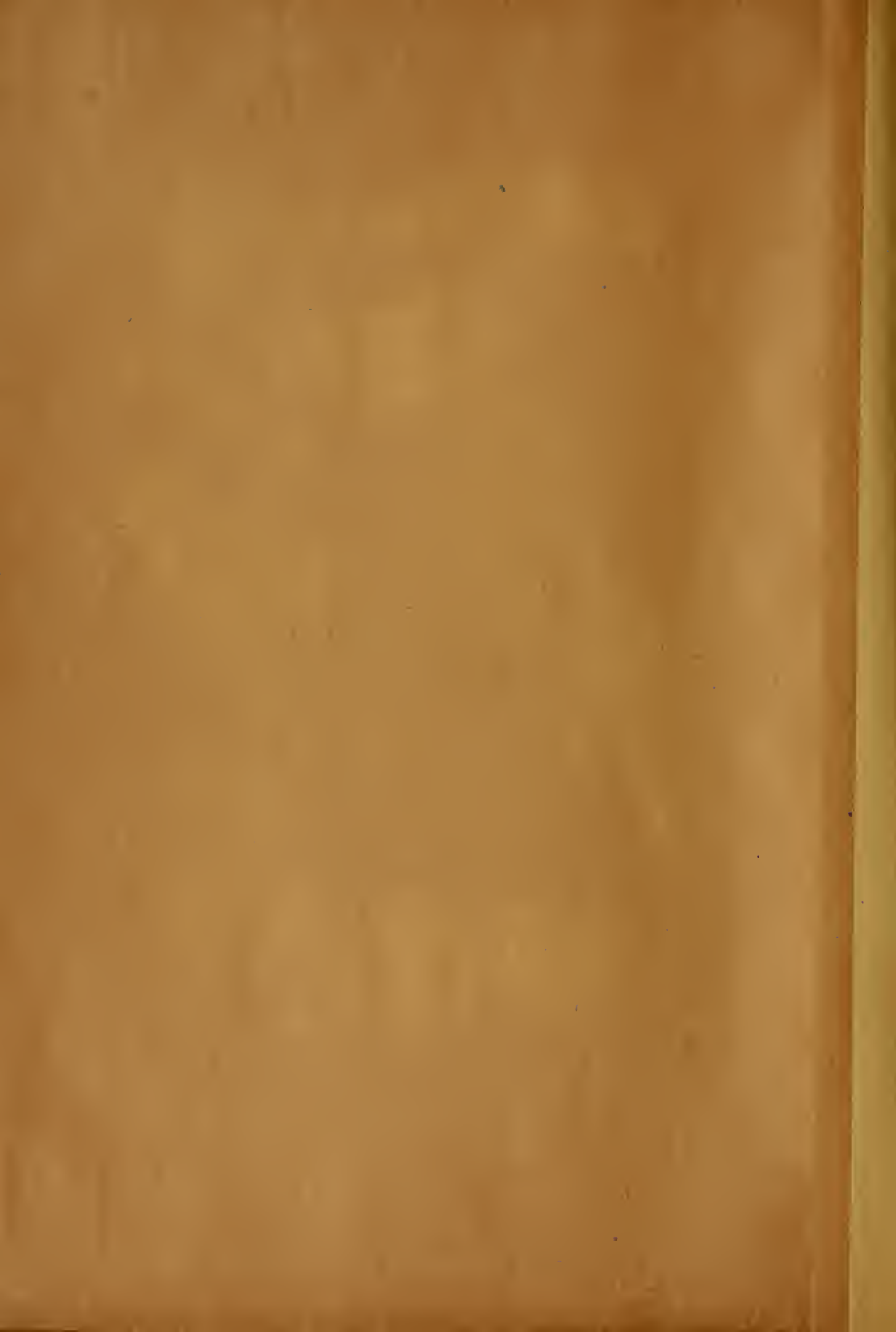
On June 18, 1804, about two months after his defeat, Burr wrote to General Hamilton reviving certain alleged expressions during the campaign and made public by a third party and accomplice, and asking an acknowledgment or denial. On June 20th, Hamilton, by letter, declined to avow or disavow the alleged remarks, which led to further correspondence and finally to the challenge from Burr.

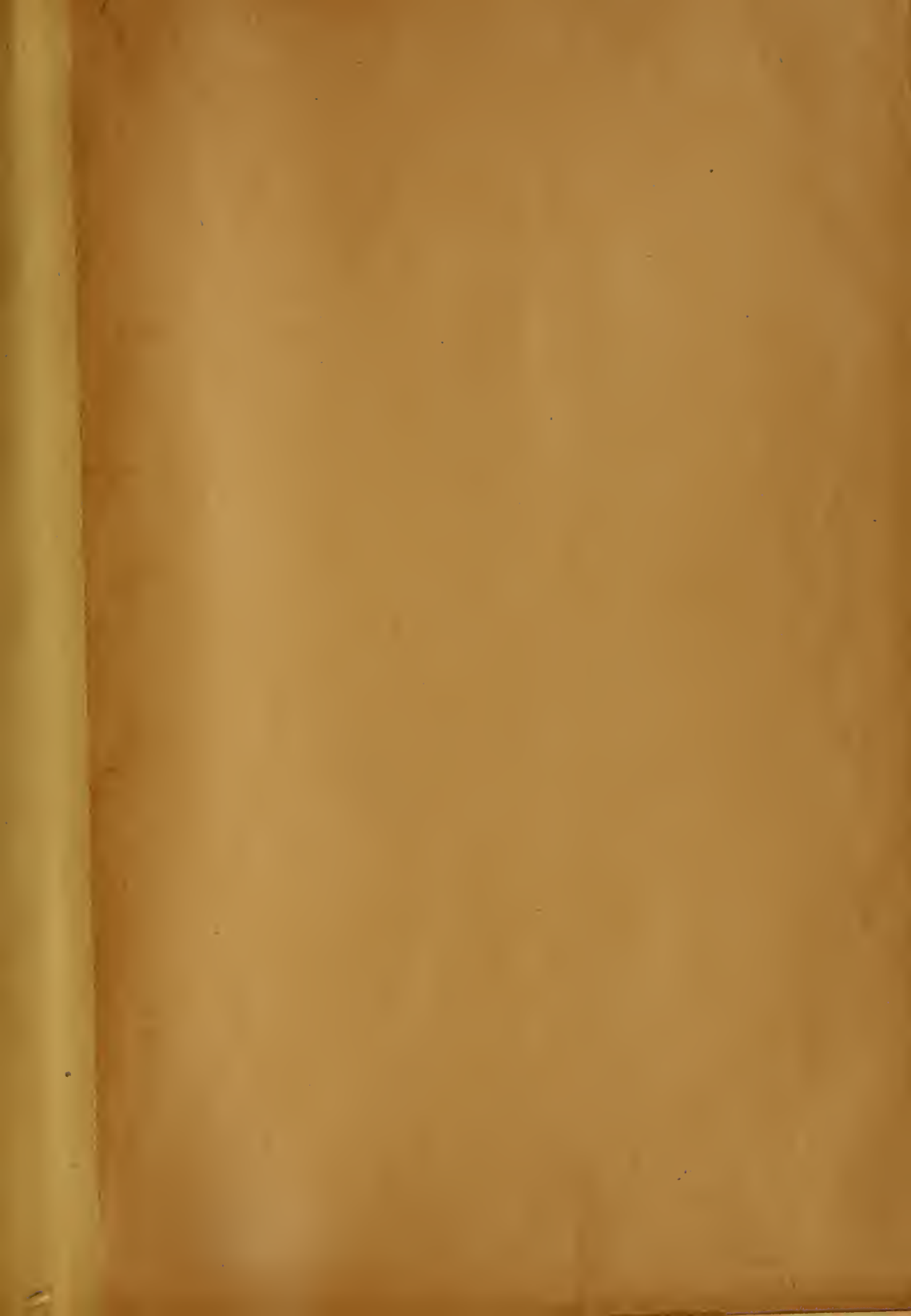
## THE DUEL.

On the morning of July 11, 1804, the parties met on a ledge beneath the heights of Weehawken, on the Hudson. On this same spot in 1802, Hamilton's eldest son, aged 20, was killed in a duel with a political assassin who had insulted his father's name. The word "present" having been given, Burr, without waiting for further command, took deliberate aim and fired. Hamilton convulsively raised and fell on his face, his pistol going off in the air. Burr, and Wm. P. Van Ness, his accomplice hastened to their boat and fled from the scene of so cowardly and premeditated a murder. Hamilton raised to a sitting position exclaimed, "this is a mortal wound," and fell into a swoon. His companions bore him to the boat and to his home.

## HAMILTON A CORPSE AND BURR A FUGITIVE AND OUTCAST.

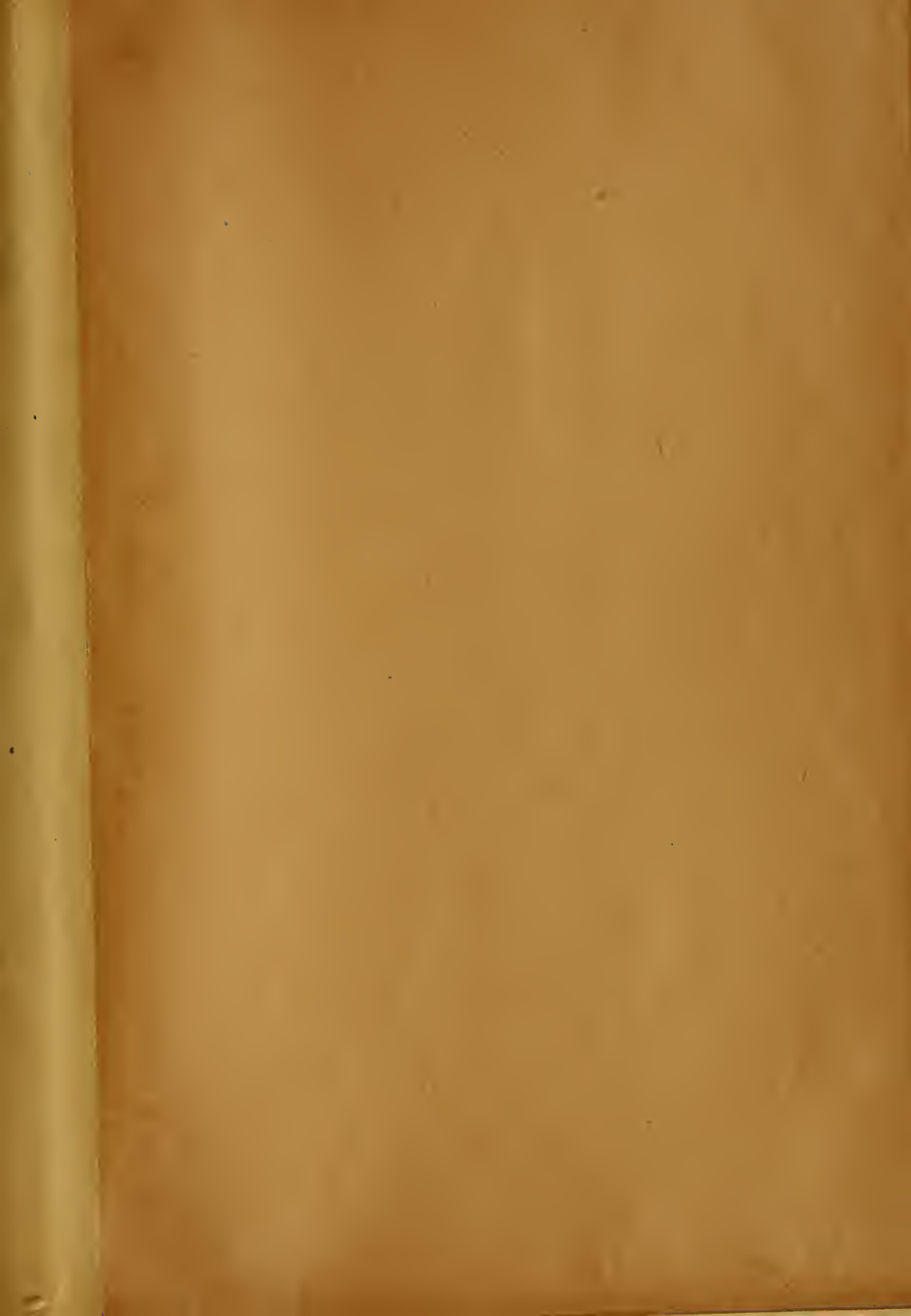
At 2 P. M., the next day, July 12, at the age of 47 years, the spirit of Alexander Hamilton passed into eternity. During his few hours of agony his fellow citizens watched every varying condition, and with grief and tears for the victim, mingled expressions of execration towards the assassin. The murderer fled for his life only to enter upon other schemes for the disruption and ruin of his country. His accomplices hid themselves from the just punishment of outraged public sentiment. Though Hamilton condemned dwelling he accepted the challenge in the interests of his country as a public man. The great Chancellor Kent shall be Hamilton's sole panegyrist. Speaking of a visit to "the Grange," the chancellor referred to a plan of work Hamilton was then contemplating which should embrace a "full investigation of the history and science of civil government, and the practical results of the various modifications of it upon the freedom and happiness of mankind. It is painful to reflect what was thus lost." "I have little doubt," says the chancellor, "that if General Hamilton had lived twenty years longer he would have rivalled Socrates or Bacon, or any of the sages of ancient or modern times in researches after truth and in benevolence to mankind. The active and profound statesman, the learned and eloquent lawyer, would probably have disappeared in a great degree before the character of the sage philosopher, instructing mankind by his wisdom and elevating his country by his example."

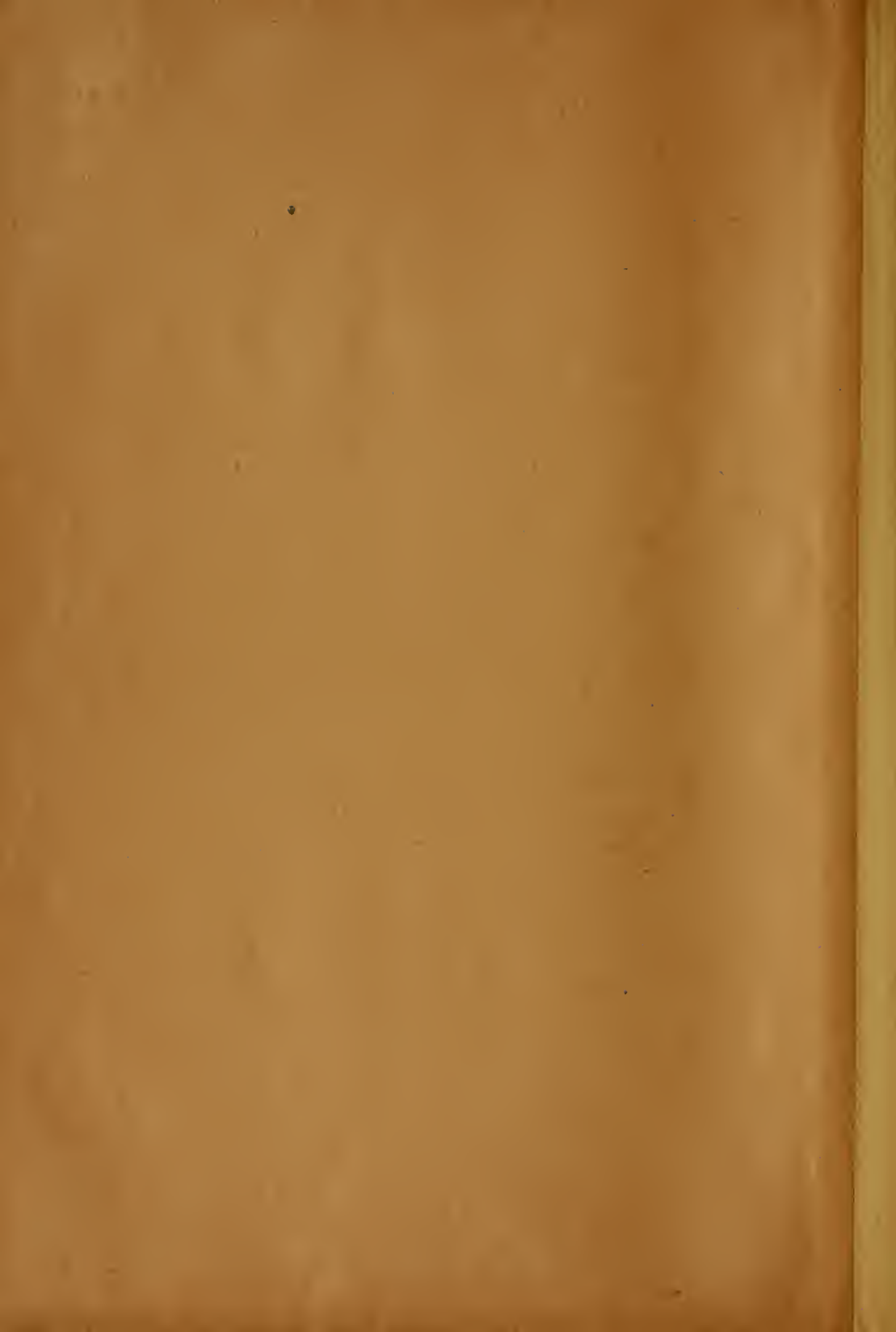


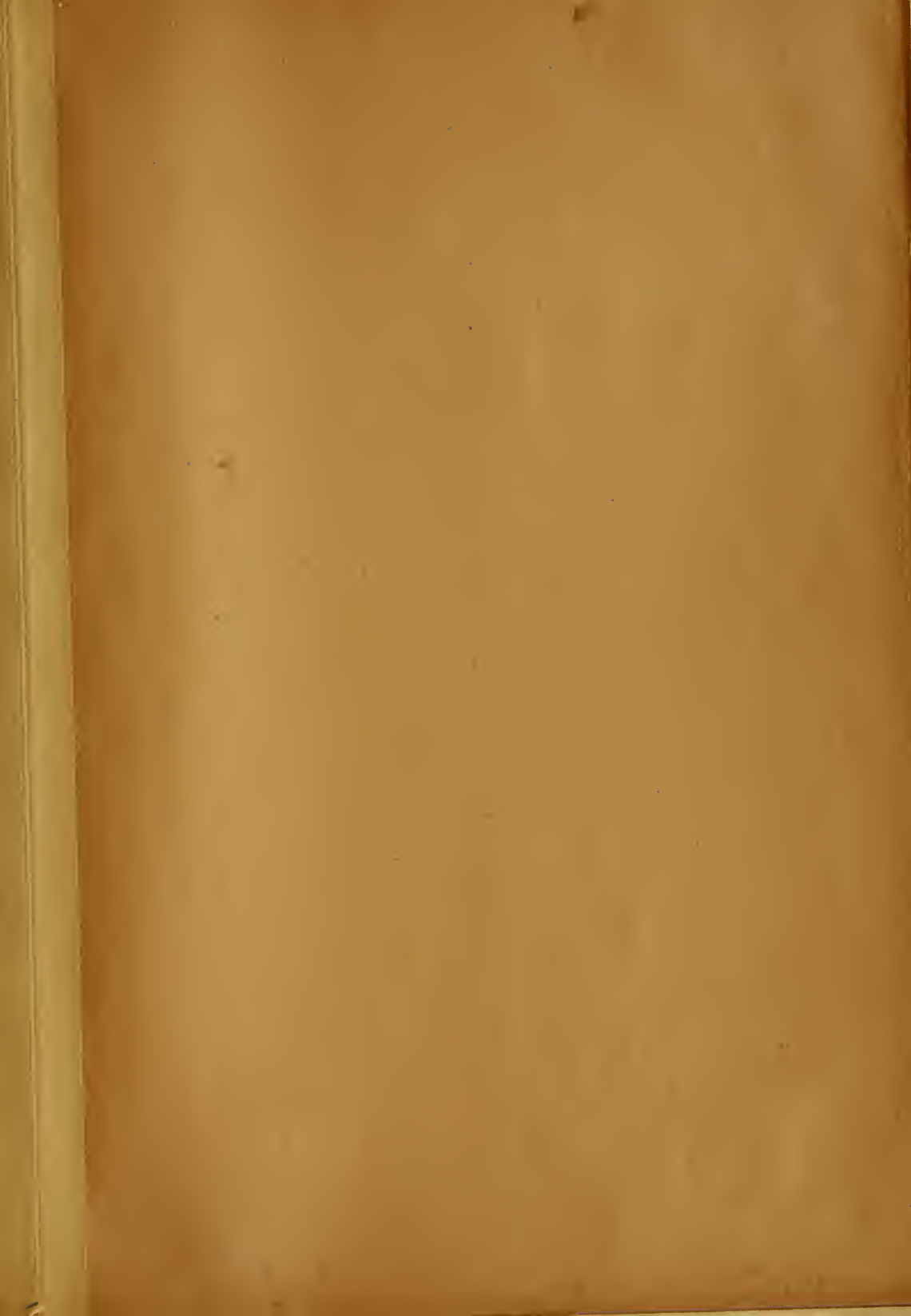




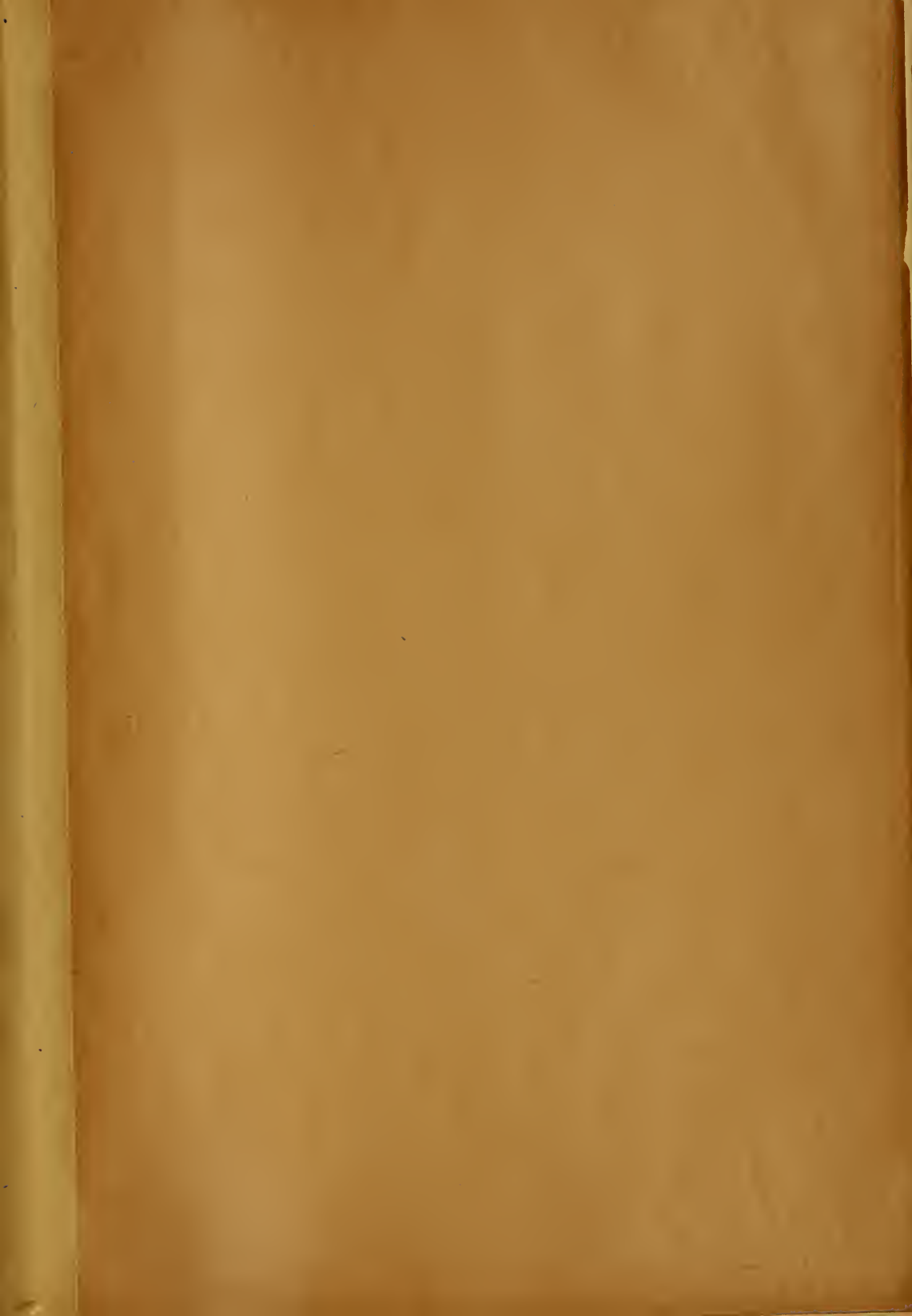






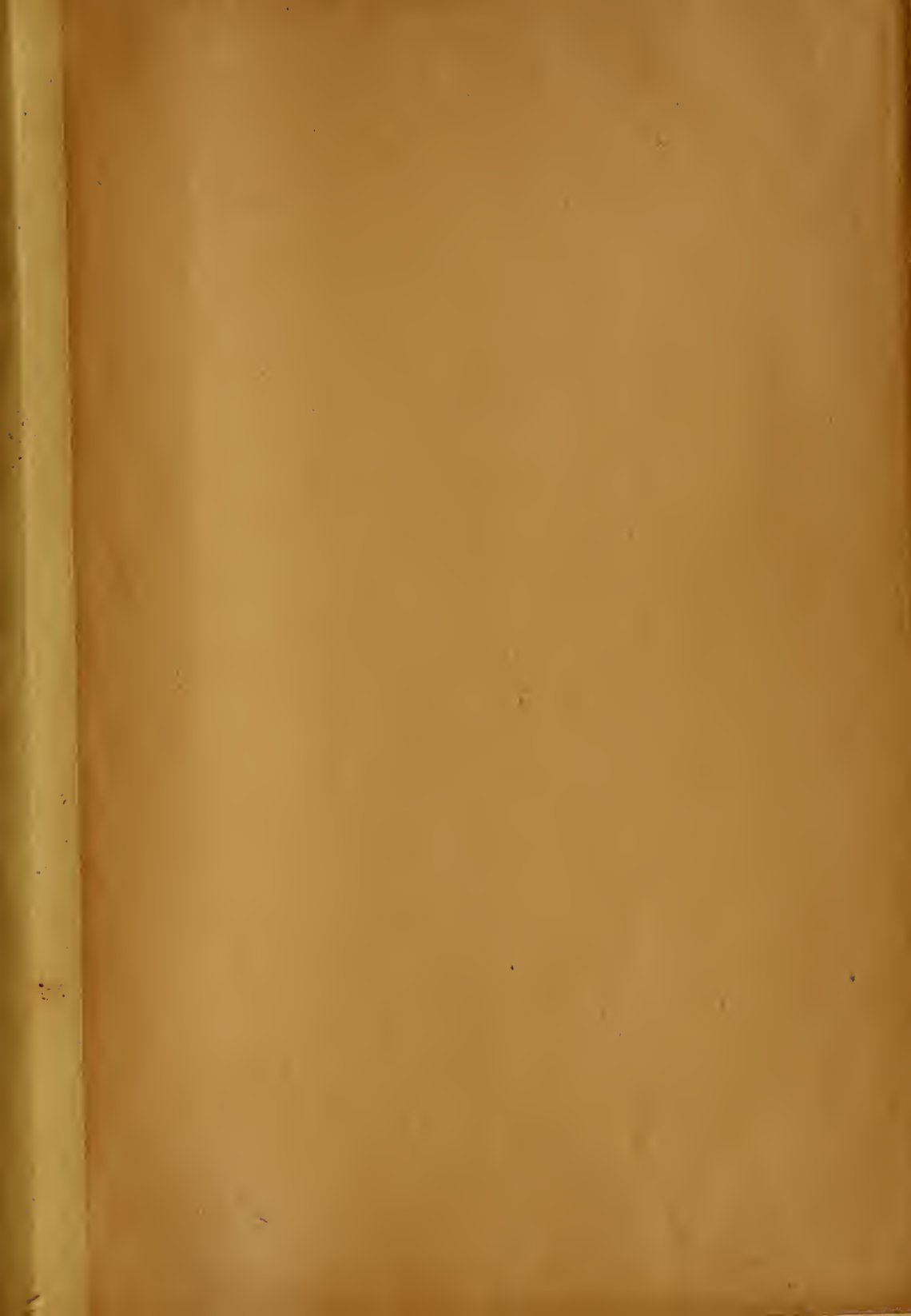




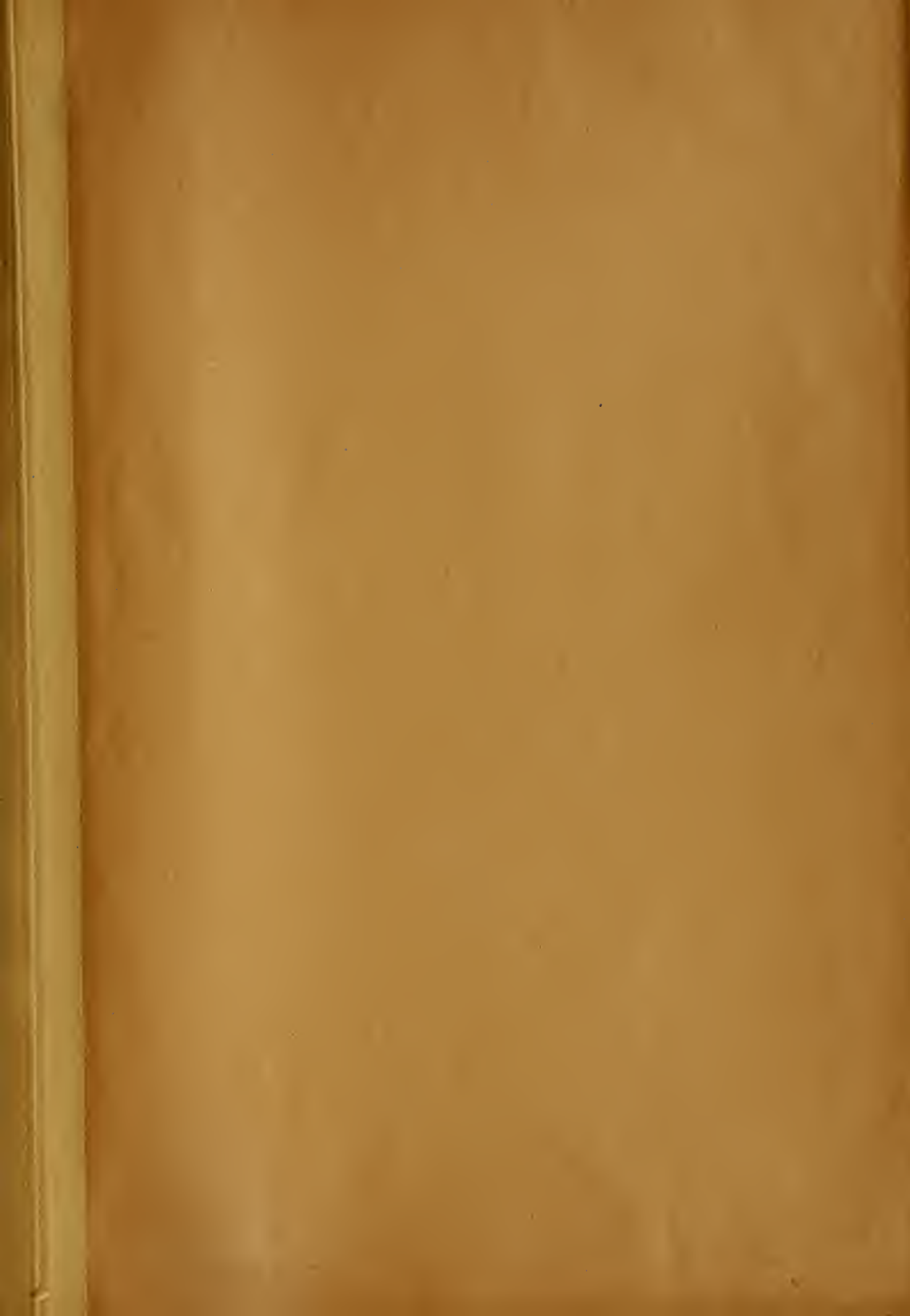


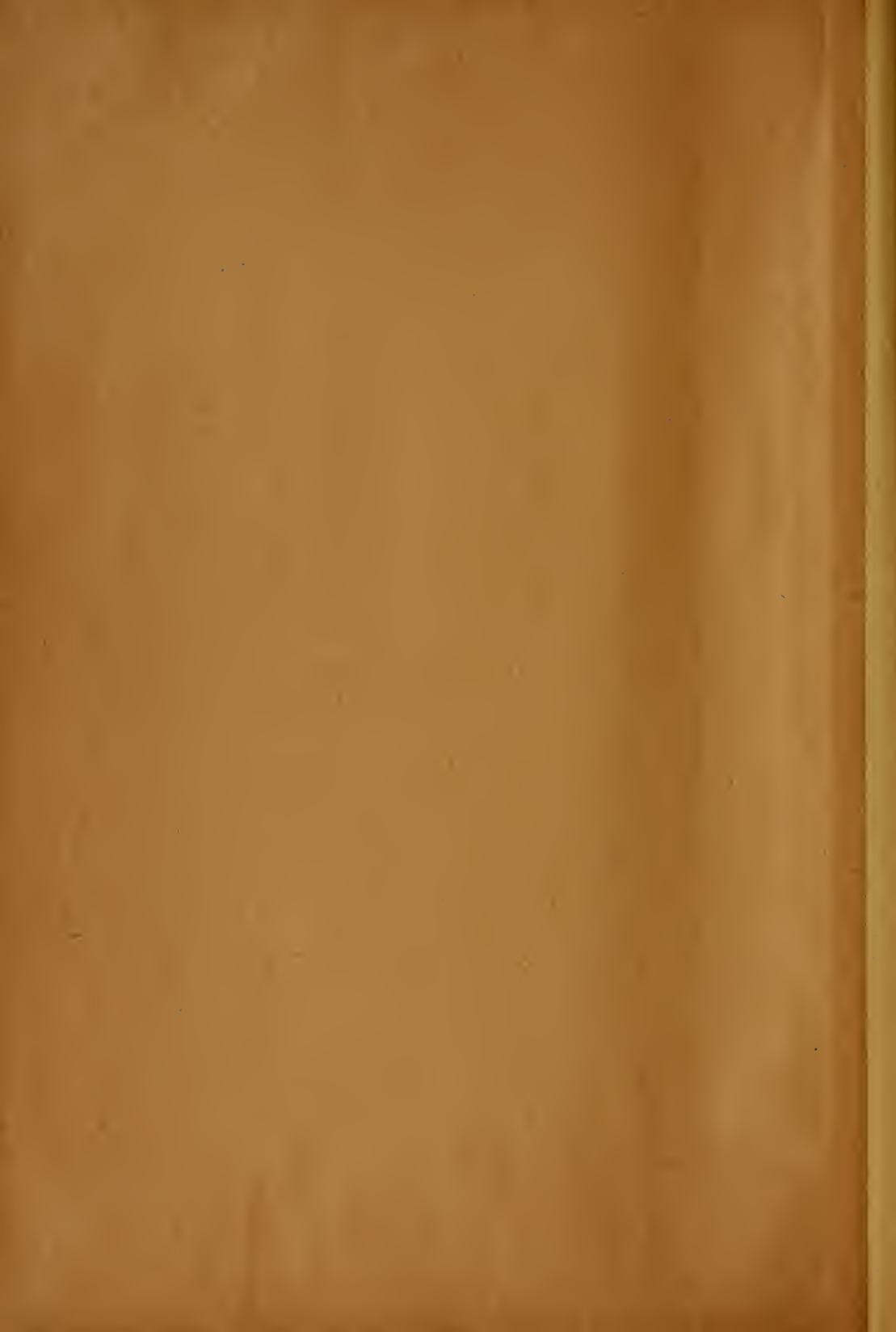


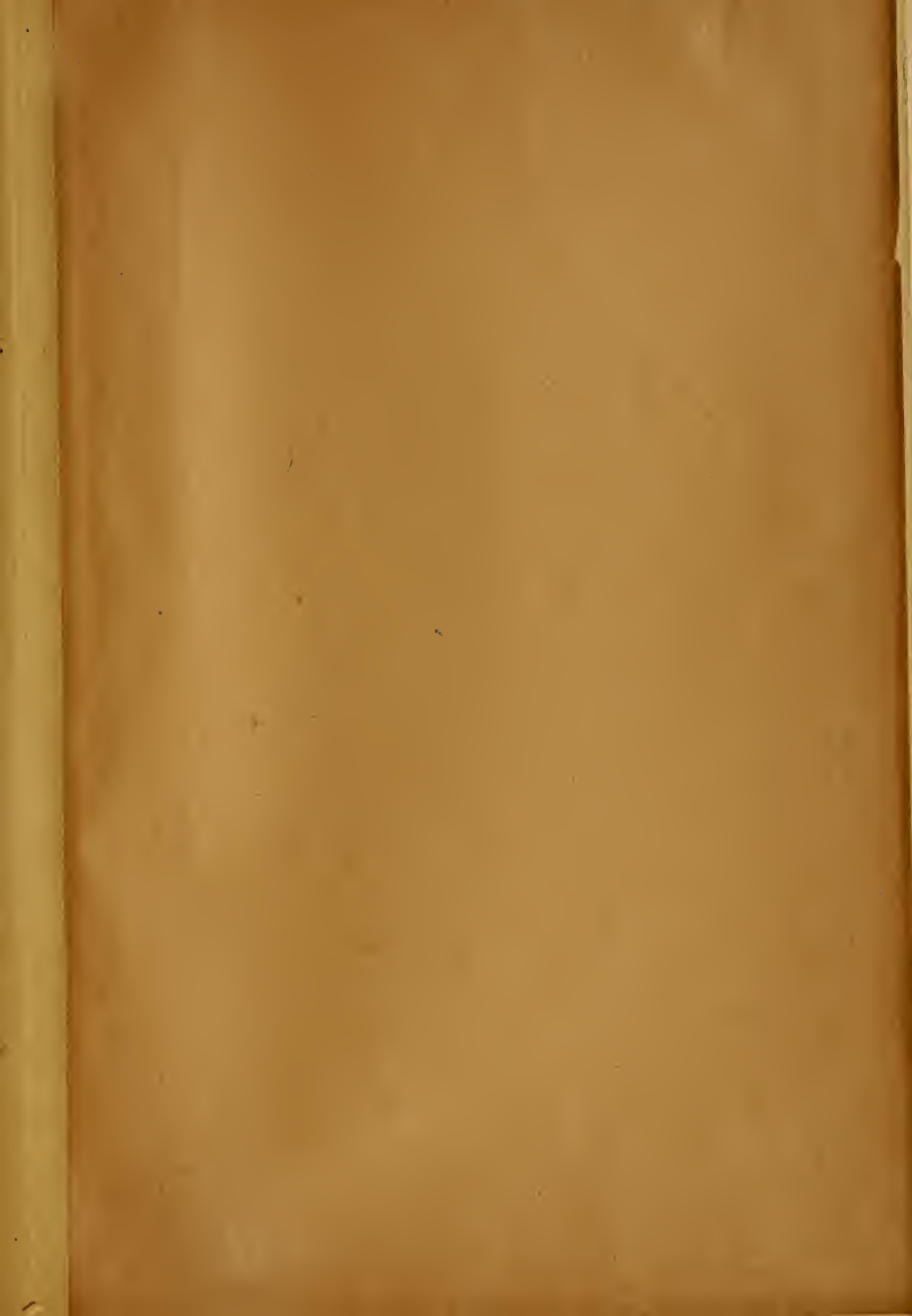






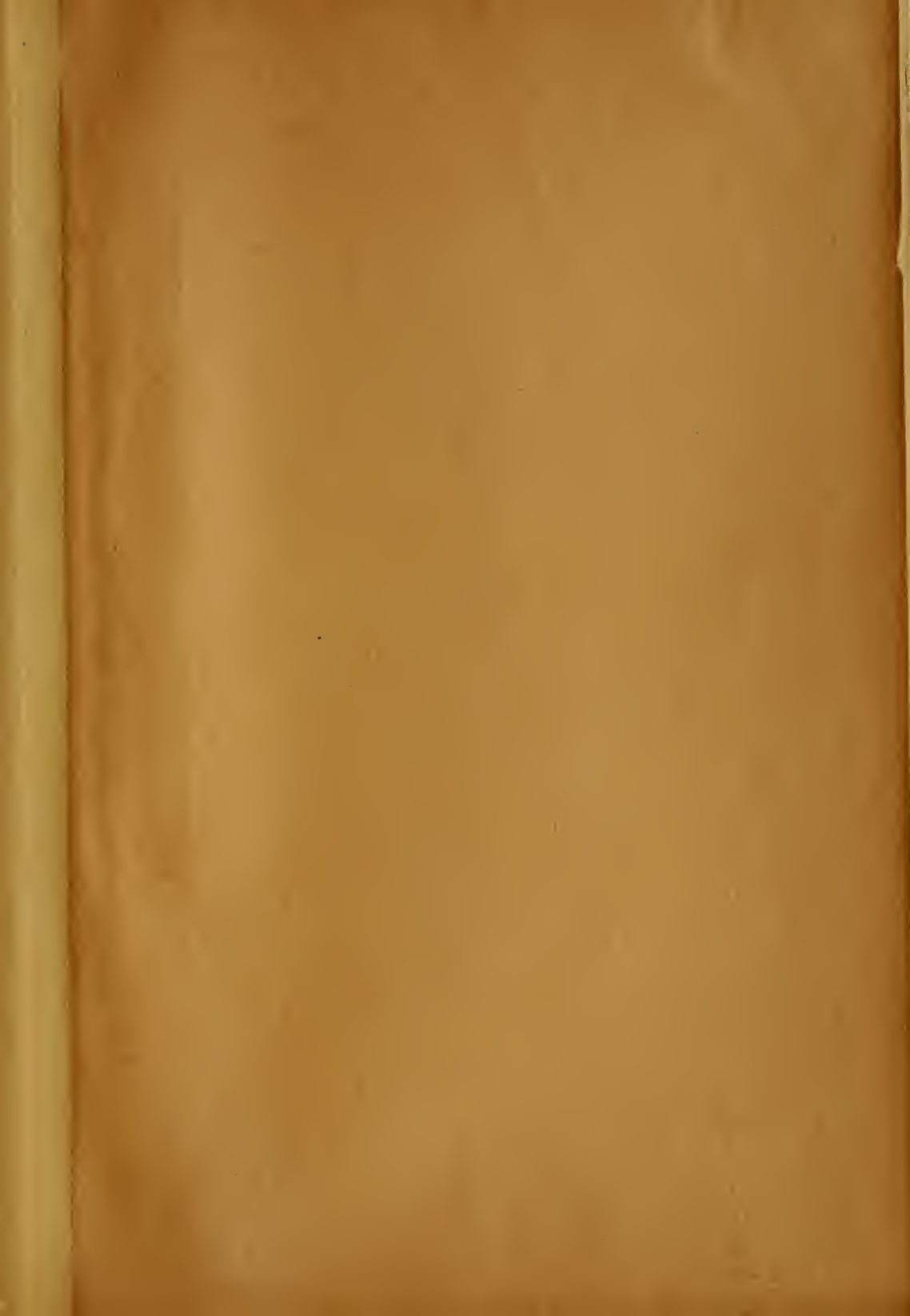




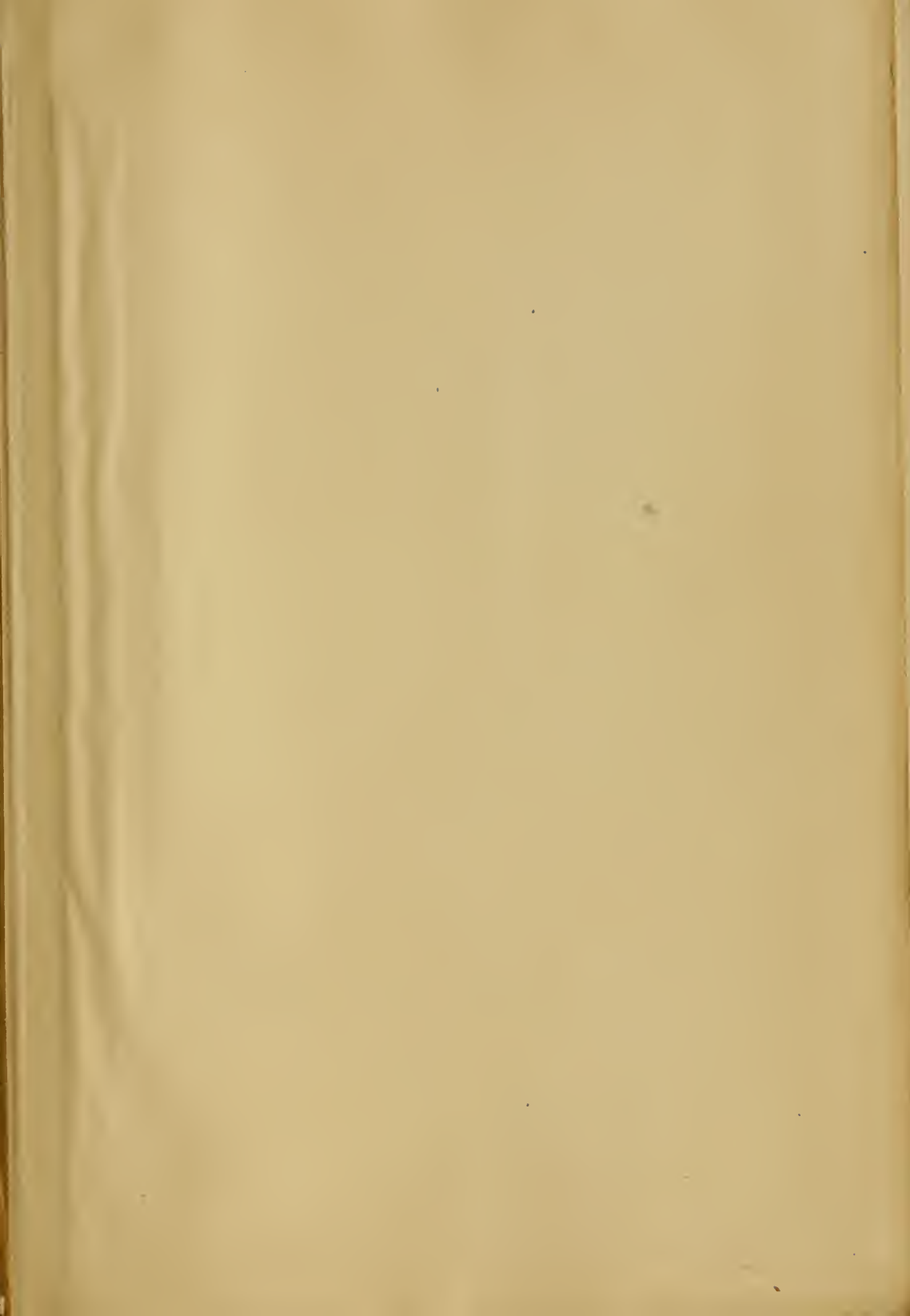
















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