The Political Development of Alexander Hamilton in the Years 1782-1787

by John Winters

An honors thesis submitted to the Rutgers University History Department

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Introduction

In most Hamiltonian scholarship, an in-depth analysis of the man’s fully developed and polished political views post-1787 is the primary focus. This period constitutes the last half of his life, ending with his death at the hands of Aaron Burr in 1804. Hamilton’s most significant political contributions were made during these years, which included his work as one of the three authors of the *Federalist*, his time as Secretary of the Treasury under President Washington, and his time as the leader of the Federalists turned High Federalists. Hamilton’s political views are the most important aspects of these studies, as the significance of his contributions to the American economy and the country’s politics, evidenced by the volumes written about his politics, cannot be overstated. The historians who choose to cover his early life focus primarily on his humble upbringings in the West Indies and his time in the war. These studies are generally geared less toward politics, and more toward his personal development and how he carved out a place for himself in the new United States. Both sets of biographers and historians agree on the impact, for better or worse, that Hamilton had on the infant United States.

But a conflict arises when historians argue the merits of his contributions. One side argues that Hamilton should be “depict[ed as] an almost spotless champion… that in the beginning created the United States and that subsequently produced its strengths, its aristocracy, and its legitimate leaders.” The other side sees him as a “devil devoted to undermining all that was most characteristic and noble in American traditions and life.”\(^1\)

These two viewpoints are at once at odds, yet both are seemingly correct in context.

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The two sides can each claim examples from his political life, because it is easy to cherry-pick quotes or legislation from the massive twenty-seven volume collection of his writings and correspondence.\(^2\) He was a man who, in modern times, is both loved and hated for what he stood for, and for what he represents in people’s imaginings of the founding generation. Modern political parties are a fine example of this, as Hamilton is accepted by Democrats as a big-government politician, but he also appeals to Republicans in his big-business mentality. His views on the intellectual elite are equally contentious, because on one hand he thought they deserved more success because of their natural abilities and supposed work ethic, but on the other he believed any man should be given an opportunity to reach these heights.

These opposing views of Hamilton are both based on one assumption: that he was “primed to think nationally” in the words of Gordon Wood. Because he was a foreigner, it is argued that he was not attached to any particular state.\(^3\) This disconnect conditioned him to see the United States, in general, as his “country.”\(^4\) To a certain extent, this idea can be seen as valid because it explains the “inevitability” of his nationalism. The problem, this paper argues, is that his political views were not inevitable, but built over time from his experiences. Vital to this development were the often discounted years of 1782-1787.\(^5\) It was not “nature” which created the nationalist in him, but the “nurture” of his experiences.

\(^4\) Early Americans often referred to their state as their “country.”
This paper looks at these years while asking the obvious question: what in Hamilton’s political experience led him to harbor such a rare nationalist view? He was a man whose voice was more cosmopolitan in tone than that of his fellow Whigs, a voice unique in a time of seemingly insurmountable provincialism. This paper is divided into four chronologically organized chapters, each of which highlight, to varying degrees, themes that are prevalent in Hamilton’s later political philosophy. The themes are: 1) Hamilton’s admiration of a powerful executive, 2) his nationalist view strengthened by his disillusionment with individual state governments, 3) his emphasis on the financial stability and solvency of the federal government as key to the United State’s growth and survival. These themes became fully developed between the years 1782-87, and were evident in Hamilton’s most important contributions to the lexicon of American political thought. But these later works are not the focus of this research.

Chapters One and Two offer brief explorations of his birth and early life in the West Indies and his time in the military. They provide the reader with a foundation in his early life. This time is well covered by biographers, and serves as the gateway to his rise to national prominence and the earliest stages of his personalized writing style. An important feature of these chapters is that Hamilton was a self-made man, a characteristic he embodied for the rest of his life. His rise to prominence was due to his natural intelligence, as well as his expert ability to ally himself with powerful members of society. Hamilton, despite being an outsider and military man who observed Congress’s actions from afar, began to question the status quo through his own experiences with the Whigs he met, and the revolutionary fervor that he was swept up in.

accounts of his life, but spend a limited time on 1782-87. Also, see the conclusion of this paper for a brief description of the first three books listed in this footnote.
Chapter Three, the most important chapter in explaining his political
development, focuses on the years 1782-83. It covers Hamilton’s time as a public servant
in his home state of New York, and his year long tenure as a representative in the
Continental Congress from 1782-83. These years represent the most significant, though
shortest, span of time in his early political development. These years gave the twenty-
five-year-old concrete examples of the inefficacy of the current federal system, while
simultaneously offering chances to develop relationships with powerful members of
Congress. The most important aspect of this section is his exposure to strong executive
leadership under the Superintendent of Finance, Robert Morris. Morris was the most
influential of Hamilton’s colleagues and mentors in these years. He helped him
appreciate the benefits of an energetic executive, an example that he set as
Superintendent. Hamilton was also introduced to a working model of a National Bank, a
plan of Morris’s, by which he was greatly influenced as Secretary of Finance. He learned
that the stability and centrality of a nation were directly related to the economic policies
implemented by that government.

The national politics of the Confederation Congress gave Hamilton first hand
experience in the inefficacy of the Articles of Confederation as they stood. Despite his
many failed attempts to strengthen the central government, he made powerful friends and
gained critical experience as a working politician. During this year of public service,
Hamilton’s overall vision for the United States began to take shape.

Chapter Four of this paper covers Hamilton’s return to New York from Congress
in 1783, and the remaining time before the Federal Convention in 1787. While his
political contributions in this period do not carry the same weight as his first two years in
office, these years gave him time to reflect on his experiences. This was mostly due to the fact that Hamilton would avoid public service completely until 1787. His time as an attorney in New York granted him the reputation of being a fair and balanced practitioner of the law. Though he avoided public service, he continued to see problems facing New York which displayed Congress’s inability to control its constituent parts.

The most important events to Hamilton, during these years, were the battles over the independence of the Vermont territory, and the countless illegally persecuted Tories in New York. While this was happening, Hamilton had a hand in the creation and operation of a private bank. This institution came on the heels of Morris’s Bank of North America, and Hamilton jumped on the opportunity to be involved. For him, these private banks were institutions that gave him experience enough to create the National Bank as Secretary of the Treasury years later.

The fourth chapter also covers Hamilton’s return to politics in 1786-87. After his election to the New York State legislature, Hamilton began to articulate his thoughts on the national government which he had developed over the past four years. It is in these writings that Hamilton took on his characteristic Federalist and cosmopolitan tone. These writings and speeches, given in office, were the precursors to his *Federalist* rhetoric. From 1783-86, he focused on reflection, rather than overt political action, and played the role of political philosopher rather than policy maker.

Another aspect of Hamilton is *not* one of the three themes mentioned earlier. This is something that cannot be explained outright, but is instead a characteristic of the man that is linked to his political thoughts. Despite his growing preference for a powerful executive and a suppressed legislature, his ideas were nevertheless rooted in republican
principles, in the sense that he did not believe in birth right and it was not his intention to create an unworthy hereditary monarchy or aristocracy. He recognized and supported the inherent differences of ability in people, and felt that control of the government was best left in the hands of those who were the most intellectually capable. This, of course, meant men like himself.

Unlike his opponent of the 1790’s, Thomas Jefferson, who believed an idealized agrarian America was the future of the United States, Hamilton valued industry and finance as the means to seize respect and prosperity internationally. The role of government, then, should be to draw out its most able citizens into both government service and participation in these industries. He believed that the future lay in the skills unique to centralized industrial empires rather than decentralized agrarian nation-states. Incentives attracting men to public office would thus be promoted by a powerful national government. The men attracted to these highly competitive positions, he thought, would be the most intellectually competent, and would best run the government and lead the nation to international prominence. Hamilton preferred to trust power in the hands of the intellectual elite, rather than leave it in the hands of the idealized Jeffersonian yeoman farmer.

This paper finishes with Hamilton’s speech at the Federal Convention in 1787. This speech was the culmination of what, over the past five years, he felt was the answer to the problems in the Confederation’s constitution. Because of the Convention’s closed-door secrecy, Hamilton was able to speak openly about his ideal government, the British constitution, and he proposed a plan that was similar to it. The plan, however, framed a far more powerful national government than most would have liked. He recognized that
his proposed government, far less democratic than any would have accepted, would never be accepted in the fledgling republic. His proposal was only meant to let others know where he stood, in regards to the direction of the new government. One of the most telling aspects of his speech was the reaction of his fellow members: silence. There was no opposition or outrage, they simply adjourned and went about their business. I believe that this shows that Hamilton, though alone in his extreme views, was joined by the other members in his frustration with the proven impotence of Congress.

This project allows us to see Hamilton’s early experiences as the origins of his political thought. If we can understand the basis for his political beliefs, we will not only learn more about this very important Founding Father, but we will also learn more about the time of crisis before the Constitution was written. In addition to the main argument of this paper, it opens the door to another aspect of the question of original intent, as presently proposed by a faction of a modern political party: Did the Founding Fathers, viewed broadly, really want a small[er] national government?
Chapter One: Hamilton’s Early Life

Biographers have covered Hamilton’s childhood in the West Indies as extensively as possible, but many of the records of his family’s history are vague. We can assume certain things about the family’s economic status through the type of work Hamilton’s father did, but few documents tell us anything about Hamilton’s life before his tenth birthday. Hamilton’s defining moment in his early childhood, apparently, came during his employment as a merchant’s clerk. Though often overlooked in the overall picture of Hamilton’s political life, his early childhood offers a glimpse into his humble origins, making his brilliance all the more evident in his rise to international prominence.

Alexander Hamilton’s childhood, as described by biographer Broadus Mitchell, is “removed and shadowy in present recollection.” Rachel Fawcett, Hamilton’s mother, was first married to John Michael Lavien in 1745. It was an intensely unhappy union, and for its entirety she was chastised by her husband for “unwifely” behavior. She was eventually arrested because John accused her of adultery. He sued for divorce around 1750 to prevent any non-Lavien offspring from inheriting his wealth, however insubstantial it was.

Around 1752, Rachel met James Hamilton and lived with the man for the next fifteen years. James was a merchant on an island with an extraordinarily profit-driven slave economy, but never succeeded in attaining financial success. He remained in debt until he was elderly, a situation which forced his son, Alexander, to ensure that his father’s debts were paid. Alexander would later look back fondly, if cautiously, at his father’s memory.

Rachel and James, however, never married because of a contingency in her divorce papers. Nevertheless, the couple had two illegitimate sons, James and Alexander, in 1753 and 1755 respectively.\(^7\) In 1765, James senior moved the family to the island of St. Croix. James’s business ventures took him away from the household, and the young Hamilton brothers learned to make due in their father’s almost permanent absence. Their mother died in 1768, leaving the eleven- and thirteen-year-old boys on their own with no inheritance and no strong family ties.\(^8\) Alexander, left with no birthright and the barest of inheritances, began to find his way in the world. His first job was in a recently established import-export house on St. Croix owned by two New York merchants, David Beekman and Nicholas Cruger.\(^9\) Hamilton, who had often handled his mother’s financial affairs while she dealt with the two merchants, was hired by Cruger as a clerk in 1768.

While Hamilton was working for Cruger, he lived with another merchant, Thomas Stevens. Steven’s son Edward would form a close friendship with Hamilton, though Hamilton was two years his junior.\(^10\) Edward left for New York in 1769, keeping in touch with his younger friend. In one of the letters Hamilton revealed his precocious drive, ambition, and intelligence in amazing clarity. He wished Edward an “accomplishment of your hopes, provided they are concomitant with your welfare, otherwise not; though

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\(^7\) Mitchell shows Hamilton to be two years older (Mitchell, *Hamilton*, 12) than the age James Flexner stated in his biography (James Thomas Flexner, *The Young Hamilton: A Biography* (Boston: Little, Brown and Company, 1978)). In this I have to agree with Mitchell’s findings, as he offers the most substantial documented evidence of Hamilton’s age as mentioned in a dated court document of the time. Flexner on the other hand relies on Hamilton’s own professed birth date and argues that, in reference to the court document cited by Mitchell, “in fact no one present at the legal proceedings, except the boys themselves, had any way of knowing for certain when Alexander and his brother were born” (Flexner, *Early Life*, 32). Given the nature of Hamilton’s ambition later in life, it is reasonable to assume that he may have purposefully given the wrong date to his colleagues in order to foster the image of him being an even younger prodigy.

\(^8\) Flexner, *Young*, 30. This is Flexner’s find, as Mitchell puts the date at 1765. As can be seen by the diverging biographers, Hamilton’s early days are poorly recorded. See Mitchell, *Hamilton*, 1-14, For a closer look at the poorly documented family and their relations in the West Indies.

\(^9\) Flexner, *Young*, 34.

\(^10\) Flexner, *Young*, 34.
doubt whether I shall be present or not, for to confess my weakness, Ned, my ambition is prevalent that I contemn the groveling and condition of a clerk or the like, to which my fortune, etc. condemns me, and would willingly risk my life, though not my character, to exalt my situation.” Hamilton went on to explain that, because of his age, he was not able to do what he needed to do in order to satisfy his ambition. Because of this restriction, he claimed to “build castles in the air” by touting his own potential. Privately, he “wish[ed] there was a war” to act as a catalyst to advance his social station. At the end of the letter, however, he contradicted his previous statement, and begged Edward to “conceal” his “folly” in writing about the future.  

As evidenced by this letter, Hamilton possessed intelligence exceeding most individuals. Even at the age of twelve, he had a firm understanding of the social fabric of colonial society, and how to attain greater status if one was not born with a noble title or wealth. On an island where the government and social structure was controlled by successful merchants and the nobility, if one did not have either status, the only option for social advancement was recognition through outstanding service in war. His father, a failed merchant with no substantial pedigree and devoid of military recognition, affected his family’s rank on the social ladder. Still, Hamilton was aware of his own potential early on, and understood himself destined to build those “castles in the air,” and to escape from his humble upbringing.

In his years of work under Nicholas Cruger, Hamilton contributed articles and poems to local newspapers. This exercise in writing allowed the teenager to effectively correspond with other business associates in his master’s absence. Hamilton’s most significant contribution to the business occurred when he fired the business’s attorney

11 Papers vol I, 4-5.
and hired another in his master’s absence, all without Cruger’s knowledge. Despite the level of influence Hamilton exerted beyond his station as a clerk, influence his master was usually grateful for, he nevertheless felt trapped in his lowly station with no hope of advancement.  

Hamilton, however, was being noticed. Reverend Hugh Knox became Hamilton’s mentor in his teens, and introduced him to education outside his job training as a merchant’s clerk. While studying with Knox, Hamilton was introduced to mathematics, theology, chemistry, and ethics. Knox encouraged him to write, and under his tutelage the boy became extremely religious. One day, Hamilton became so enamored with one of Knox’s sermons, that it inspired him to write, anonymously, the famous “Hurricane Letter.” This letter, far more poetic in style then his future writings, reflected on a particularly brutal hurricane that nearly destroyed the settlement on the island. Though Hamilton’s son would later claim that this letter single-handedly grabbed the attention of the St. Croix elite, Hamilton was already being noticed by influential members of St. Croix society. Cruger, recognizing Hamilton’s potential, eagerly arranged to have Hamilton’s travel expenses and school scholarship paid for. Hamilton’s relation in New York, Ann Venton, helped with the logistics of the trip. By 1773, Hamilton had arrived in America.

* * *

Soon after landing, Hamilton was enrolled in a year of private tutoring, by Knox’s request, at a Presbyterian academy in Elizabethtown, New Jersey. His tutoring in the former capital of the colony was designed to prepare him for college. While he studied,

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12 Flexner, Young, 43-44.
13 Flexner, Young, 47-51.
Hamilton moved in with Elias Boudinot, a lawyer who became a close friend of Hamilton’s. Boudinot, who would later become President of the Continental Congress, was connected with many influential Americans. One was the young Aaron Burr, a sixteen-year-old prodigy who had already graduated from the College of New Jersey, now Princeton University. During this time, Hamilton met William Livingston, Richard Stockton, William Duer, Elizabeth Schuyler, and John Jay. Each person offered prestige and the promise of further social connections, and Hamilton attached himself to them willingly.\textsuperscript{14} Boudinot and Livingston, especially, had a strong impact on the young man. They were both well respected lawyers, and ranking members in the local Presbyterian Church. Staunch Whigs, they introduced Hamilton to the tumultuous debates between the Americans and the English, and taught him the essential characteristics of Whig ideology: increased parliamentary influence, curtailing the crown’s power, and the defense of civil liberties.\textsuperscript{15}

After his tutoring at the academy was over, Hamilton attempted to enroll at the College of New Jersey, as per the suggestion of William Livingston, and because the college, he felt, was more republican than the others. But because of Hamilton’s insistence that he be allowed to pursue an independent course of study, the college rejected him. He was instead admitted at the end of 1773 to King’s College in New York City, now Columbia University. King’s College allowed him to enroll on his own terms, and New York became his home.

At college in 1774, Hamilton was exposed to a tumultuous pamphlet war between those citizens who were loyal to Great Britain, and those who supported the newly

\textsuperscript{14} Flexner, \textit{Young}, 54-56.
\textsuperscript{15} Chernow, \textit{Hamilton}, 43.
established Continental Congress. Having grown up on the islands during the time of the Stamp Act crisis, and having entered college surrounded by Whigs and Tories alike, Hamilton became well versed in the literature of the patriot cause. Hamilton himself had published in the *New-York Journal*, a republican newspaper run by John Holt. He made a trip to Boston that same year, and was attracted to the rebellious vigor of the New England Whigs. Inspired, he returned to New York and wrote his first lengthy political pamphlets on December 15.

The pamphlets, written under the pseudonym “Friend to America,” defended Congress in “A Full Vindication of the Measures of the Congress” against “A Westchester Farmer’s” attacks on Congress’s first session. Hamilton pointed out the Crown’s “invincible aversion to common sense” in their attempt to “persuade us, that the absolute sovereignty of parliament does not imply our absolute slavery.” Even at this early stage in his political life, Hamilton proved worldly enough to understand the real reasons behind the colonial resistance. He wrote that the “contest with Britain” was an issue that “the whole world knows, it is built upon this interesting question, whether the inhabitants of Great Britain have a right to dispose of the lives and properties of the inhabitants of America, or not?” Hamilton went on to say that “Americans are intitled [sic] to freedom, (a fact that) is incontestible [sic] upon every rational principle,” and “besides the clear voice of natural justice in this respect, the fundamental principles of the English constitution are in our favor.”

The Farmer’s letters argued that it would be better to petition the Crown for a remonstrance, rather than take such action as electing a Continental Congress to address

16 Chernow, *Hamilton*, 70.
17 Flexner, *Young*, 64.
18 The “Farmer” was the loyalist Reverend Samuel Seabury.
the grievances of the colonies. Hamilton refuted this, and said that those supporting a “remonstrance and petition” approach, have “never been able to invent a single argument to prove the likelihood of its succeeding.” And, “on the other hand, there are many standing facts, and valid considerations against it.”

Hamilton reminded his readers that a remonstrance had already been attempted “in the most loyal and respectful manner,” but their “address was treated with contempt and neglect.” He stated, that to remedy the problem, they “ha[d] no resource but in a restriction of our trade, or in a resistance *vi & armis*.” Here, he sided with the more radical Whigs who preferred armed resistance to passive amelioration. He mentioned that one would be considered a “disgrace to your ancestors, and the bitterst [sic] enemies to yourselves and to your posterity…,” if one did not “act like men, in protecting and defending those rights you have hitherto enjoyed.” Hamilton labeled the Farmer as an “artful enemy…,” one among many of “their party” who “talk of you [the Whigs], as the most mean ignorant and mean-spirited set of people in the world.” He begged his readers to listen to reason, and side with Congress in their efforts to pressure the Crown to “preserve your liberties inviolate.”

With the publication of these articles, Hamilton had officially allied himself with the Whig cause.

The “Friend to America” and “Farmer” letters displayed two aspects of Hamilton’s innate and slowly developing abilities. These letters were written after his short time in Boston, and coupled with barely a year and a half living among the Whigs, they showed his innate intelligence. He had already grasped the deeper, ideological reasons for the colonial resistance, and understood it to be an issue far more important than the economic burden of a trivial three pence tax on every pound of tea. The writing

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19 *Papers*, I, 45-80. See also “The Farmer Refuted,” 81-165.
ability he displayed was more sophisticated, logical, and straightforward, a far more effective argumentative technique than the poetic prose of his Hurricane Letter.

In 1775, Hamilton wrote often on the increasingly unstable relationship between the Whigs and Tories. Two of his contributions, both entitled “Remarks on the Quebec Bill,” written in June of 1775, carried a strong Whig message to New Yorkers in favor of religious freedom. Hamilton saw mob violence against the Tory president of King’s College, and as a result, spent time petitioning one of New York’s representatives in Congress, John Jay, for support. The petition to Jay was also influenced by a particularly severe raid by the Sons of Liberty. The radical group from Massachusetts, after making their way to New York City, seized Loyalists and destroyed the printing presses of the leading Tory newspaper editor, James Rivington. Hamilton discussed these atrocities with Jay, and laid the foundation for a strong relationship with the future Chief Justice.

As his time at Kings drew to a close, Hamilton began to study law. This would be interrupted, however, on June 25, 1775. This day marked the first time Hamilton set eyes on General Washington, and the first opportunity Hamilton had to get involved in the war. Washington was on his way from Philadelphia to Boston, stopping in New York to gather military recruits for the impending war. Hamilton vowed to train himself as an artillery man, the most intellectually demanding job of any soldier in the army. He joined the war effort in 1776, a short time before the royal government of New York collapsed.

William Tryon, the royally commissioned Governor of the colony, instigated the collapse after he called for a new election of the legislature, in an effort to distract the disgruntled Whig’s from the new Continental Congress’s actions. This did not go

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20 Papers vol I, 165-176.
21 Papers vol I, 176-181.
according to plan, because with Hamilton’s help, John Jay managed to arrange a group of Whigs to run against Tryon’s Tories in the election. The patriots won the election by a landslide, but soon after the Whig controlled assembly met on February 14, the royal government collapsed, and Tryon fled to a docked merchant vessel. The New Yorkers were well aware of the impending war, and as the spring of 1776 approached, the city prepared for the impending British invasion. Hamilton, it seemed, would finally have a chance to realize his boyhood dream of achieving fame through war.

For the city, the end of the year came and went without serious military action. The one occasion of violence was when the Liberty Boys, a group of young men formed into a small militia, instigated a skirmish with the sixty four gun British warship Asia. No harm was done to the city and no one was killed, but the tension between the docked warship and the leaderless city increased. On February 23, 1776, after a careful review of his abilities, Hamilton was recommended to be Captain of Artillery in the Continental Army, the highest rank of the artillery corps then in New York. His ability was being noticed, and he was soon commissioned into his new rank. His happiness was short lived, however, as he witnessed the British armada’s unopposed advance into the narrows (the current location of the Verrazano Bridge), and their unopposed seizure of Staten Island. News of Independence did not reach New York until July 6, not long before Hamilton’s first combat experience. He was ordered to hold a fort at the entrance of the New York harbor, and would remain there until Washington’s general retreat from the city. Hamilton was well on his way to realizing his dream of military glory, but as he would learn, his time during the war would not live up to his high expectations.

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22 Flexner, Young, 77-80.
23 Flexner, Young, 81-83.
Chapter Two: Hamilton at War

The young captain saw more skirmishes in 1776, including the failed defense of the Bronx River crossing in October, and the full retreat at Harlem Heights a few weeks later. A witness to the most demoralizing retreat of the war, Hamilton watched as Washington’s main army hemorrhaged large numbers of soldiers and militiamen as they escaped from New York City. The army continued to move through New Jersey, stopping briefly in New Brunswick on the Raritan River before moving south again. The shrinking army attempted to cover any avenue the British could take toward Philadelphia, leaving squads of skirmishers behind to delay the British and their German mercenaries, the Hessians. Trenton was the next destination for the Continental Army, and the city turned out to be a turning point in the war.

The Battle of Trenton took place in the early morning of December 26, 1776. Hamilton’s two cannon artillery regiments were ordered to keep the main avenue of the city protected, while Washington’s main force attacked from the side. This decisive victory, with only two of the Continental Army dead and four wounded, raised their spirits considerably. This was followed closely by the bloody battle of Princeton which boosted Washington, the army’s, and the country’s moral. The Continental army decided to wait out the winter, and settled down in a fortified encampment at Morristown, but Hamilton’s regiment was stationed on the other side of the Delaware.24

An interesting opportunity presented itself for Hamilton when on January 20, 1777, he received an invitation from Washington to join his personal staff.25

24 For Washington’s fight in Boston and his retreat through New York and New Jersey, see David McCullough’s 1776 (New York: Simon and Schuster, 2005).
Commanding long range artillery was a position which rarely put one in the thick of battle, so Hamilton accepted Washington’s offer. In addition for a chance to work with the illustrious General, he was granted the far more prestigious rank of Lieutenant Colonel. As Washington’s aide-de-camp, Hamilton proved himself irreplaceable as a highly competent, bilingual, and financially-minded soldier. The desk job was perfectly suited for the intellectually driven, physically unimpressive young man. But despite his new position, Hamilton retained a strong desire for glory in combat.

Hamilton’s arrival at Valley Forge on January 20, 1778, prompted the twenty-three year old to reflect on the abysmal conditions of Washington’s camp, and the war effort so far. Refusing to quarter his men in the nearby town, and thereby deprive private citizens of their homes, the General ordered the army to build their own shelters. Having few resources besides what they could scavenge, the majority of the shelters were no more that earthen huts. The horrible living conditions and non-existent supply lines were hardships the army had unfortunately come to expect, and resent.

Hamilton, in a letter to New York Governor George Clinton, expressed his frustration with Congress’s inability to help the severely deprived army. Disregarding the immediate need for “Cloathing [sic] for the army,” Hamilton attacked Congress’s “carelessness and indifference” in their appointment of officers as “disgust(ing) the army by repeated instances of the most whimsical favouritism [sic] in their promotions.” He believed this favoritism in the promotion of soldiers was a corrupt system, which was not helping the already struggling army. In addition to Congress and their “injudicious changes and arrangements in the Commissary’s department,” Hamilton attacked the

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26 Flexner, Young, 136.
27 Flexner, Young, 208.
individual states for “promot(ing) [their] own internal government and prosperity.” This sentiment was underscored by the neighboring town’s refusal to give aid to the nearby army. This was the same town that Washington had left alone.

Hamilton asked Clinton rhetorically, “How can the common force be exerted, if the power of collecting it be put in weak foolish and unsteady hands? How can we hope for success in our European negociations [sic], if the nations of Europe have no confidence in the wisdom and vigor, of the great Continental Government?” His concern with how other nations would view the United States was indicative of his growing sense of nationalism. In his letters, Hamilton was also very careful to avoid blaming New York directly. He was thinking of his own burgeoning power base in the state, helped by his relationship with John Jay, and made it clear that “the remarks I have made do not apply to your state nearly so much as to the other twelve.”

He was very conscientious of the fact that, with Jay’s help and his association with Washington, his reputation in the state was growing.

The war raged on and in throughout 1779, Hamilton continued to make important friends. One of his most famous contacts was the Marquis du Lafayette, the French emissary, General, and American hero. Hamilton also met Lieutenant Colonel John Laurens, a South Carolinian whose father, Henry Laurens, was then the President of Congress. Hamilton developed a very close relationship with Laurens, a man who, after joining the South Carolina legislature, would later recommend Hamilton to be appointed to Congress.29

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29 Flexner, Young, 26-263.
In 1780, Hamilton experienced a significant boost to his social standing. In addition to his association with Washington and other notables, his marriage to Elizabeth Schuyler cemented his position in New York’s elite society. She was the daughter of one of the wealthiest merchants and Generals in New York, Philip Schuyler. Though General Schuyler’s reputation was severely damaged after the failed campaign in Canada and the fall of Fort Ticonderoga in 1777, he still carried enough influence that he had merely to ask and was appointed to Congress in April of 1780. Hamilton, who wielded the prestige of association with the Schuyler family, General Washington and John Jay, was being noticed by those outside the military.

On September 3, 1780, Hamilton entered the political scene directly by sending a letter to Congressman James Duane of New York. In it, he expressed his concerns and frustrations with Congress, and was the first Founding Father to highlight the “defects of our present system, and the changes necessary to save us from ruin.” One of his suggestions, was to elect “A single man, in each department [Finance, War, Foreign Affairs] of the administration, (which) would be greatly preferable” to the current “numerous…, constantly fluctuating body.”

Later in the letter, Hamilton highlighted the problems of Congress’s “want of method or energy,” as well as the “fluctuating constitution of our army.” He made an argument supporting the conscription of soldiers for three years, rather than weeks, which would create a more permanent and effective force. This showed that Hamilton desired a stronger government, though his political exposure was limited to what correspondence he handled for Washington. Over time he would greatly expand on the ideas in this letter,

30 Flexner, Young, 280-82
31 Papers, vol II, 400-418.
but even at this early stage he was cognizant of what he considered were Congress’s shortcomings in terms of their operation of the war.

Despite the social successes Hamilton enjoyed in his contact with the political and social elite, 1780 was bad year for the American army and the country. The southern army, under General Horatio Gates, failed to prevent the fall of Charlestown, and forced Washington to send some of the main Continental army to assist in the southern campaign. Weakened by the relief column sent south, the starving and ill-equipped Northern army could do nothing but sit idle until the French arrived. When the Comte de Rochambeau finally came, he led only a fraction of the fleet that had been promised in the peace treaty. To make matters worse, Rochambeau avoided the planned siege of New York City and instead sailed for the recently evacuated Newport Harbor in Rhode Island to protect the small fleet. There was no news on when the remaining French forces and supplies would arrive. The states, charged with supplying Washington’s army with supplies and recruits, contributed only half of the requested support. The Articles of Confederation still had not been ratified by all the states, and Congress was in no position to force the compliance of the states. The war effort was stressed further by Benedict Arnold’s treachery in September, and the ethical dilemma of the captured Major John Andre.32

By 1781, the near collapse of the financial structure of the government took its toll on the underpaid army. Many of Washington’s personal staff had taken leave of his command, which left Hamilton struggling to fill the void.33 A mutiny was averted on January 1 in Pennsylvania, but another threatened to further degrade the army’s

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32 See chapter 32 in Flexner’s book for a summary of Arnold’s planned betrayal of West Point, and the issue over the execution of British Major John Andre which Hamilton was opposed to.
33 Flexner, Young, 330.
situation.\textsuperscript{34} In a letter from Major General Nathaniel Greene on January 10, Hamilton learned of the utter lack of “National character or National Sentiment” in the South. Greene had replaced General Gates as leader of the southern army, and despaired at the “savage fury” in which the “Whigs and Tories persecute each other [sic].”

He observed that the southern “Inhabitants” were “scattered over such a vast extent of Country that it is difficult to collect and still more difficult to subsist them.” The “loose and disorderly” army lacked the ability to perform complex maneuvers in battle, and was forced to rely on “industry” to survive.\textsuperscript{35} The lack of funds to feed and clothe the army, much less pay them any sort of wage, represented the abysmal financial structure of the nation. The inability of Congress to control the army to put down rebellions within the army itself, highlighted the lack of power in Congress. It seemed, then, that the army was the manifestation of the inadequacies of Congress, a point which Hamilton did not miss.

Due to this continuous stream of bad news, the increased workload, and Washington’s legendary temper against his closest associates, Hamilton left Washington’s command less than amicably in the spring of 1781.\textsuperscript{36} A misunderstanding between the two men, one in which Washington attempted to fix in conversation but Hamilton refused to listen, ended in Hamilton leaving the general’s inner circle. Though he believed the “accost(ing)” had been an attack on his honor, Hamilton made it clear that, though he had his reasons for leaving the General, he would not abandon the war effort. He also wished to keep the event a secret, because if the information got out, it would “in many ways have an ill effect” on the already disintegrating reputation of the

\textsuperscript{34} \textit{Papers}, vol II, 542-43.  
\textsuperscript{35} \textit{Papers}, vol II, 529-33.  
\textsuperscript{36} Chernow, \textit{Hamilton}, 149.
Continental army. Hamilton had soon after this event asked Washington for a command position, but Washington responded with cold detachment. The General had learned that Hamilton had written to Lafayette about the break, and he had been “not a little embarrassed” about the letter. The split between the two personalities was then irreversible, but Hamilton’s military career was not yet over.

In April 1781, Washington had left to meet with the French stationed in Connecticut, and Hamilton was left with time to himself while waiting for a new assignment. In the meantime he learned of the recent election of Robert Morris as Superintendent of Finance, and it caught his attention. Soon after he left Washington’s command, Hamilton reached out to Morris, a man who would become his most important contact in his early political career. He leapt at the chance to make himself known to the new Superintendent, a financially minded man like himself and in one of the most powerful positions in Congress.

To prepare for the interaction with the well known and respected financier, Hamilton borrowed books on finance from a fellow soldier, a selection consisting of *Political Discourses* by David Hume, and *Universal Dictionary of Trade and Commerce* by Malachy Postlethwayt. In April, after he had finished the books, Hamilton wrote a letter to Morris. In the letter he not only mentioned his support of a single person to run the various Congressional departments, but he also included detailed plans for a national

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37 *Papers*, vol II, 563-68. Hamilton wished to be given a light infantry command, a request which Washington would refuse.
38 *Papers*, vol II, 601-02.
39 *Papers*, vol II, 405.
40 *Papers*, vol II, 595-96. These were volumes relating to finance written by popular European intellectuals.
bank, his projection of the country’s future debt, and his fear that foreign credit alone would not cover the government’s expenses for long.\textsuperscript{41}

Morris, however, was already a well-established finance expert, and Hamilton’s letter said nothing he did not already know. Highlighting this, before Hamilton had even sent his letter, the Superintendent had taken full advantage of the political momentum which had created his office and instituted a national bank days after he was elected.\textsuperscript{42} Morris nevertheless responded to Hamilton’s letter a month later, praising the young man’s “performance,” and revealing to him the bank plan passed by Congress. Morris admitted that the “Capital [currently] proposed [for the startup bank] falls far Short of your Idea,” but he was still “Confident if this is once Accomplished the Capital may afterward be encreased [sic] to almost any Amount.”

The reason for such a small amount in the beginning, Morris explained, was that “to propose a large Sum in the Outsett [sic], and fail in the Attempt to Raise it might prove Fatal.” The “most Certain road to Success” seemed “to begin with what is Clearly in our power to accomplish, and on that beginning to establish the Credit that will Meritably [sic] Command the future encrease of Capital.” Undoubtedly to Hamilton’s delight, Morris ended the letter by saying that “My office is new and I am Young in the execution of it. Communications from Men of Genius & abilities will always be acceptable and yours will ever Command (my) attention….”\textsuperscript{43} Hamilton had impressed Morris, and though the younger man had introduced nothing new to the financial veteran, he established himself as a like-minded and trusted individual.

\textsuperscript{41} Papers, vol II, 604-35.
\textsuperscript{42} See the first chapter of Clarence L. Ver Steeg’s Robert Morris: Revolutionary Financier, (Philadelphia: U Penn Press, 1954), For a look at Morris’ very successful early career and growth in national political reputation.
\textsuperscript{43} Papers, vol II, 645-46.
Hamilton was impressed by Morris, and later wrote a letter to Louis-Marie, the Vicomte de Noailles and fellow soldier at Yorktown, and revealed his admiration of the Superintendent. To Hamilton, Morris “has hitherto conducted himself with great ability…” and has “acquired and entire personal confidence” in the support Morris has garnered so far in his creation of the Bank of North America, and his restructuring of the Treasury. Hamilton added that “His operations have hitherto hinged chiefly on the seasonable aids from your country; but he is urging the establishment of permanent funds among ourselves.” Despite Morris’s success in “conciliating fast the support of the moneyed men,” and reviving “in some measure the public credit,” Hamilton foresaw “dilatory compliance” among the states if a “permanent funds among ourselves” is established. Still, he held out hope for “a duty on our imports” to be passed in Congress.\(^{44}\)

In July, while he transitioned from under Washington’s command to Dobbs Ferry in New York, Hamilton wrote a set of sweeping political pamphlets. With the knowledge that he had the ear of Morris and other powerful figures, as “The Continentalist,” Hamilton wrote six articles on “matters of the greatest importance to these States.”\(^{45}\) Despite his self-attributed ignorance of the world outside the army, he printed the first article in the *New York Packet* on July 12. He asked his readers to view the article “with as much candour [sic] and attention as the object of them deserve, and that no conclusions will be drawn till these are fully developed.”\(^{46}\)

Hamilton assumed that, in respect to the current government, “there is hardly at this time a man of information in America, who will not acknowledge, as a general

\(^{44}\) *Papers*, vol III, 83-86.

\(^{45}\) The last two articles were written in April and July of 1782, after the Battle of Yorktown and the end of open hostilities between the warring nations.

\(^{46}\) *Papers*, vol II, 594. The dates for the rest of the articles are July 19, August 9, August 30, April 18 1782, and July 4 1782.
proposition, that in its present form, it is unequal, either to a vigorous prosecution of the war, or to the preservation of the union in peace.” To him, the “WANT OF POWER IN CONGRESS…” stemmed from a time in “the first stages of the controversy,” in which “it was excuseable [sic] to err. Good intentions, rather than great skill” in the creation of the Articles of Confederation.47 The Articles created a war time government, and Hamilton realized that changes needed to be made if the union were to survive.

In the second “Continentalist” essay, Hamilton gave historical examples of failed republican confederacies. He recognized the dangers of both the monarchical and republican forms of government. The former, he argued, would create “too powerful” a sovereign, while the latter would “not have sufficient influence and authority.”48 This essay was designed to show the reader evidence of why, though it went against traditional revolutionary idealism, a stronger federal power is not necessarily a bad thing.

In the third essay, Hamilton set out to prove his point. He explained that all of the states, no matter how “populous, rich and powerful…,” will have it “ever be (in) their true interest to preserve the union.” As an example drawn from his experiences during the war, he wrote that, “in the midst of a war for our existence as a nation... some state(s) have evaded, or refused, compliance with the demands of Congress in points of the greatest moment to the common safety.” These “evils,” though not visible to many, “threaten our immediate safety.” To prevent this, Hamilton called for the country “without delay, to ENLARGE THE POWERS OF CONGRESS.”49

To Hamilton, this was an opinion which had “already [been] generally received.”

These three essays introduced the fourth, in which Hamilton laid out steps that were

necessary to “compose that augmentation” of the enlarged Congress. Here he listed powers to be vested in Congress, which he “pronounced with confidence, that nothing short of the following articles can suffice:” 1) Regulating trade, 2) a land tax toward the funding of the federal government, 3) a “capitation” tax on each male, with exclusions, 4) the sale of government land to increase revenue, 5) a proportion of mined products to go to the government, 6) appointment of all army and naval officers. Without these six conditions to help with the revenue shortfall, Congress had thus far been solely “dependent on the occasional grants of the several States.” The country, in its present condition, “can neither have dignity vigour [sic] nor credit.” Hamilton went on to explain the merits and necessity of establishing credit, and supported the wisdom of Congress in appointing the Superintendent of Finance, as “it was impossible, that the business of finance could be ably conducted by a body of men.”

These essays represent the earliest stage of Hamilton as a logical and sophisticated political writer, and they contained his earliest ideas on how to make Congress, in his eyes, more effective. He claimed that his views were universal, and this highlighted his self-proclaimed ignorance of life and issues outside the army. He was interrupted in the completion of his “Continentalist” essays by the war, but would finish his thoughts in two final essays, completed in 1782. Until then, however, the war demanded his attention.

The end of 1781 saw Washington’s army move south to Virginia to assist in the campaign against Lord Cornwallis, who was moving freely through eastern Virginia and was fortifying the city of Yorktown. This came after news that the French Admiral de Grasse was sailing for Virginia to break Cornwallis’s hold. Cornwallis, confident of

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British control of the seas, learned of the march of 6,000 militia men and French troops and prepared for a land assault on the city. Completely unaware of the fleet setting sail from France, the British regulars and Hessian mercenaries would soon be surrounded and isolated.\(^{51}\) In a letter addressed to Hamilton a month before the siege, his father-in-law informed him that his “friend(s) will propose” him for a seat in the New York legislature, scheduled to meet at Poughkeepsie in October.\(^{52}\) Hamilton refused the request due to his responsibilities to the army, and the possibility of finding glory at Yorktown.

In October, the beginning of the assault on the fortified city, Hamilton’s infantry assignment took a redoubt fortified by enemy troops. In the assault, he was gravely injured, having been stabbed twice and shot once. Despite his and other men’s injuries, American casualties were few, at nine dead and thirty one wounded. Hamilton’s exploits in the symbolic victory over General Cornwallis went largely unnoticed by all but the top military officers, however, and the siege marked that last time the young Colonel would see combat.\(^{53}\)

The year 1781 ended on a sour note for Hamilton. He was retained as an officer in the military by Secretary of War Benjamin Lincoln, but this was a formality.\(^{54}\) He took leave of the military after Cornwallis’s surrender in October, and made his way back to

\(^{51}\) For more detail on the preparations for Washington’s move to Yorktown, see chapter 37 in Flexner’s *Young*, 346-52.

\(^{52}\) *Papers*, vol II, 676-77.

\(^{53}\) See chapter 39 in *Young*, 360-68, for more detail on the assault. Flexner explains that, despite this victory, it was still not the brilliant military achievement Hamilton had longed for. The nature of the ill-trained and highly independent American army, and the way military praise “mounts the ladder of rank,” combined to cut Hamilton out of any real recognition. In the accounts written by Washington and the men under Hamilton’s command, there was no mention of the lieutenant colonel. Hamilton became upset that Congress had not recognized him, and claimed that other country’s governments reward valor in their soldiers.

\(^{54}\) *Papers*, vol III, 6.
the Schuyler estate in Albany where his wife had been living. In a letter to Major Nicholas Fish, the officer to whom Hamilton had left his command, he expressed his frustration. He complained that a bundle of “articles” he had shipped to New York had, “through hurry,” been forgotten in a town on its way to Albany. The bundle was then “opened and pilfered,” and he was left with only a few pieces of the whole. This must have irritated Hamilton immensely. Not only was he denied the military recognition he had sought for so long, but he had also been robbed of the few possessions he had brought with him to war.

Hamilton gained influence during the war in a variety of ways. Through published pamphlets and articles, contacts with influential individuals, and his marriage into to the most powerful merchant family in New York, the ambitious young man was able to cement a reputation for himself as a brilliant thinker. While military prestige on the scale he envisioned had eluded him, Hamilton compensated by exhibiting a tremendous talent for making himself known to powerful Americans. With the connections he made during the war, Hamilton would leave the military ripe for election to public office. It was in these offices wherein he would come to terms with the “changes necessary to save us from ruin.” The beginning of 1782, however, would offer no solace.

55 Papers, vol II, 683.
56 Papers, vol II, 684.
57 Papers, vol II, 401.
Chapter Three: First Public Offices

The beginning of 1782 marked an odd time in Hamilton’s life, one that impeded his personal ambition and marks a period of desperation. Unemployed since October, Hamilton’s first son Phillip was born in January, though this seemed to offer little relief to his boredom. On March 1 of 1782, Hamilton wrote Washington concerning his retention of a military title, despite the fact that he was “not in the execution of the duties to (his) station.” Hamilton goes on to offer his services “in any capacity civil, or military.” The young man still had no job, yet maintained a military title but was not called on to serve.58

In this letter Hamilton also displayed a unique trait which set him apart from the other Founding Fathers. In his renunciation of “all claim to the compensations attached to my military station during the war or after it,”59 he showed disinterestedness in attaining personal wealth. Hamilton was never a land speculator like Washington, nor was he a profit-minded merchant like his father-in-law. This attitude might help explain why he remained idle for so long after Yorktown. While he was living with the Schuylers, he performed some work for the estate and General Schuyler’s business while studying law independently, but the majority of his living expenses were taken care of by the family.

Later in March, in a letter to Richard Kidder Meade, a fellow aide-de-camp to Washington during the war, Hamilton admitted “how entirely domestic I am growing.” It was only the “ties of duty alone or imagined duty (which) keep me from renouncing public life altogether.” This was a strange statement coming from a man who “sigh(ed)

58 John Laurens, in letters written in March, describes Hamilton’s letters as “a masterly a piece of cynicism as ever was penned.” Though the letters were not found, it displays Hamilton’s growing frustration toward his current domestic condition. Papers, III, 68.
59 Papers, vol III, 5.
for nothing but the company of my wife and my baby” and described his son Philip in touching detail, had not long before nearly begged Washington for another appointment in the army.

Bitter-sweet news from Lafayette came in April 1782, after the French General returned to France after Yorktown. The Marquis, who wrote in a code that he and Hamilton had developed, expressed his “wish (that) you May Be Employed” in either foreign affairs or as a Congressman. Recognition by the hero Lafayette, but not his own government, must have added to Hamilton’s desperation for action outside of the home. Also in the letter was news that the French King desired peace with England, though was still committed to the war effort against their rival nation. Though hostilities had decreased, the war was not yet over. In what must have been a welcomed relief for him, the month of April marked the end of Hamilton’s domesticity.

The fifth “Continentalist” essay was published in April, six months after the Battle of Yorktown. In the early pages of the fifth essay, he said that market regulation and taxation could be used as revenue. Hamilton supported the idea, that what “ought to have been a principle object of the confederation for a variety of reasons” is “the vesting of Congress with the power of Regulating trade….” He explained further that some “maintain, that trade will regulate itself, and is not to be benefited by the encouragements, or restraints of government.” These people “imagine, that there is no need of a common directing power… contrary to the uniform practice and sense of the most enlightened nations.”

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60 Papers, vol III, 69-70.
61 Papers, vol III, 150-151.
The issue for him, was that to preserve the balance of trade in a nation, the “avarice of individuals” must be countered by the government’s “effectual impediments.” With his specification of regulating trade to benefit the nation, not the states alone, Hamilton made it clear that he supported the federal government, not the individual states. He offered English trade, under the reign of Elizabeth, as an example of the success of the “fostering care of government.” The Dutch were also singled out, as having been “allowed a pre-eminence in the knowledge of trade,” and made the point that they “have ever made it [trade] an essential object of state.” Concerning revenue production through taxing trade, he said that “no mode can be so convenient as a source… to the United States.” This was partly due to the fact that the revenue derived, would “fall in a great measure upon articles not of absolute necessity, and being partly transferred to the price of the commodity, are so far imperceptibly paid by the consumer.”

Hamilton included a response to those who said Congress would abuse their taxation power. He found that “It [was] difficult to assign any good reason why Congress should be more liable to abuse the powers with which they are intrusted [sic] than the state-assemblies.” This, he explained, was due to the fact that the “frequency of the election of the members is a full security against a dangerous ambition.” Similarly, the “rotation established by the confederation makes it impossible for any state, by continuing the same men… to maintain for any length of time an undue influence in the national councils.”

In the fifth essay, Hamilton showed that he was still unsure of the extent to which the government should change. He talked about the necessity of trade regulation and oversight, while at the same time he supported the frequent rotation of those in office to prevent the accumulation of federal power. These two ideas were points

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63 Papers, vol II, 75-82.
of contention between the Federalists and anti-Federalists post-1787, but at this early stage, Hamilton saw the benefit of both.

In the sixth essay, he discussed the “consequences of not authorizing the Federal Government to regulate the trade of these states.” He explained the “landed interest and the labouring [sic] poor will in the first place fall a sacrifice to the trading interest…” if trade is left to the discretion of the states. The states ran the risk of giving another a “greater advantage…” if they imposed duties on themselves. This would not only affect the states, he continued, but would result in foreign goods being cheaper than domestic. This would eventually have a snowball effect, by raising the price of the “necessaries of life...” which would “oppress the poor….”

Hamilton’s ideas in this essay reflected not only his perception of the economic folly in leaving those policies in state hands, but also his problem with “many theorists in political economy….” These theorists, incorrectly, “held that all taxes, wherever they originate fall ultimately upon land; and have therefore been of opinion, that it would be best to draw the whole revenue of the state immediately from that source.” As an example, he alluded to a time sixty years before, when “ablest masters of political arithmetic” in Great Britain figured out the amount of income which could be directly, or indirectly, derived from all the land in England. The sum came to a staggering forty-two million pounds, but Hamilton found issue with this one-sided, land-centric, approach.

He made it clear that the “landed and trading interests…” are so “…inseperably [sic] interwoven, that one cannot be injured, without injury, nor benefited, without benefit to the other.” The point he was trying to make, was that relying on the value of land as the basis for taxation was ineffective. This land tax, he argued, must be matched by a tax
on trade. He also offered that a “poll tax…,” combined with the revenue from trade and land, “are the simplest and best, that could be devised.” Hamilton was at this time, and when he moved out of the Schuyler estate, a man who did not own land. His interests resided primarily in trade and industry, and he owned little acreage throughout his life. He nevertheless felt that the equitable distribution of taxes depended on one’s wealth, which was represented by a combination of consumption and land taxes.

Hamilton’s sixth “Continentalist” was also an insight into his perception of the general conditions of the country at the time. While he focused primarily on the problem of taxation, he included a critique of the attitude of the leaders of the independent states. The self-centered state governments fell prey to “the seductions of some immediate advantage or exemption,” which then “tempt(ed) us to sacrifice the future to the present.” He argued that the “public, for the different purposes… must always have large demands upon its constituents, and the only question is whether these shall be satisfied by annual grants perpetually renewed- by a perpetual grant once for all or by a compound of permanent and occasional supplies.” By supporting the last scenario as the “wisest course,” he tied in his arguments earlier in the essay for government oversight of trade and taxation.

Despite his position on taxation, and the corruption of state officials, he had not yet come to terms with exactly how the government should be structured, or even how much power it should be given. He recognized that the “Federal Government should neither be independent nor too much dependent, …nor should it want the means of maintaining its own weight, authority, dignity and credit,” but he could not yet determine
a structure for it. Still, in admitting that “every proposal for a specific tax is sure to meet with opposition,” at this early stage he recognized the uphill battle facing him.

He fully supported Congress’s appointment of its own tax collectors in the states. These federally appointed men, he believed, were necessary to foster a “mass of influence in favor of the Federal Government.” Without a more centralized authority, the “distinct combinations of the several parts” will be a force against one another. Hamilton went further, and explained that there was “something proportionally diminutive and contemptible in the prospect of a number of petty states, with the appearance only of union…,” but “noble and magnificent in the perspective of a great Federal Republic.”

It would take some years for Hamilton to come to terms with how the government should be composed, and his experiences in his first political office would teach him the lessons vital to the development of his political thought.

A circular letter from Robert Morris arrived on the fifteenth of April, sent to men who Morris had appointed, or would soon appoint, as Continental Receivers of Taxes for their respective states. The circular explained that the Receivers were required to, on behalf of Congress, collect “their [state’s] Quota’s of the eight Million of Dollars required by Congress for the service of the United States this present year.” The amount of money owed Congress was due quarterly, the first quarter having come and gone with no payment from the states. The sums were to be catalogued and reported to Morris on the first of every month, in order to keep track of the progress of the collection.

Hamilton would eventually join the ranks of the Receivers, but before that, he committed himself to the study of law. Ordinarily, potential lawyers wanting to practice

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64 Papers, vol III, 99-106.
65 Papers, vol III, 72-74.
law in New York were required to serve “a Clerkship of three years at least.” As a clerk to an attorney, the aspiring lawyer played the part of both secretary and apprentice. They would spend the majority of their time copying the legal documents of their masters, while reading their personalized law books in their spare time. In most cases, these aspiring lawyers designed their own law workbooks organized by category. The clerks learned the profession and the law, not through formal education, but through rote memory and the stylized practice of their mentors.

It delighted Hamilton, then, to have successfully petitioned the New York Supreme Court to suspend the three-year rule in his favor, a move which his father-in-law was involved with. Hamilton was licensed to prepare cases for the court on April 26, 1782, and then in October, was “found of sufficient Ability and Competent learning to practise [sic] as Counsel.” While studying law, Hamilton again showed his brilliance by not only mastered three years of law study in a few months, but by assembling a collection of New York legal proceedings called “Practical Proceedings in the Supreme Court of the State of New York.” This book was a snapshot of New York law as it moved away from the British model, and it was used for years to come as a part of the standard literature of New York law students.

In May, Hamilton started organizing his own law practice, a potentially lucrative one, due to a law barring Tory lawyers from state courts. This rule opened the door for Whig attorneys who were willing to represent the Tories. James Duane also offered his

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66 Papers, vol III, 82.
67 Chernow, Alexander, 168.
69 Chernow, Alexander, 168.
70 The law was passed in November of 1781.
extensive law book collection freely to the young man.\textsuperscript{71} While Hamilton dabbled in his own practice and helped his father-in-law create contracts for supplying the army, his focus was on the nation’s financial troubles, the war, and his upcoming appointment as Receiver.\textsuperscript{72}

The office of the Receivers, as Hamilton learned in April, was a position created out of necessity. The overall financial instability of the United States government was the catalyst for the creation of the Receivers, and it is important to know how, generally, Morris battled the financial crisis. By 1780, the absence of a federal bank, and Congress’s inability to tax its citizens, forced the government to rely on private funding and foreign loans. Morris himself was the single largest private contributor to the war effort. Bills of credit were issued by Congress as placeholders for hard coin specie. This specie was to be paid by citizens through their taxes, but the specie came in small quantities, and the temporary bills of credit were turned permanent out of necessity. Domestic loans had been legalized by Congress out of desperation in October, 1776, and the wealthiest citizens loaned to the government with a 4-6\% interest rate. The military, the countries largest expense, also contracted supplies from private companies, and in turn issued certificates of indebtedness payable by Congress.

In 1780, the government had suffered its first large financial collapse. Circulating paper notes were depreciating rapidly and the domestic loan structure was failing. In response, Congress enacted the forty-for-one funding plan on March 18, 1780, which replaced old bills of exchange with forty paper dollars against every one specie note. By the spring of 1781, however, these bills had depreciated so far in value that it cost more

\textsuperscript{71} Papers, vol III, 88.  
\textsuperscript{72} Papers, vol III, 83.
to print then they were worth. The public credit was depleted, but the war still raged.\textsuperscript{73} Due to these poor methods of funding, Morris, when elected as Superintendent in May, 1781, inherited a large national debt and a financial crisis.

To deal with the financial crises and collapse of public credit, Morris’s plan was, broadly, to rebuild the public credit. To do this, he reorganized the Treasury Department to be more effective, implemented policies to increase revenue flow from the states, and he changed how the money received was spent. Included in the rebuilding were the plans for the Bank of North America, funded through private loans. Notes issued by Morris, called “Morris notes,” were payable on sight, while a different set of “bank notes” were payable at a later date. These notes actively replaced the old bank notes and specie in circulation, and were accepted in lieu of specie in tax collection. They were designed to help stabilize the government’s funds by contributing to the effectiveness of the newly created bank.\textsuperscript{74}

The financial crisis of Congress was generally replicated at the state government levels. Each of the states attempted, with varying degrees of success, to draw on a smaller version of the public credit to fund the war effort. To make this work, each state issued its own notes, and many of the states still used various foreign specie as a trading medium. Morris then created the office of the Receiver of Continental Taxes, whose job was not only to collect the taxes owed by the states, but also to push Morris’s financial agenda in the state governments.

Hamilton had learned from Morris’s letter of April 15 that Receivers were to act not only as tax collectors, but as a form of Congressional representation in the states. The

\textsuperscript{73} See Chapter three of Ver Steeg, \textit{Morris}.
\textsuperscript{74} See Chapter five of Ver Steeg, \textit{Morris}.
Receivers were both members of their respective states, and loyal to Congress, and were allowed a certain measure of authority to convince local municipalities to pay. To Morris, who viewed the local government’s refusal to pay as keeping the people “in Ignorance of their true Interests,” gave the Receivers some legal means to try and force the locals to pay. The Receivers were given the authority to “make Application to and receive from the executive Authority of the said State, the Treasurer or such other Person or Persons as are, or may be appointed and enabled to pay unto the Superintendent…, for the Use of the United States…, ninety three thousand, three hundred and ninety nine and one half Dollars Specie….” This number represented the quota due from New York in the first quarter of 1782, the due date of which had already passed.

A key characteristic of the Receivers, aside from their roles in funding the government, was how their appointment was disconnected “from popular Influence.” This meant that because Morris appointed the Receivers, instead of the state legislatures or state executives, they would, ideally, be separated from the influence of the states. This lack of influence would mold the Receivers “to the Views of Congress,” which would in turn “enable that Body to provide for general Defense.” Hamilton, when given the title of Receiver, effectively embodied Morris’s executive presence in New York.

The circular letter, in addition to describing the role of the Receiver, contained two items that were of interest to Hamilton. The first item required the Receivers to publish in newspapers each month the quotas paid by the states. The act of soliciting the payments would ideally force some to “be anxious on this Subject as their reputation is so materially connected therewith,” and the successful submission of “such Payments… will

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75 Papers, vol III, 99.
76 Papers, vol III, 74.
give them a good face.” By using newspapers to legitimize the transactions, Morris had found a subtle way to pressure the legislatures into paying their quotas, an issue that was normally out of Congress’s hands.

The published updates would also help eliminate the lump payments that had been the conventional payment method. For years the states, when they deemed they could spare the money, paid Congress not in installments, but in one lump sum. This caused severe instability in Congress’s finances, and forced them to operate on an essentially day-to-day budget. The letter of April 15 also mentioned Morris’s attempt to put social pressure on the political elite in each state. By highlighting “their reputation” in public newspapers, the Superintendent hoped to make state politicians risk their personal honor if they had not paid. As an honor driven man himself, the idea that the government could use such a tactic to garner support from the public must have seemed like a logical strategy to Hamilton.

The second item of the letter was the mention of John Swanwick, the former clerk of Morris’s private business. Swanwick was appointed Treasurer to the Superintendent of Finance soon after Morris was elected in 1780. The office of Treasurer had not been created by Congress as a whole, but by Morris alone. While Swanwick’s office was not nearly as important as Gouvernor Morris’s position as Secretary to the Superintendent (a man Hamilton would later come to know well), the simple fact of its existence proved the effectiveness of Morris’s executive leadership.

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77 Papers, vol III, 72-74.
79 Ver Steeg, Morris, 80.
While it was a comparatively minor position, the office of the Treasurer represented the successful reconstruction of the Treasury Department after Morris was elected in 1780. Morris was appointed to replace the old Board of the Treasury, and he began to make sweeping changes in the department’s structure. The mass of overlapping departments sharing jurisdiction was immediately overhauled, and the muddled bureaucracy was streamlined from thirteen executive offices to four.\(^{80}\)

Administrative reform was not the only aspect of Morris’s Treasury Department changes. His Bank of North America was voted through Congress days after his inauguration, though it was not established until the end of 1781. Its bid for incorporation encountered heavy resistance, and it wasn’t until December 31, 1781, that the Bank was incorporated.\(^{81}\) Even then, the bank was created primarily to fund the war effort, and had little to do with the day-to-day finances of the states. Morris’s broad strategy, in which the bank would eventually have a place, was to combat millions of dollars of national debt by reviving the public credit.

On May 2, Morris sent Hamilton an offer to join the ranks of the Receivers, having heard that the young man was “disposed to quit the military line for the purpose of entering into civil life.” Hamilton, however, refused the job. The problem for him was the money he would receive in compensation. The commission for the New York County Receiver was “one fourth pr [sic] Cent on the monies you receive.”\(^{82}\) Though this would have been a decent sum of money if Hamilton managed to collect all of what was due, there were a few problems. Not only was he handling his budding law career, but the British army still held Manhattan, the largest contributor to New York County’s quota.

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\(^{80}\) Ver Steeg, *Morris*, 79.
\(^{81}\) Ver Steeg, *Morris*, 86.
\(^{82}\) *Papers*, vol III, 87.
This problem was not limited to New York, as Charleston and Savannah were still held by the enemy. The success of the Receivers, nationally, seemed doubtful.

Hamilton admitted in his refusal that while the pay for his “military situation has indeed become so negative that I have no motive to continue in it…, the plan which I have marked out to myself is the profession of the law.” The law, and not the military, had become his sole source of income. He argued that the current condition of the city and “the circumstances of this State…,” would not be able to pay him more than “one hundred pounds.” While he displayed little interested in attaining wealth for wealth’s sake, Hamilton felt that such a low sum would be simply not worth his time. Even worse, he doubted his own success in the position. In all, Hamilton projected that the taxpayers “will not pay annually into the Continental treasury above forty thousand pounds; and on a peace establishment this will not be for sometime to come much more than doubled.”

Morris understood, and a month later issued Hamilton another offer. In an effort to recruit the man who had, even in his refusal of the position given considerable attention to the problem, Morris offered the same percent commission, but of the entire sum owed, not just the sum collected.

On June 17, Hamilton accepted the offer, though he painted a grim picture of the tax system in the state. The “whole system (if it may be so called) of taxation in this state is radically vicious, burthensome to the people and unproductive to government.” He felt that “there seems to be little for a Continental Receiver to do.” The only way he could “imagine a prospect of being materially useful…,” was in petitioning the legislature on behalf of Morris. By offering to act as the spokesman for Morris in the New York

83 Papers, vol III, 89.
85 Papers, vol III, 93-94.
Legislature, above and beyond the representative duties of the other Receivers, Hamilton had created for himself a more influential role.

The problems Hamilton encountered, once he signed on, was as he predicted. The tax collection system in New York was completely unorganized. Morris seconded Hamilton’s apprehensions about tax collection, but said that while New York “may be more defective in some than in others it is I fear very far from perfect in any.” Even in this scenario, Morris continued to believe that the legislature would “make such appropriations as well as lay new and I hope Productive Taxes for the purposes of Paying what may remain of their quotas.” To Hamilton, Morris’s words of support struck home. By praising Hamilton’s “perfect knowledge of men and measures, and the abilities which heaven has blessed you with,” Morris displayed a faith in Hamilton beyond the simple execution of office. 86 Perhaps it was a well thought out strategy of Morris’s to keep the brilliant young man on his side, but it instilled confidence in Hamilton despite the grim prospects of the job.

He arrived at Poughkeepsie in May, ready to petition the legislature on behalf of the Superintendent. Before Hamilton arrived, however, he was delivered sobering news. Morris had issued a circular to the various state governments in July, 1781, requesting detailed plans, including the tax collection codes for each state, of the expenses paid by each state during the war. The governors had outright refused this request, claiming that it was not within Morris’s jurisdiction as Superintendent of Finance. Not only had the governors gotten back to Morris almost a year later, but the few states that did comply offered only “evasive and unsatisfactory” results. 87 Hamilton was walking into a meeting

of the legislature already behind. The legislature was led by the well respected but unruly Governor George Clinton, a man who had already made up his mind about Robert Morris and the Receivers.88

Hamilton was not intimidated, however, and endeavored “by every step in my power to second your [Morris’s] views.” Despite this confidence, he still did not have “very sanguine expectations” of the meeting. His task lay in leveling the “mountains of prejudice and particular interests” of the delegates, and making it clear to them that “it is the duty of every citizen to exert his faculties to the utmost to support the measures, especially those solid arrangements of finance, on which our safety depends.” Hamilton drew strength from the “confidence and motivation…” as well as “esteem” given to him by Morris’s “expressions” in his last letter.89 In addition, Hamilton was already a well respected member of the New York elite.

Hamilton requested that the state Legislature give him the “authority required” to perform his duties on July 16 and, surprisingly, the legislature surged into motion.90 Not only did they nominate Hamilton to the Continental Congress (a position he would not fill until November), they pushed through several bills to benefit the financial stability of the state all within a week. In pushing Morris’s plan, Hamilton “found every man convinced that something was wrong” with the current methods of collection. One of the bills passed granted “Eighteen thousand pounds” payable in hard specie or bank notes toward the national debt. By design, the bill would only allow payment in Morris notes and bank notes, not state issued notes. Another bill had passed the Assembly and was

88 Clinton had supported Robert Yates, a state’s-rights activist, instead of Hamilton to be appointed Receiver in the state.
debated in the Senate, to appoint a committee “to devise in the recess a more effectual system of taxation” for the state.\(^91\)

Despite this early success, Hamilton saw problems forming. He “found that every man convinced something was wrong, but few that were willing to recognize [sic] the mischief when defined and consent to the proper remedy.” He did not expect the bill for eighteen thousand pounds to “produce in the treasury above half the sum,” nor did he imagine the collection of taxes would ever change if the Senate tabled the committee bill. A call for a convention of the states to discuss options would also meet fierce opposition, mostly from states who would “never be brought to cooperate in any reasonable or effectual plan.”\(^92\) Hamilton was feeling that the more he saw, “the more I find reason for those who love this country to weep over its blindness.”\(^93\)

Hamilton was realizing the difficulties of managing and implementing his responsibilities. The bill to restructure the method of taxation was passed in the Senate, but the collectors were not required to correspond with the Receiver. The eighteen thousand pound bill was expected to be tied up in the foraging campaign of General Washington, and little would be left for Congress.\(^94\) Overall, Hamilton projected that the total revenue paid by his county would be thirteen thousand pounds that quarter,\(^95\) a fraction of the projected $373,598 owed by the state.\(^96\)

Adding to Hamilton’s woes, the committee that was charged with changing the taxation method had proved ineffectual. In a report written to Morris in October,

\(^{92}\) *Papers*, vol III, 114-117.
\(^{93}\) *Papers*, vol III, 172.
\(^{94}\) Foraging was a way to fund the army by, when the army moved through a state, that state supplied them with provisions.
\(^{95}\) *Papers*, vol III, 142.
\(^{96}\) *Papers*, vol III, 119-120. This was the quota for New York for the year of 1782.
Hamilton was discouraged by the actions of the committee. Despite his efforts, “they have parted without doing any thing decisive. They have indeed agreed upon several matters and those of importance but they have not reduced them to the form of a report.” The problem was that the committee left “every thing afloat” through their inaction.

What the committee agreed on was not what Hamilton and Morris planned. They refused to accept an “estimated valuation” tax, a tax Hamilton thought best suited for the “great diversity in the qualities of land” in the state. Hamilton pressed hard for an “excise on distilled liquors,” but was again rejected, and a tax on tavern licenses replaced it. Similar to Hamilton’s ideas, the committee agreed to taxes on personal property, luxury items, rent, and a poll tax for “all single men from fifteen upwards.” This new tax restructuring, however, promised extremely low revenue figures. The committee concluded that the amount annually collected “would not exceed 70000 [pounds] of which fifty” were reserved for Congress’s use.97

Adding to New York’s financial problems was the condition of the state itself. Hamilton reported that, according to members of the state assembly whom he deemed reliable, New York’s revenue capacity was “diminished at least two thirds.” This was due partly to the enemy occupation of the majority of counties in his jurisdiction, and partly because of the “ravages of the enemy and our own troops” in destroying production and farming capacity. On the positive side, the population had not necessarily decreased because of the war, but had simply spread to other counties. The issue was that a number of those people emigrated to the Vermont Territory to escape the war, or were conscripted into the British army. Because of the increased migration away from the cities, “Labor,” Hamilton said, “is much dearer than before the war.”

97 Papers, vol III, 181.
Like labor, the state government had “upon many occasions of the most exhausting kind” been depleted of its resources. This reduction of resources, Hamilton thought, could have been prevented had “a prudent and systematic administration” been implemented from the outset of the war. If this system had been a reality, “Less inconvenience” would have resulted. A more pressing depletion was the British occupation of New York City and “The exposed situation on the frontier.” This resulted in severed access to the vital New York harbor and foreign trade, which forced the merchants to turn to “internal traffic.” The cost of this method of trade was high, and it restricted the amount of goods that were produced and shipped.98

It was not only these issues which halted Hamilton’s efforts at efficient tax collection. The nearly immobile legislature seemed to give him endless frustration. Morris received a letter from Hamilton to this effect, and learned that the “indolence of some and the repugnancy of others make every trifle lag so much in the execution” that the Receiver was simply unable “to give… any more information.”99 Even Governor Clinton in September, after he had urged the county treasurers “& the other Officers concerned to a prompt execution of their Duty,” did not receive financial information that month.100

As Morris mentioned to Hamilton in late August, part of the problem with the collection of the tax information was Morris’s initial failure to “fix on a proper Commissioner for the State of New York.” The position, unfortunately, would not be filled until November. The Commissioner would have been an executive presence to facilitate tax collection, and Morris despaired of Hamilton’s “Description of the Mode of

98 Papers, vol III, 130-134.
100 Papers, vol III, 158.
Collecting Taxes” in the state. He believed, as Hamilton did, that the collection was “an Epitome of… Follies,” a problem which was seen from “One Continent to the Other.”\textsuperscript{101} In this case, Clinton referred to the observable assault on the Revolutionary ideology of equality. The “general discontent from the inequality of the taxes,” stemmed from the designs of a few men who had “prove[n] an over-match for common sense and common justice.” These “designs” led to the stagnant collection methods of the legislatures, and the unequal means of tax assessment. Despite the odds stacked against the state, Morris was hopeful that the proven willingness of the legislature to exert themselves, as they had in Hamilton’s first week in office despite being “under striking Disadvantages,” would serve them well in the coming months.\textsuperscript{102}

A test of that willingness came on September 7, when Hamilton addressed the County Treasurers to discuss the results of a tax bill passed in July. The bill called for the collection of ten thousand pounds.\textsuperscript{103} Some of the funds had already been collected, but the majority of the value had not. Hamilton was frustrated with the ineffectiveness of this temporary solution, and appealed to Morris to determine if he “ought to press the establishment of permanent funds or not.” In a disconnected blurb at the bottom of the letter, Hamilton revealed some of his frustration with the system: “In this vicinity, always delinquent, little is doing.”\textsuperscript{104}

Consistent with his frustrations, Hamilton felt a “sensible mortification” in his published report that New York had thus far “pa[id] nothing in support of the war.”\textsuperscript{105} His

\textsuperscript{101} Papers, vol III, 154.
\textsuperscript{102} Papers, vol III, 137.
\textsuperscript{103} See footnote two in Papers, vol III, 149.
\textsuperscript{104} Papers, vol III, 163, Papers, vol III, 165. This meeting came after Congress demanded an immediate $1.2 million dollar requisition from the states on September 4.
\textsuperscript{105} Papers, vol III, 160.
letters to Udny Hay, the state agent for supplying the Continental army, went unanswered, and thus he was constantly denied access to information concerning military expenditures.\textsuperscript{106} Distance also seemed to have affected the responses of a few, though he suspected “they have done their business in so disorderly a manner (to say nothing worse of it) that they are now at a loss how to render the accounts.”\textsuperscript{107} To remedy the tax laws, a committee met on October 5, but ultimately decided nothing.\textsuperscript{108} The government was effectively stagnant.

The inefficiency of the system, coupled with resistance from Clinton and the severe depreciation of the value of currency, stalled almost all of Hamilton’s collection efforts.\textsuperscript{109} On August 3, Hamilton wrote to Governor Clinton reminding him of his responsibilities, in an effort to prompt the Governor into action. Having relied on Clinton for certain tax information, he asked “what steps have been taken… and what progress has been made in the business.” By using his clout as a Receiver and as a representative of Congress and Morris, Hamilton pressured Clinton to act. He said that “Your Excellency must have been too sensible of the necessity of enabling the Director of Finance of the United States to form a just judgment of the true state of our affairs to have omitted any measure in your power to procure the fullest information on the several matter submitted to you….\textsuperscript{110}

Clinton, despite this subtle threat, seemed determined to confound Hamilton’s efforts. He claimed he was “not authorized” to submit certain information, and that he

\textsuperscript{106} Papers, vol III, 160-161.
\textsuperscript{107} Papers, vol III, 161.
\textsuperscript{108} Papers, vol III, 181.
\textsuperscript{109} Papers, vol III, 122. The devaluation of currency was catalogued in 1781 by order of Morris. Hamilton on September 7, 1782, told Morris that the circulation of paper money had completely ceased within the state.
\textsuperscript{110} Papers, vol III, 123-124.
had already supplied Congress with “the most perfect Information I was able to collect of many of the Matters mentioned….” Clinton claimed that his responsibilities as governor, and the “dispursed [sic] Situation of the different public Officers,” stopped him from sending Morris a more complete report. The governor even blamed the “want of authority in some instances to command the necessary Returns” for his lack of cooperation. The final refusal came when the governor merely pointed Hamilton to where he can find what he needed. He claimed that the “Treasurer… is not, except in Cases provided for by Law,… subject to my controul [sic].”\footnote{Papers, vol III, 130-131.}

Despite his resistance, Hamilton’s impression of Clinton was mixed. Though he professed him to be a “man of integrity,” Hamilton also saw him as a selfish man “whose preservation of his place is an object to his private fortune as well as to his ambition.” In his negative descriptions of Clinton and other men in the legislature, such as John Morin Scott and Abraham Yates, Hamilton revealed his burgeoning distaste for excessive state authority. Scott, a prominent New York politician, is a man of “genius; but habit has impaired it.” His “only aim seems to be by violent professions of popular principles to acquire a popularity which has hitherto coyly eluded his pursuit.” Hamilton’s impression of Yates, Clinton’s right-hand-man and a New York Senator, was far more malicious. He was a man “whose ignorance and perverseness are only surpassed by his pertinacity and conceive.” It is purely out of habit, in virtue of his “being… the first man at the Legislature,” that he was continuously reelected.\footnote{Papers, vol III, 132-145.} These men, especially Yates, were
prime examples of the “worthlessness of the human race,” not one among them to be
given a “greater right to be valued in proportion as they are rare.”

Despite Hamilton’s dramatic view of certain members of the legislature, he was
more realistic about the desperate situation of the state. Morris had recently allowed the
use of bills of exchange by the states to pay their quotas, which opened the doors for
more foreign and private loans to supplement what the states could not afford on their
own. In New York, a ten thousand pound loan request on July 22 was delayed for a
month, and the state legislature’s act, allowing the eighteen thousand dollar funding
request, was near ineffectual. The mechanisms in place to collect were woefully
inadequate, and Hamilton found “singular confusion in the accounts kept by the public
officers from whom I must necessarily derive my information, and a singular dilatoriness
in complying with my applications, partly from indolence and partly from jealousy of the
office.”

It was not only the disorganization of the collectors and the legislature, but also
the notes of exchange issued by Morris that caused confusion. The notes were in
circulation as a replacement for specie, but Hamilton observed problems with them.
Contractors would, after obtaining the notes, trade them in for hard specie from the
collectors, but then the collectors would not let the notes be put into circulation unless
paid for. The notes were then stuck in the collector’s hands, as no one was willing to buy
them back with hard specie, and the collector’s themselves were legally bound to
exchange specie for the notes. Hamilton tried to disrupt this practice and force the note’s
circulation, but without a “legislative injunction,” the practice continued.

113 Papers, vol III, 150.
115 Papers, vol III, 149-150.
As a response to this legislative roadblock, Hamilton suggested changing the size of the notes being issued, in an effort to increase circulation. The Morris notes came in sums of twenty, fifty, and one hundred dollars, though most of the smaller farmers and merchants rarely owed as much as the lowest denomination. The majority of those people who paid less than twenty dollars in taxes therefore never saw the notes circulate, and were never given the chance to get used to the federal government’s credit. To make the circulation more general, which would eventually involve merchants using it for their retail operations, Hamilton suggested issuing notes in smaller denominations. This would, ideally, circulate the notes more generally.116

Morris agreed with Hamilton’s plan in theory, but made it clear that “much of that Paper is not fit for other Purposes” beyond the direct transition from merchants to collectors. The necessity of smaller denominations was observed by others as well, but Morris still defended the larger sums. Morris argued that the “Convenience” of paper, as opposed to hard specie, was the only motivation for its use, and the convenience was “principally felt in large sums.” By giving shopkeepers and those who can afford the larger denominations access to the notes, “the People in general… will begin to look after it, and not before.” He argued further by explaining that “Farmers will not give full Credit to Money merely because it will pay Taxes…, but that Money which goes freely at the Store and the Tavern, will be sought after as greedily as those Things which the Store and Tavern contain.”117

The Morris notes were a step in the right direction, but the state’s collection problems remained. At the end of September, Hamilton and a committee made up of New

York legislators held a meeting to discuss the public finances of the state. In an address most likely written by Hamilton to the public creditors of the state, they tried to make clear the “ideas, which ought to prevail” in the country. The address highlighted the shared “claim upon the justice and plighted faith of the Public.” By appealing to a shared sensibility and “the patriotism of individuals,” Hamilton had skillfully legitimized the public creditors, the common men, and the soldiers who “have cheerfully parted with the fruits of their own industry… without the compensation… besides the consciousness of having been the benefactors of their country.” With an opening that glorified the “meritorious” and which no doubt grabbed the attention of many, the speech was a discussion of the resuscitation of public debt, a topic which Morris, and now the young Receiver, championed.  

The problem, as Hamilton had experienced first hand as Receiver, were the “defects in the system of taxation in almost every State.” The lack of a uniform and structured tax plan made it impossible “for these States, by any exertions they can make, to pay off at once the principle of the public debts, and furnish the supplies for the current demands of the war, and for the support of the civil government.” Without “a proper system for the beneficial application” of taxes to fund the debt, what was to be done?

To answer that question, Hamilton offered a solution which, though it was a quick fix for an immediate problem, would become a cornerstone in his economic and political plans in the future: the establishment of public credit. Hamilton explained that in assuming funding “chiefly from individuals, at home and abroad,” public credit was the
only way to fund the debt without relying on “governmental loans in any proportion to our wants” from foreign lenders. Creditors would be willing to “spare any part of their funds for the payment of old debts,” because the “old debts” would be put into a “course of redemption, or at least securing the punctual payment of the interest by substantial funds, permanently pledged for that purpose.” Here he supported the creation of a national sinking fund to aid in the payment of the debt.\textsuperscript{119}

He went further, and proposed that the public credit would not only legitimize loan offers made by governments overseas, but would also help the economy locally. The “wheels of circulation and commerce, now clogged by want of an adequate medium, would derive new motion and vivacity… by rendering the public securities a valuable negotiable [sic] property.” Hamilton argued that “The more we can procure on credit, the less we need to exhaust ourselves in immediate taxation.” He continued, that without public credit, what “justice be done to the present creditors” as well as the “the distresses of the army…”?  

Hamilton said that “A purity of faith has ever been the more peculiar attribute of Republics,… A contrary disposition in these States would be as novel as pernicious; and we flatter ourselves we never shall suffer such a stigma to be fixed upon our national character, especially on our first emerging into political existence.”\textsuperscript{120} By labeling public credit as being consistent with republican principles, Hamilton was learning how to appeal to state legislators and the economic elite. These were men who, in the democratic elections of the New York legislature, held significant influence. He understood that the way to gain influence was through them.

\textsuperscript{119} A sinking fund is an amount of money set aside for the express purpose of paying off a portion of an existing debt every year, with the end result being the complete payment of the principle.  
\textsuperscript{120} Papers, vol III, 171-176.
Morris, however, was not on board with the idea of public credit, at least not yet. But by pushing his own idea, Hamilton had proven that he was not just a spokesman of the Financier. Morris’s argument against public credit was the recent “ten to fifteen per Cent” drop in the Morris and bank notes in the “Eastern States…, not withstanding all the Precautions which were used.” With public credit, Morris explained that “Confidence is a Plant of very slow Growth, and our political Situation is not to favorable to it.” Though in its maturity a public credit would become very useful, he preferred to rely for the moment on the limited issuance of paper money, but was “unwilling to hazard the Germ of a Credit.” Morris believed that in the “present ticklish State of Things,… the little Shocks” public credit would receive from counterfeited notes made by “illiterate Men” would lead to “material Consequences.”

The state committee selected by the legislature to revise the tax code in Hamilton’s first week agreed with Morris in this respect. Their fear was that without the inclusion of other states, public credit at this point would be “unwise.” Hope remained for Hamilton, however, that the committee was “pretty generally of opinion that the system of funding for payment of old debts & for procuring further credit was wise & indispensable.”

While Hamilton was Receiver, he gained a new perspective on how ineffective the country’s, and specifically New York’s, tax collection was and how it was responsible for New York’s failure to pay off its share of the national debt. The chaotic legislature, which created the tax collection system in the first place, showed Hamilton

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121 He would not agree with the idea until he learned that many of the public creditors were “organizing themselves… their Numbers and Influence joined to the Justness of their Cause.” Papers, vol III, 186.
123 Papers, vol III, 181.
that the “excess of popularity” in the legislature was a “general disease which infects all our constitutions.” He experienced a state government that was torn by “expedient, fickleness and folly,” and a legislature that, because of its inefficient nature, could not “benefit the people.” Because of this, the collection of the state’s taxes was negatively affected as well. New York left the responsibility of collection to “the discretion of persons chosen by the people themselves, to determine the ability of each citizen.” This “chimerical attempt at perfect equality has resulted in (the) total inequality” in the apportionment of taxes.

Hamilton believed the collection problems began after the legislature had assessed the counties. The members would “cabal and intrigue to throw the burthen off their respective constituents,” thereby valuing “Address and influence, more than… real ability.” Another issue was that if both the local community and the state government did not participate in the collection, the process “languishes or entirely fails.” This lack of participation was partly due to the lack of incentives for the collectors. The top members of the system, the County Treasures, were barely compensated for their work, and had little reason to pressure those beneath them to collect.\footnote{Papers, vol III, 132-135.} What stopped any progress from being made was also that it was “impossible for the public to fulfill its engagements to individuals unless it is able to do it by the equal and just contributions of the community at large.”\footnote{Papers, vol III, 160.} So if all parties did not contribute, the current system would not work. Without compensation and the motivation to collect and pay, the country would sink further into damaging debt.
Hamilton attributed these issues to “ancient habits, ignorance, (and) the spirit of the times.” In his account of the “temper of the state,” Hamilton said that the “rulers are generally zealous in the common cause, though their zeal is often misdirected.” Hamilton at this point retained hope that New York, as one of the few states that still hosted a theatre of war, was “willing to part with power in favour [sic] of the Federal Government.”\textsuperscript{126} His hope was confirmed when the Legislature unanimously approved a resolution from Virginia which called for a convention of states to revise the Articles of Confederation.\textsuperscript{127} The resolution, however, got lost in Congress and the convention would not be realized for years to come. This call, however, emboldened Hamilton. He hoped the union would become secured “on solid foundations,” but this was a “herculean [sic] task… (in) which mountains of prejudice must be levelled [sic].”\textsuperscript{128} When Hamilton left New York for Philadelphia in November, his final newspaper update showed an elevated, but still demoralizing, “Six Thousand Four Hundred and Thirty Four Dollars and Ten Pence” collected in the third quarter.\textsuperscript{129}

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The end of Hamilton’s time as Receiver passed without fanfare. Thomas Tillotson, the man who replaced Hamilton as New York County’s Receiver, was issued all of Hamilton’s records and receipts of payment. Tillotson had to fill the void that the newly elected Congressman left behind. Hamilton, in those few short months, raised a considerable sum of money considering the problems he faced. He had also helped to pass laws that raised more money, and created a committee to oversee the creation of a

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\textsuperscript{126} \textit{Papers}, vol III, 135-136.
\textsuperscript{127} \textit{Papers}, vol III, 110-114.
\textsuperscript{128} \textit{Papers}, vol III, 144-145.
\textsuperscript{129} \textit{Papers}, vol III, 194.
\end{flushleft}
more effective tax collection method. Despite the fact that the committee failed to change
the laws in any substantial way, and that the money raised in his county was a fraction of
the whole owed, Hamilton had proven able to succeed against the odds.

The New York legislature, in electing Hamilton to Congress, recognized the
young man as someone who had the ability to fundamentally change Congress.130 Robert
Morris also recognized this, and explained his thoughts in a letter to Hamilton. Morris
stated that “Unless Something more be done by the States…” to raise funds for the
government, “many very dangerous as well as disagreeable Consequences are to be
apprehended.”131 Hamilton had experienced the threat posed by the “triple-headed
monster that shed the baneful influence of Avarice, prejudice, and pusillanimity” in New
York legislature.132 While Morris believed Hamilton could make a difference, his
message was a serious one.

Hamilton thought that Congress should display “more… wisdom and decision,”
but he despaired that the body was “not governed by reason or foresight but by
circumstances.”133 He believed Congress was a body “too frail now to be relied on, and
we ought to prepare for the worst.”134 To combat this, soon after taking his seat as a
“grand member of Congress,” he began lobbying for change.135 He recognized the danger
of states left to their own devices, and desired to consolidate power in the federal
government to give structure to the state governments. The last months of 1782, however,
showed Hamilton the scale of the issues he faced.

130 The other members elected were James Duane, William Floyd, John Morin Scott and Ezra
L’Hommedieu.
132 Papers, vol III, 121.
133 Papers, vol III, 253.
134 Papers, vol III, 212.
135 Papers, vol III, 192.
Hamilton was thrown into a debate over the Continental currency a week after he took his seat. It was a major issue in the states, because besides the Morris notes issued from the Treasury department, there was no worthwhile national currency to restore the public credit. The forty-for-one funding plan had already been enacted, but before the sudden depreciation, New Hampshire and Massachusetts redeemed the face value bills and, at the end of 1782, demanded the surplus back as credit. Hamilton supported this idea, arguing that it would “multiply the advocates for federal funds for discharging the public debts, and tend to cement the Union.” 136 It was approved, and with Massachusetts and New Hampshire placated, Congress turned to deal with the myriad of other issues.

The state of Pennsylvania had decided that, in an effort to fund their own public credit efforts, they would use some of the money they raised in taxes to pay their own state creditors. 137 Hamilton motioned that a congressional committee meet with a delegation from the state, in an effort to convince them to rescind the plan. He took on this opportunity to stop Pennsylvania because by channeling the funds back into the state, they alone would benefit from the transaction. Hamilton understood that a stable, state public credit would allow the individual governments to distance themselves from Congress.

A much larger problem presented itself soon after Congress learned of Pennsylvania’s plan. On September 4, 1782, Congress called for the immediate collection of 1.2 million dollars from the states to pay the interest on the national debt. The problem was that some of the states were unwilling to implement any tax reforms because they believed it would take money out of the state’s pocket for the sole benefit of Congress.

136 Papers, vol III, 199.
Despite this fear, most states had at least complied with Congress’s tax law in 1781, which placed a 5% tax on imported goods, a move which helped fund the war effort, and help secure foreign loans by propping up the public credit. One state refused to obey the tax law, however, and it caused a chain reaction of state defiance. Rhode Island refused to levy the impost in 1781, and when Congress called for the $1.2 million in 1782, the state refused to pay. Not only had they refused the impost a year earlier, but were now refusing to implement the impost to help pay the requisitioned amount. The delegates in Congress had voted to send a deputation to Rhode Island, and on December 22, they left for the tiny New England state. Not long after they left, news reached Congress that Virginia had repealed the tax, and Maryland threatened to do the same.

Congress’s attempts to bring Rhode Island into the fold continued through December. Congress was eventually able to bring Rhode Island to terms, but not before the state forced Congress to concede some points. The state’s Assembly Speaker, William Bradford, issued a statement against the tax. He argued that, not only did the tax bear “hardest upon the most commercial states,” but it also acted “against the constitution of the state.” They felt Congress would become “independent of their constituents,” and sacrifice the state’s interests for its own gain.

Hamilton was designated to write a report on Rhode Island’s arguments, and offered his arguments against their grievances. Hamilton disagreed with their first objection that the tax would bear hardest on the commercial states. He pointed out a common principle, agreed to by “the ablest commercial and political observers,” that the tax will be felt by the consumer, not the merchants themselves. By selling the goods for

\[139\] Papers, vol III, 207.
profit, the merchants make money, while the tax is then transferred to the consumers who “pay in proportion to their riches.” Hamilton also argued that, in the case of two states of disparate economic abilities, the one without a merchant class would be reliant on those merchants in the neighboring states for goods. This, he argued, would distribute the tax burden, and not put it solely on the shoulders of the commercial states.

The second objection, Hamilton felt, “would defeat all the provisions of the Confederation and all the purposes of the union.” He argued that, not only did Congress have the power to appoint these officials, but he made the broader statement that “no government can exist without a right to appoint officers from those purposes which proceed from and concenter [sic] itself.” Also, the “propriety of doing it [implementing the tax]… is founded on substantial reasons.” The reason, simply, was the lack of funds caused by the inadequate revenue raised by the states. This deficit and the “defects and embarrassments” of Congress, might allow the “vigilant, intriguing” British to “instill diffidences [sic] into individuals, and in the present posture of our internal affairs he will have too plausible ground on which to tread.” Hamilton not only feared for the security of the union, but also the external forces who could take advantage of the United State’s disunity.

Putting a limited duration on the tax was an issue that Hamilton agreed with on principle, but thought that “it ought to have no weight in the present case because there is no analogy between the principle and the fact.” The duration of the tax was subject only to the existence of the debt itself, and the fixed percentage would not be changed by Congress. Congress had “absolute discretion in determining the quantum of revenue requisite for the national expenditure.” The revenue collected was then the “exclusive
province of the Federal Government.” Hamilton made the argument that Congress should protect whatever powers it held. He warned that, in cases like Rhode Island, “By weakening its hands too much…” in the early stages of negotiations, Congress “…may be rendered incapable of providing for the interior harmony or the exterior defense of the state.”

At the end of his response, Hamilton explained that this was a measure which, in addition to funding the internal debt, was also being used to fund the federal government’s international debt. The failure to pay off these loans would “be the deepest ingratitude and cruelty to a large number of meritorious individuals,” and would “stamp the national character with indelible disgrace.” Hamilton had become a master of skirting around the legality of an issue and appealing directly to the revolutionary sentiments of his constituents. By his own admission, in reference to the refusal of Rhode Island to adopt the initial tax, it was a matter of the exercise of “power not of right.” The “measure in question if not within the letter is within the spirit of the confederation.” He was careful to identify extending the reach of the national government into state affairs as a protection of national interests against foreign oppressors.140

In early December, Congress faced multiple affronts to the security of the union. One of the bigger challenges, which involved some of the most important states in the union, was the conflict over the annexation of the Vermont territory. The conflict had started in 1777, when the Vermont territory, originally a colonial land grant called the New Hampshire Grants, declared its independence. Over the course of the revolution, it vied for official recognition of its independence, and petitioned for inclusion into the confederation. While this was happening members of New York and New Hampshire,
still claiming that sections of the New Hampshire Grants were owned by their respective states, fought for control of the territory. Violence and seizure of private property of was commonplace in the territory.

A motion, seconded by Hamilton, was offered to restore the property of four New York men who were “deprived of property” by Vermont. The motion also included a peace agreement and official border recognition, but no mention of inclusion was offered to the territory. A debate ensued over Congress’s power to “take effectual measures to enforce a compliance with the aforesaid resolutions.” This would have allowed Congress to enforce the motion’s rules, but it was passed without revision. While Vermont would not be accepted as part of the United States until almost ten years later, its independence was recognized. The territory’s independence, while it served to “take away all motives of opposition from the private interests of individuals on the other States,” it also represented a threat to the security of the Union.141

Part of this threat was that Vermont attracted newly discharged soldiers from the army. A rumor was circulated in New York about how, after the soldiers had learned of the territory’s independence, they petitioned the government there for land grants in the area.142 If it were true that a large number of armed soldiers fled the United States and moved to foreign territory, not only would the Continental forces be severely depleted, but the discontented soldiers might be open to foreign influence. Since Congress could not pay the soldiers, and could offer little incentive to stay, there was nothing keeping them from defecting into another territory. While the rumor was unfounded, it

141 Papers, vol III, 208.
142 Papers, vol III, 230.
represented the fear that the members of Congress held of the desperate situation of the army.

Hamilton, in the mean time, was working through his “crash course” in Philadelphia politics. The war against Britain was all but over, and news from France gave Congress hope that a peace treaty was forthcoming. Still, the army was maintained because of the lack of a formal treaty, and the continued British occupation of New York and Charlestown. But as Hamilton observed, the “dissatisfaction of the army [was] growing more serious.” Even small handfuls of soldiers who requested compensation were turned down because of “the present embarrassed state of the public finances.” This problem came to a head at the beginning of 1783, despite recent cuts in state militias to defray costs.

An army delegation arrived in Philadelphia on January 6, and presented to Congress a memorial to express their financial grievances. Hamilton, James Madison, and John Rutledge were appointed to a subcommittee to hear them on the seventeenth, and then report their findings to Morris. The petition laid out the five “articles” the army had demanded: 1) Their present pay, 2) a settlement of the accounts for what was due, 3) the commutation of the half pay allowed by Congress to a gross lump sum, 4) a settlement of accounts for rations, 5) a settlement of accounts for clothing.

These were simple requests, but Hamilton despaired at the situation. He described Congress’s “mortification of a total disability to comply with their Just expectations....” In a darker tone, he said that “Every day proves more & more the insufficiency of the

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143 Papers, vol III, 222.
144 Papers, vol III, 203.
146 Papers, vol III, 243.
confederation…. The proselytes to this opinion are increasing fast.” 147 The result of Morris’s examination of the memorial would do nothing to placate Hamilton’s fears.

In what was essentially an admission of Congress’s inability to pay, Morris promised that the five conditions of the memorial will be met “as soon as the state of the public finances will permit.” In an effort to galvanize state support, Morris urged that “the several States be called upon to compleat [sic] without delay the Settlements with their respective Lines of the Army.”148 By making this effort, Morris hoped that the combined effort of the states would placate the army, but the money was never actually paid.

Congress could only rely on the states for so much, and on January 27, an idea was offered which had the potential to add substantially to revenue creation. They motioned “that complete justice cannot be done to the Creditors of the United States, nor the restoration of public credit be effected, nor the future [sic] of the exigencies of the war provided for, but by the establishment of general funds to be collected by Congress.” But even with this admission, a few members of Congress still fought against the idea of general funds. Nathaniel Gorham of Massachusetts was one of these men, and proposed that the final sentence of the motion be changed to the “establishment of permanent and adequate funds to operate generally throughout the U. States.” Hamilton was quick to argue against Gorham’s wording, on the grounds that the funds “might be established separately within each State,” and would be stuck in the same “vicious system of collection” which promoted collection offices that were “more subservient to their popularity than to the public revenue.” The funds that were “generally & uniformly

147 Papers, vol III, 240.
148 Papers, vol III, 243-244.
throughout the U.S. (should) Be collected under the authority of Congs [sic].” Under Congress’s control, the nationally collected funds would be far simpler to impose and collect.

Hamilton “disliked every plan that made but partial provision for the public debts.” But the problem for Hamilton was, more generally, that “the energy of the federal Govt. was… short of the degree necessary for pervading & uniting the States.” Because of this, he concluded that “it was expedient to introduce the influence of officers deriving their emoluments from & consequently interested in supporting the power of Congress.” He referenced Morris’s Receivers, and agreed that the tax collection would be more efficient and less corrupt because they were representatives of Congress rather than of the states. Hamilton’s remarks, however, were not very well received, and seemed to draw criticism from his fellow Congressmen. The members of Congress who “concurred in any degree with the States in this jealousy… took notice in private conversation that Mr. Hamilton had let out the secret.” While his desire for an expanded federal government was known to many at this point, his statements supporting a sweeping national reform and a strong Congressional presence in the states was too radical for some.

The public debt was an ever present issue, but the immediate concerns of the army often took precedence. If the war were to continue, a fear held by many, it would require further funds to be directed to the quartermaster general and the payment of the soldiers. While the military represented the largest financial drain, Hamilton felt committed to addressing the whole debt, and to avoid a “partial dispensation of Justice.” This was in reference to a motion made by John Rutledge of South Carolina, suggesting

149 Papers, vol III, 245-246.
151 Papers, vol III, 229.
that the 5% impost on trade should be appropriated exclusively for the army. Hamilton “opposed the motion strenuously,” and argued that the states would never accept it, as each state was more concerned with different parts of the overall debt. If the impost were to go directly to the army, the other concerns of the states, like the foraging and loan costs of the individual states, would be ignored.

As a more permanent solution, Hamilton fought hard for the restoration of the public credit, dismissing anything that would “alarm” the domestic creditors of the country. He knew that it was the domestic creditors, men who exerted “influence on their respective legislatures,” who would pass a congressionally controlled general fund. Here he recognized the importance of appealing to the states, but held “that while I would have a just deference for the expectations of the states, I would never consent to amuse them by attempts, which must either fail in the execution or be productive of evil.” Following that logic, he was “scrupulous[ly] cautious of assenting to plans which appear to me founded on false principles.”

Determined, he continued to lobby for the establishment of a permanent fund, despite the rejection of Madison’s motion on February 12. In a series of failures in February, he attempted to have the funding debates made public but was voted down, and his efforts to provide abatements for those whose land was seized by the British during the war was rejected.

Along with the general fund, Congress also debated how land evaluation could be used as a tool for raising money. This task was given to a committee in November of

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152 *Papers*, vol III, 262.
153 *Papers*, vol III, 247.
154 *Papers*, vol III, 268-274.
155 Madison’s motion that permanent funds are “indispensably necessary” and should be implemented, was voted down by a committee of the whole. Hamilton’s motion, saying the same thing, was never submitted because of Madison’s failure.
1782, and their results were submitted to Congress on February 17, 1783, to be enacted on March 1, 1784. Hamilton was a committee member, and was deeply involved in the debates over the specifics of the tax, the basis of which was laid out in the eighth article of the Articles of Confederation.\footnote{Article Eight: All charges of war, and all other expenses that shall be incurred for the common defense or general welfare, and allowed by the united States in congress assembled, shall be defrayed out of a common treasury, which shall be supplied by the several States in proportion to the value of all land within each State, granted or surveyed for any person, as such land and the buildings and improvements thereon shall be estimated according to such mode as the United States in Congress assembled, shall from time to time direct and appoint. The taxes for paying that proportion shall be laid and levied by the authority and direction of the legislatures of the several States within the time agreed upon by the united States in congress assembled.} But Hamilton and Madison, the two who agreed on most items in the past, argued for a different interpretation of the wording of the article. They argued that the “rule of the confederation was a chimerical one since if the intervention of the individual states were employed their interests would give a bias [sic] to their judgments, or at least suspicions of such wd [sic] prevail.” The “expense, delay & uncertainty” of relying on the states to implement the evaluation and collection was also a problem.\footnote{Papers, vol III, 238-239.} The concerns of expense and delay were well founded, as Hamilton had experienced these as Receiver. The debates did not work out in Hamilton and Madison’s favor, however, and the states were given full control over the districting and evaluation of their land. To make matters worse, the implementation of this measure was delayed until the financial situation could be stabilized.\footnote{Papers, vol III, 249-250.}

With most of his congressional motions and suggestions summarily dismissed, Hamilton found himself “left in a small minority.” He appealed to George Clinton later in the month, feeling it was his duty to “explain the motives upon which my opposition to the general sense of the house was founded.” Hamilton argued his position, pointing out that the state-controlled measure would awaken “all the jealousies of the several states
against each other,” as each would suspect “that its neighbour had favoured itself.” He also promoted general taxes as the only way to make the states “contribute to the general expence [sic] in an equal proportion to their means.” Even the general tax idea, one which he fought for earlier in the year, he admitted was “not yet agreeable to the spirit of the times.”160 Still, Hamilton found solace in the fact that his own state was judged not “averse to a reasonable System” to fund the public debt.161 James Madison was also a reinforcing presence during the ensuing debates, the representative from Virginia fighting side by side with the New Yorker for the establishment of general funds.

March came and brought new challenges. The 5% impost had been passed on the sixth, but with a limited duration of twenty five years.162 While seemingly a step in the right direction, Hamilton voted against the measure. He felt that a “spirit of accommodation” was the only reason that it had passed. Rhode Island was the driving force behind this accommodation, as it was the main opponent of the impost. They convinced Congress to amend the measure to include state chosen and controlled collectors, as well as stopping the funds raised from being used only for Congressional purposes. Without the direction of Congress on the measure, and with the duty’s collection in the hands of the states, Hamilton saw the compromise as a “violation of all the principles and honest & true policy… (of) obligations of national faith honor and reputation.”163 Yet, it was the only measure so far passed in Congress which was aimed at chipping away at the growing debt. But to Hamilton it was not nearly enough. In light of

160 Papers, vol III, 268-274.
161 Papers, vol III, 257.
these failures, Hamilton could not help but feel that “It is the first wish of my heart that the Union may last; but feeble as the links are, what prudent man would rely upon it?” ¹⁶⁴

In March a provisional peace treaty arrived from overseas, but Hamilton doubted the document would be taken seriously. The current disorganization of Congress had a role in Hamilton’s concerns, as their insufficient “wisdom or decision” spawned “dangerous prejudices in the particular states opposed to those measures which alone can give stability & prosperity to the union.” Without a collective, powerful, and unified “Continental” attitude, he worried that “any domestic disturbances should change the plans of the British Court.” ¹⁶⁵

Congress, bogged down in debate over the specifics of the general fund and the army’s payment, was given new life after Robert Morris threatened to resign from his position as Superintendent barring an immediate funding plan. ¹⁶⁶ Being so forced to act, Congress managed to make a decision on the army’s pay by rejecting half pay for life, and adopting full pay for a limited number of years. The soldiers who were to stay in the army for the remainder of the war would receive six years pay with a 6% interest rate. ¹⁶⁷

With the plan to fund the debt through the 5% impost and the decision on the armies pay, Hamilton, though he believed the funding measure to be entirely inadequate and was deeply concerned with Morris’s threatened retirement, was at least comforted by Congress’s relative “considerable progress.” ¹⁶⁸

This feeling was short lived. A warning from General Washington in March came from Newburgh, New York, describing “dangerous combinations” that were forming in

¹⁶⁴ Papers, vol III, 255-256.
¹⁶⁵ Papers, vol III, 290-291.
¹⁶⁶ Papers, vol III, 283.
¹⁶⁷ Papers, vol III, 301-302.
¹⁶⁸ Papers, vol III, 292.
the soldiers stationed there. Not only had they grown tired of waiting for Congress to act, but “Public creditors looked up to them for Redress of their own grievances, wd [sic] afford them every aid, and even join them in the Field if necessary.” Now, it seemed, the private citizens of the state were as fed up with Congress and the state as the soldiers were. And if, “by reason of their delinquency” nothing was immediately done, the group “must be answerable to God & their Country for the ineffable horrors which may be occasioned thereby.”169 The army had blamed Congress for the potential uprising. Though they had not yet rebelled, it seemed that Washington’s control of the army had started to slip.

What was worse for Hamilton was not the simmering discontent of the army, but how justifiable their discontent was. He felt the army was being treated unfairly. They were a group of men “which has suffered everything and done much for the safety of America,” and he agreed that their “distrusts have too much foundation.” He blamed Congress’s “ingratitude” on “Republican jealousy.” A republican government, he said, “has in it a principle of hostility to an army whatever be their merits.” This problem was especially true when that republican government could not afford to keep the army in the field, much less pay them for services rendered. Hamilton empathized with them, and urged moderation in Washington’s handling of the problem. He knew that if the army felt it necessary to “seek redress by arms…,” the conflict would “end in its [Congress’s] ruin.”170

169 Papers, vol III, 286.
Despite Washington’s success in keeping the discontent from erupting into a full scale revolt, Hamilton feared for the immediate future.\textsuperscript{171} Congress had passed laws to ensure the eventual payment of the army, but this was only a formality. The problem was that Congress had “no constitutional power of doing any thing more than to recommend funds, and are persuaded that these will meet with mountains of prejudice in some of the states.” They could only issue a statement promising they will do “everything in their power towards procuring satisfactory securities” for the army.\textsuperscript{172} Congress had thus thrown up a protective smoke screen, but was in effect relying entirely on Washington’s “prudence and zealous attachment to the welfare of the community” to keep a muzzle on the army.\textsuperscript{173}

Hamilton and Madison had, in their own way, tried to stop Congress from inciting the “pernicious jealousies” of both the states and the army. The two congressmen disapproved of the “partial conventions” called by some states to create a regional plan to regulate their finances. Hamilton instead suggested a general convention, “within the purview of the federal articles,” to serve the same function.\textsuperscript{174} Hamilton realized this was nothing more than an empty gesture, however. He wrote to Washington explaining that, what “appeared to me indispensable,” was “to let them have some pay” to permanently solve the problem. Hamilton also managed to find some good in the escalating problem. He felt the “necessity and discontents of the army presented themselves as a powerful engine” toward “restor[ing] public credit.” Even so, the “old wretched state system” of

\textsuperscript{171} Papers, vol III, 313.  
\textsuperscript{172} Papers, vol III, 308.  
\textsuperscript{173} Papers, vol III, 313.  
\textsuperscript{174} Papers, vol III. 314.
tax collection, “by which the resources of the states have been diverted from the treasury and wasted” seemed insurmountable.\textsuperscript{175}

By mid April, the desperation of Congress had begun to show results toward raising immediate funds to placate the army. Robert Morris, acting alone on the suggestion of Washington, agreed to pay the army three months pay as temporary compensation for the army. Morris made it clear that the “Sales of public Property” would not come close to covering the seven hundred thousand dollar bill, and warned the congressional committee assigned to handle the army’s finances that “there is little hope unless “Something can be done to stimulate the Exertions of the States.” Morris knew that the only way to raise that much money that quickly is to “risk a large Paper Anticipation” of taxes. To top it all off, he said “it is essential to the Success” of the operation that his own credit be “staked for the Redemption.” Morris was willing to give over five hundred thousand dollars in his personal credit, not because he was “dictated by Vanity,” but because he was “willing to risk as much for this Country as any Man in America.” He made it clear that he would not, of course, take on this burden without congressional support after the fact. The desperation of the situation had forced Morris’s hand and exposed the complete lack of faith in Congress by its most influential member.\textsuperscript{176}

The conflict with the army escalated for a short time then quieted down after Morris’s pledge of financial support, only to be resuscitated again.\textsuperscript{177} The early rumors that the army had “secretly determined not to lay down their arms” until they were

\textsuperscript{175} Papers, vol III, 317-320.
\textsuperscript{176} Papers, vol III, 323-324.
\textsuperscript{177} April 15, 1783.
satisfied had become a reality. Non-ranking soldiers had given Washington a petition demanding payment from Congress, and the general advised discharging the “Wars men” as quickly as possible. The soldiers at Newburgh had had enough, and demanded to know why the men in “Civil Offices” were being paid “full wages, when they cannot obtain a Sixtieth part of their dues.” Congress was also delinquent in organizing and distributing “Lands, & other gratuities” promised to the army during the war.

In May a mutiny was averted in Newburgh when Congress petitioned the French king for a three million dollar loan with a six hundred thousand dollar advance. This loan was to pay for the immediate expenses of the army, and Congress seemed to be making considerable progress toward paying them and restoring public credit. They began distributing land that was promised to the soldiers during the war, sold horses and military equipment to fund the debt, and began discharging non commissioned officers and soldiers to reduce the military budget. With the exception of a short lived mutiny in Virginia, the federal government was managing to keep a lid on immediate outbreaks.

Mutinies were a major concern, but the provisional peace treaty with Great Britain and France, signed by the European powers in November, 1782, was a step in the right direction for national unity. But even the treaty, however, was a concern for the Americans who had not yet signed it. They feared becoming a “ball in the hands of European powers bandied against each other at their pleasure.” To Hamilton, this outcome could only be prevented by agreeing to the terms on the grounds of “centrifugal” rather than “centripetal force in these states.” That meant that, on the American’s side of things, the terms of the peace treaty should make provisions for outlining Congress’s authority. In doing so, Congress could lay claim to the enforcement of the treaty, and thus

Papers, vol III, 264.
consolidate power within itself. Washington was a key player in Hamilton’s mind for this effort, as at the moment the “seeds of disunion [were] much more numerous than those of union,” and he was the only one who was capable of banding people together.\textsuperscript{179}

One of these “seeds of disunion” affected Hamilton’s state directly. A series of forts on the western border of the state were held by British soldiers during the war. The treaty required the evacuation of foreign troops from those forts to be replaced with American soldiers. The Articles of Confederation specified that the forts were to be manned by Continental troops, but Governor Clinton argued for the use of his own state militia. He said that the forts, when abandoned, “may be seized by Savages inimical to…the inhabitants of the Frontiers.” To prevent this, they should be manned immediately by “five Hundred Rank and File… State Troops.”\textsuperscript{180} Not only would the forts be garrisoned by state troops, as opposed to Continental troops, but the measure would require Congress to fund the venture.

Hamilton did not agree to this plan, and refused to endorse it in Congress. He argued that such an action might “eventually excite jealousies between the states unfriendly to the common tranquility.” He stressed the importance of giving Congress “the power of the sword” while the states have no military power “but their militia.” For Hamilton, it was not only important in keeping the states behaving amicably toward one another, but also to add the weight of a national government to the border between potentially hostile Indian nations and British-Canada.\textsuperscript{181} Hamilton, by refusing to submit and endorse Clinton’s request, used this opportunity to try and bolster the standing of the national government in state affairs.

\textsuperscript{179} \textit{Papers}, vol III, 304.
\textsuperscript{180} \textit{Papers}, vol III, 312.
\textsuperscript{181} \textit{Papers}, vol III, 464-468.
But the New York governor had found another, more nefarious loophole in the provisional peace treaty. Since the war began, Tories in New York were being persecuted and forced to leave their land and jobs behind. The state had implemented a series of confiscation laws which targeted Tory citizens. The “legal” confiscation of Tory land was not a new idea, and had been a New York policy since 1775. The end of the war simply reopened those issues. The only hope for the affected Tories was the forthcoming official peace treaty. Hamilton would fully appreciate this problem when he left office in 1783, but the specter of mutiny raised its head once again, around the time the provisional peace treaty was signed on June 18.

Some members of the army, feeling that Congress had no more excuses to delay the three month payments, began to aggressively petition Congress for compensation. An order from Congress to grant the soldiers a furlough went through on May 26, but many refused to leave their respective camps and demanded remuneration. Congress received word of a group of men moving out of Lancaster, and it seemed Hamilton’s fears were being realized.

This was a group of eighty armed soldiers from the Third Pennsylvania Regiment, who were at that moment marching on the seat of Congress. Reports arrived in Philadelphia that similarly distressed recruits were being picked up along the way, and their number was slowly swelling to many times the original. Congress appointed a committee of Hamilton, Richard Peters and Oliver Ellsworth to meet with the Executive Council of Pennsylvania “and to take such measures as they shall judge and find necessary.” Hamilton, on hearing this new immediately sent a letter to Major William

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182 The three month payments were continuously delayed since it was approved on May 2, and on June 7 the army began to petition the government to deliver on their promise.
Jackson, the Assistant Secretary at War. He begged Jackson to “proceed to meet them and to endeavor by every prudent method to engage them to return to the post they have left.” Hamilton reiterated Congress’s promise to pay to them, but by leaving their commanding officers behind, the soldier’s accounts could not be settled. Hamilton also tried to appeal to reason by highlighting the “impropriety of such irregular proceedings..., and of the absurdity of their expecting to procure it more effectually by intemperate proceedings.” The letter was a desperate gamble, a bluff which threatened the group with “the danger they will run by persisting in an improper conduct.”

To make matters worse, when the mutineers arrived in Philadelphia on the twentieth they joined with another regiment camped in a barracks on the outskirts of the city. This regiment had recently petitioned Congress for their payment, but had not openly rebelled until the Lancaster mutineers arrived. Hamilton and the committee, realizing their bluff had been called, met with the Executive Council of Pennsylvania to raise the state militia to deal with the mutineers before they arrived. Claiming that the militia would “not be willing to act till some outrage should have been committed by the troops,” the Executive Council and the committee were forced to resolve the situation financially, and a month’s payment was sent to Lancaster.

The emergency forced Elias Boudinot, then President of Congress, to call an emergency session of Congress on Saturday the twenty first. The representatives of only six states had arrived before hundreds of mutineers surrounded the state house. A threatening letter came from the mutineers, demanding Congress and the Executive Council send a delegation out to meet them. Congress, refusing to “take any measures

183 Papers, vol III, 397-398.
184 Papers, vol III, 399-400.
while they were so menaced,” held out for hours until, finally, they passed measures among themselves to respond to the mutineers. The safety of the city was a top priority, as was the dignity of the “grossly insulted” Congress. They had sent an order to the Commander in Chief to send troops sufficient to suppress the soldiers, and had criticized the Executive Council for not offering “prompt & adequate exertions” for their protection. Because of this, Congress had resolved to hold their next meeting on the twenty sixth in either Trenton or Princeton to “maintain the dignity and authority of the United States.”

To Hamilton, the language in this letter represented the sum of all his fears. The Continental Congress of the United States had been unable to stop the actions of a few rebellious soldiers due to the Executive Council’s lax approach to Congress’s defense. Congress soon after the mutiny met with the Council, but they suffered only a verbal reproach. The mutiny ended without violence when Washington ordered Major General Robert Howe to march on the city with Continental troops. By that time, however, the mutiny had already lost its potency as the mutineers turned on themselves and impeached two of their leaders, effectively ending the mutiny.

Hamilton was venomous in his detestation of the Pennsylvania Executive Council and its President, John Dickenson. In his report to Governor Clinton after Congress had arrived at Princeton, he described their conduct during the affair as “weak & disgusting..., (and) Th[e] feebleness on their part determined the removal of Congress from a place where they could receive no support.”

It pained him even more to have been accused

185 Papers, vol III, 402.
186 Papers, vol III, 407-408.
of designing the mutiny in order to have the capitol moved to Kingston.\textsuperscript{187} He defended himself against this accusation to his ally Madison as the one who displayed “a strong disposition to postpone that event as long as possible, even against the general current of opinion.” His feared that Congress’s flight would have “an ill appearance in Europe, and might from events be susceptible of an unfavorable interpretation in this country.”\textsuperscript{188} Still, Congress met in Princeton and Hamilton seethed at its impotence.

He was stuck in a legislative body which was bogged down by a lack of quorum, a condition which persisted for months. By the end of July Congress had still not found a permanent home, nor was its representation more than “sixe’s [sic] and sevens.”\textsuperscript{189} The official peace treaty arrived on the frigate \textit{Mercury} in June, but Congress, with an insufficient quorum, would not be able to sign it until January of 1784. The arrival of the peace treaty anticipated the evacuation of New York City by the British, and because of the subjugation laws in place against loyalists, many of the Tories in the city left with them.\textsuperscript{190} Congress, again because of their lack of quorum and a myriad of more pressing issues facing them, were also unable to make a decision on what to do with the western forts in New York.\textsuperscript{191}

Before he returned to New York City in early August after leaving Congress and with little to do besides be present for formal Congressional procedures, Hamilton penned another resolution to amend the Articles of Confederation, but it was never submitted. Signed at the end of the document in Hamilton’s writing were the words: “Resolution

\textsuperscript{187} A request by Christopher Tappen, clerk of the trustees of the Kingston Corporation (a merchant firm) was submitted to Hamilton in Congress on March 19, 1783 requesting the movement of the nation’s capitol from Philadelphia to Kingston, NY.
\textsuperscript{188} This letter was never sent. \textit{Papers}, vol III, 408-409
\textsuperscript{189} \textit{Papers}, vol III, 415.
\textsuperscript{190} \textit{Papers}, vol III, 431-432.
\textsuperscript{191} \textit{Papers}, vol III, 458.
intended to be submitted to Congress at Princeton in 1783; but abandoned for want of support." This was a last-ditch, knowingly futile effort to bring to light the problems inherent in a body restricted from holding “efficacious authority and influence in all matters of general concern which are indispensable to the harmony and welfare of the whole.”

His submission listed twelve articles that described powers necessary or missing in Congress, ranging from the limited power of the current government which resulted in the creation of “jealousies and disputes” respecting Congress’s authority, to the government’s inability to “borrow money or emit bills on the credit of the United States” without the power to establish funds to pay it back. To Hamilton, considering his experience in the last two years, these two problems were among the most basic changes that needed to be made in amending the Articles, a necessity that he “earnestly recommended.”

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192 Papers, vol III, 420.
Chapter Four: Hamilton at Law and in Office

Hamilton arrived in New York just in time for the flight of many wealthy families from New York City. The peace treaty was not yet ratified and many did not believe that the treaty had even arrived on American shores. Hamilton observed this exodus from the city, and that “Measures… seem to be taking in earnest towards an evacuation.” The flood of “violent papers… into the city” chased many of the Tories out of their homes, making room for those “characters of no political consequence.” To Hamilton, New York had turned into a haven for “merchants of the second class.” Hamilton feared that the flight of so many successful businesses and merchants from the city will be felt for “twenty years at least” due to the “effects of popular phrenzy [sic].”\(^{193}\)

The city seemed to have succumbed to a “violent spirit of persecution,” a condition which Hamilton recognized as having dire “consequences upon the wealth & future tranquility of the state.” The persecution of the Tories was not born of “pure or patriotic motives,” but rather “a blind spot of revenge & resentment.” He hoped that the “violent exercise” will end soon enough, weakening the “attachments which habit alone would otherwise render to strong for our duties to… ourselves.”\(^{194}\)

When he arrived in Albany at the Schuyler estate, Hamilton revisited the Lancaster mutiny. In a long letter to John Dickenson, Hamilton recounted the actions of Congress and the Executive Council, and defended them both. He justified the flight of Congress from the Philadelphia, as escaping a losing situation in a city where no support was available. This lack of support was due to the Council’s refusal to offer assistance. But by including an argument on the “philosophy” of the event itself, Hamilton revealed

\(^{193}\) Papers, vol III, 431.
\(^{194}\) Papers, vol, III, 434-435.
more of the principles he felt the federal government should embody. He explained that in a republic, the army “is more particularly to be restrained, and when directed against the civil authority to be checked with energy and punished with severity.” When a mutiny like this occurs, a federal government should first “vindicate” its authority and then show the army “clemency.”

Hamilton went further and explained that the “rights of government are as essential to be defended as the rights of individuals. The security of one is inseparable from that of the other.” The mutiny, because Hamilton considered its government a “creature of the people,” was not an insult to “Congress personally it was to the government [and] to public authority in general.” It was important to note that the mutineers were not “overcome by mildness” as some have suggested, but “reduced by coercion [sic].” This coercion was the show of force. Hamilton felt that political authority should rest in the federal government, not only because the presence of power incites obedience in factions that would not rebel unless they saw a power vacuum, but it would also maintain a stable relationship between the governors and the governed.195

The year ended and, for the moment, the mutinies seemed to be over. In January, 1784, Hamilton published his first political article since his “Farmer” letters in 1782. His “Letter from Phocion” was an indictment of the majority of the state legislators, and the New Yorkers, who ignored the fifth and six articles of the peace treaty which protected Loyalist rights.196 Hamilton’s letter, the first of two articles he penned under the pseudonym, defended the restoration of confiscated loyalist property, and supported the prohibition of further confiscation of property. An “alien bill” was threatening to be

reinstated in New York, which would not only persecute known loyalists, but anyone who remained in the city during the British occupation.

Hamilton attacked those who claimed “Whiggism” was their excuse for their “revenge, cruelty, persecution, and perfidy.” Whiggism, he argued, cherished “legal liberty,… [held] the rights of every individual sacred,” and gave every man a free trial. He explained that the actions of the Whigs were in violation of the two articles of the peace treaty, and they only “endeavour[ed] [sic] to mold [it]… into such forms as pleases them.” Hamilton subtly stressed his idea that the federal government should be the supreme authority in deciding these matters. By taking for granted the terms of the peace treaty as law, he cleverly tied his preference for Congress’s authority into his argument for compliance.

To Hamilton, the “equity and prudence” of the states “strongly urge[d] the several states to comply” with the treaty. He argued that a “breach of treaty on our part will be a just ground for breaking it on theirs.” Britain would not differentiate between the actions of one state and the actions of the United States. To Hamilton, “The treaty must stand or fall together. The willful breach of a single article annuls the whole.” He acclaimed the reigns of Elizabeth of England and Augustus of Rome as two sovereigns who’s “moderation gave a stability to their government, which nothing else could have affected. This was the secret of uniting all parties.”

Hamilton saw the persecuted loyalists as a group which best demonstrated the abuses of state power without limits. Throughout the rest of 1784, Hamilton took on cases of distressed Tories who were suffering under the alien laws of New York. By defending those who he felt were being unfairly treated by the law, or due to the

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197 Papers, vol III, 483-496.
ignorance thereof, Hamilton was taking steps to proving that he was a man of integrity who was well aware that “the world has its eye upon America.”\textsuperscript{198}

While working on his budding law practice throughout 1784-1786, he was involved with the establishment of a private bank in New York. John Barker Church, his wife’s brother-in-law, at the end of 1783 granted Hamilton power-of-attorney over his interests in New York. Hamilton, by virtue of being the lawyer for the second largest shareholder in Morris’s Bank, was then intimately connected with the social and political elite.\textsuperscript{199}

In January of 1784, a group of those same men with whom Hamilton had been connected, detached themselves from the Bank of North America, and petitioned the Pennsylvania state legislature for a charter to create their own bank. Hamilton was then approached by Gouvernor Morris, Robert Morris’s secretary, with details on members who were interested parties in the rising “Banko-mania” in Philadelphia. These members brought different skills and connections to the bank. Some were connected to foreign investors, while others were simply “good Sort of Men” with “Whig Characters.”\textsuperscript{200} The Bank of Pennsylvania, or Coalition Bank, was not supposed to be competition for the Bank of North America, but rather as a way to share in the immense success the original bank enjoyed.\textsuperscript{201}

John Chaloner, partner in the firm Chaloner and White, had been in contact with Hamilton since Church had entrusted his brother in law with his legal affairs at home. Chaloner described the constitution of the Coalition Bank, which was in most ways

\textsuperscript{198} Papers, vol III, 557.
\textsuperscript{199} Papers, vol III, 447.
\textsuperscript{200} Papers, vol III, 500.
identical to the constitution of the Bank of North America. The major difference was that Robert Morris did not directly control the bank, and the notes issued were equal in value to hard specie. Chaloner explained that “it will be a matter of choice” for the tax collectors to use the public bank’s funds, as Morris’s bank had always resisted the use of its Morris notes for the payment of private debts.\footnote{Papers, vol III, 504. Nuxoll, “Bank,” 165.}

But Hamilton saw trouble brewing in Pennsylvania and soon distanced himself from the Coalition Bank. He was nominated as a director of another startup, the Bank of New York, from 1784 until 1788, but Church ordered Hamilton to keep his money in the Coalition bank.\footnote{Papers, vol III, 589.} The Bank of New York, a new institution whose charter and constitution were written by Hamilton, was successfully pushed through the state legislature in February of 1784 by Robert Livingston, Chancellor of the State of New York.\footnote{Papers, vol III, 509-510.} By mid year, the Coalition Bank and the Bank of North America had incorporated, but were struggling with stagnant trade and diminished revenues. Due to overseas issues, investments from foreign investment firms diminished.\footnote{Papers, vol III, 528-529.}

In 1785, Pennsylvania elected a new legislature that repealed the charter of the Bank of North America, which also affected the Coalition bank. While negatively affecting Church’s investments, the failure of both Pennsylvania banks presented an interesting scenario for the Bank of New York: the Pennsylvania investors were slowly moving to invest in the New York. This event affected Hamilton politically, because he saw how the Pennsylvania legislature drastically affected the state banks. This, in addition to the influence of his bank connections, pushed him once again toward state
politics. Though he refused a seat on the state legislature for the second year in a row, Hamilton was becoming more receptive to entering politics.

It was well known to members of Congress that the young New Yorker possessed “various knowledge, useful- substantial- and ornamental.” They also touted his “integrity,” and labeled him a “man of honor and republican principles.” It was said that were he “ten years older and twenty thousand pounds richer, there is no doubt but that you might obtain the suffrages of Congress for the highest office in their gift.” It was no surprise, then, that even after his failed attempts at reform in Congress, state politicians petitioned him to bring his “wisdom that would convince from its own weight” to the legislature.206

Hamilton responded to this praise, and reached out to Robert Livingston who had selected Hamilton as his family’s attorney. He was careful not to “trouble [him] with these remarks with a view to serving any particular turn,” but merely wanted to ensure that “the power of government is entrusted to proper hands.” The Council of Revision, the same body that repealed the alien laws, were under fire from men whose “principles are not of the leveling kind.” This group intended to reinstate the barred alien laws and “subvert the constitution and destroy the rights of private property.” Hamilton urged that “principle[d] people in the community must for their own defense, unite to overset the party I have alluded to [the leveling kind].”207

Livingston was happy to hear from Hamilton, a man whose “Sentiments so justly accord with mine.” Livingston described an attempt last year to change the state legislature, but said that his small group “stood almost alone” in their efforts. This did not

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206 Papers, vol III, 472.
207 Papers, vol III, 608-609.
deter them, and they enlisted the support of the Schuylers, Rennselaers, and other “Gentm. of property in the County in one Interest.” As a result, Livingston’s effort “Carryed [sic] this last Election to a man.” The legislature, now in good hands, “desire[d] your [Hamilton’s] interest and influence in [the] future.” Hamilton would not have the opportunity to join the legislature until the next year, so in the mean time was focused on other issues.

In the beginning of the 1786, Hamilton was busy with private law cases and the issues with the banks. The re-chartering of the Bank of North America failed, and the New York legislature, despite the recent victory of Livingston’s group, did not wish to incorporate the Bank of New York. Hamilton learned from Jeremiah Wadsworth, the top shareholder in the Coalition bank and board member of the Bank of North America, that the new state legislature was tying up the bank’s charter. Without it, the decision was made that every stockholder could, by right, take their money out.

Hamilton knew from his experience under the Superintendent of Finance, that a bank was an effective money-making institution. Hamilton was disturbed by Pennsylvania’s refusal to re-charter, and was afraid of the potentially devastating effect caused by investors pulling out. Adding to his frustration at the bank’s repeal, the first months of 1786 saw the renewal of debates over the trade impost. The same plan that had been implemented in 1781, the only semi-general, permanent funding plan that Congress had tried to pass, was still unresolved. The New York legislature was the only state who had not voted on the measure.

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209 Papers, vol III, 645-646.
In January, Hamilton petitioned the legislature to pass the impost plan, and support the “welfare of the community.” New York was then the only state which was “in a non compliance with a measure in which the sentiments and wishes of the Union at large appear to unite and by a further delay may render itself responsible for consequences too serious not to affect every considerate man.” The details of the law included a five percent impost on trade, limited to a twenty-five year duration, and applicable only to imported goods. Hamilton, though he desired a more broad tax, was especially disheartened at the fact that state collectors, not federally appointed ones, would collect the tax. But he found solace in the fact that paying the tax in state bills of credit was not allowed.\(^{210}\) To Hamilton, this small aspect of the tax signified the recognition of the state legislatures, generally, that steps needed to be taken to save the country from financial ruin. The debates continued, and it wasn’t until October that New York would vote on the impost bill.

A petition from Virginia reached the New York state legislature in March, calling for a convention of all the states for the express purpose of “framing such regulation of trade as may be judged necessary to promote the general interest.” This convention, implicitly, was meant to attract statesman from all over the country to adjust the Articles of Confederation, to more effectively run the national government. For Hamilton, nominated as one of the six New Yorkers to attend the convention in September at Annapolis, Maryland, this was the perfect opportunity to change things. In the same month, he also accepted a nomination for a seat on the state legislature, which was scheduled to meet in January.

\(^{210}\) Papers, vol III, 647-649.
The convention seemed to give Hamilton hope for the future. But in October, the government suffered a financial collapse, and an uprising of disgruntled farmers erupted in Massachusetts. New York had killed the impost bill, effectively severing any steady domestic revenue to the federal government. The revolting farmers in Massachusetts were lead by a group of local leaders, one of whom was Daniel Shays, a former Captain in the army. Massachusetts had implemented strict budget constraints on its citizens, and put an unmanageable tax burden on the farmers. They rebelled, assembling from several hundred to potentially fifteen thousand men, to protest the unfair state taxes. Congress had no money to quell the rebellion with its own troops, and the state governor, James Bowdoin, was forced to assemble an army, funded by private loans, to put down the rebellion. Hamilton and the members of Congress were terrified of what had happened. Not only had the federal government failed to put down the rebellion, but it had become obvious that the states, by handling their own problems, were relying on themselves for the support Congress should have been able to provide.

With the fate of the union hanging over them, Hamilton and Egbert Benson, the only two New Yorkers to accept a position on the delegation, arrived at Annapolis in September. The convention was short-lived, as out of the nine states that confirmed their attendance, only five arrived. Rhode Island was the sixth, and was halfway to the convention when they received word that after only one day of deliberation, it had disbanded. Solving nothing, the conventioneers decided to “meet at Philadelphia on the second Monday in May next,” for another try. Though the convention had failed, Hamilton was elated to find the commissioners willing to work toward a “uniform system

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211 Beeman, Plain, 17-18.
in their commercial regulations and *other important matters.*” The conventioneers had made it clear that the issues surrounding “the embarrassments which characterise [sic] the present State of our national affairs… merit a deliberate and candid discussion.”^213

Hamilton had left Annapolis feeling empowered, and concentrated on his law practice in for the rest of the year, waiting until his legislative duties began. In January of 1787, the state legislature assembled, but was delayed one week due to a lack of quorum. This delay frustrated Hamilton, and set the tone for his relatively short time in office. Worse for the young politician was George Clinton, who well understood what the upcoming Philadelphia convention meant for his state. Hamilton came to find that the governor made every effort to stall acts of the legislature, which, even in the smallest way, threatened to take power away from the state.

On January 19, one of his first days in office, Hamilton attacked the Governor’s annual speech to the legislature. Clinton had given reasons why he refused a request of Congress to discuss the impost bill in an emergency session of the state legislature. The governor also argued against the impost bill itself, and refused to comply with certain aspects of it. Hamilton, quick to jump to Congress’s defense, issued a rebuttal. In it, he skillfully navigated the parts of the state constitution which prohibited the legislature from interfering in “a difference of opinion” between the Governor and Congress. He went further, and argued that Congress was “entrusted with the management of the general concerns and interests of the community,” and was well within its rights to demand that the Governor assemble the legislature with “no *constitutional impediment.*”

Congress, Hamilton argued, called the emergency session because of a matter of “importance…, a measure essential to the honor, interest and perhaps, the existence of the

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union.” For this reason, Congress had the authority to “satisfy the terms of the constitution empowering him [Clinton] to convene the legislature.” Hamilton, in a much more sweeping generalization, made it clear that, despite what some had argued, Congress in no way resembled a king. This argument was issued from Clinton’s pro-state camp, and stemmed from the idea that centralized “power is liable to abuse.” The existence of the former, they argued, cannot be had without the latter. Hamilton returned that these men were never able to present specific, American examples to back up their claim, and that “too little power is as dangerous as too much.” He concluded with the idea that “Powers must be granted, or civil Society cannot exist; the possibility of abuse is no argument against the thing.”

In his defense, Hamilton argued for the implied powers of Congress. His notion that the federal government was the highest authority was clear from his speech, though he never explicitly said so. His rebuttal helped him increase his standing with the majority of those new members of the assembly who were nationalists, as he was. He had earned the respect of his colleagues, and despite the intense debates with the Governor, Hamilton, along with Yates and Lansing, was chosen as one of the committee members who would represent New York at the upcoming convention in May.

Before the convention, however, the legislature was confronted with many issues. One was the fair regulation of elections, and Hamilton argued that the votes of the illiterate citizens should be public. He moved to strike out a clause in the state constitution, which allowed private meetings between the illiterate voters and the inspectors who counted their votes. Hamilton felt this was open to abuse, as the

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214 Papers, vol IV, 3-12.
inspectors were an “object of party,” rather than impartial counters. Though the officials took an oath of impartiality, Hamilton argued that they “could easily interpret this oath, so as to correspond with [their] own wishes.” The system would also be corrupted by “honest men,” who could change the votes to promote a candidate who would help the “public good.” Hamilton’s movement to strike out the clause passed on January 30.

On February 15, Hamilton delivered a speech to the legislature, for an hour and twenty minutes, debating the five percent impost measure, which the legislature had still not made a decision on. He argued the benefits of allowing Congress appoint the collectors of taxes within the state, instead of leaving it in the hands of the state officials to decide. In the early stages of the speech, he made a case against those who claimed that the clause should be rejected because “no power shall be exercised over the people of this state, but such as is granted by or derived from them.” He interpreted the words not as a limitation of Congress’s power, but as a fundamental aspect of republican government. He went on, that “all power, mediately [sic], or immediately, is derived from the consent of the people.” Hamilton argued that Congress, in deriving its power from the people at large, had authority over the states.

He took his argument a step further, and by quoting from the Declaration of Independence, he argued that the “union and independence of these states are blended and incorporated in one and the same act; which, taken together clearly, imports, that the United States had in their origin full power to do all acts and things which independent states may of right do; or, in other words, full power of sovereignty.” Hamilton tried to convince through logic and the patriotism of his fellow legislatures, but had failed. Once finished, his speech was met with silence, and the impost measure was voted down, thirty

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216 Papers, vol IV, 19-21.
six to twenty one.\textsuperscript{217} Despite his losses, Hamilton had created momentum in the legislature, and used it to bring another issue to the table.

In March, Hamilton moved to support the Vermont territory’s acceptance into the union. The territory’s bid for independence and incorporation had been left unresolved for years, and was revisited when Hamilton argued that its acceptance into the union was in the nation’s best interest. Not only would it be a boost in revenue for Congress, but Vermont’s statehood would eliminate the possibility of English interference below the Saint Lawrence River.\textsuperscript{218} But despite Hamilton’s efforts, Vermont would not join the union until 1791. During the early months of 1787, Hamilton was blocked at almost every turn. For the young politician, the Philadelphia Convention could not come soon enough.

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The failure of the impost measure, Shays’s Rebellion, and the failure of the Annapolis convention, weighed heavily on the minds of those who arrived in Philadelphia in May, 1787. Hamilton was especially downcast, because the two other delegates he was with were hand picked by Governor Clinton. Robert Yates and John Lansing were supporters of state’s rights, and used their majority in their delegation to deny anything that went against New York’s interests. From the first day of the official convention on May 25, Hamilton was wary of his fellow delegates.

As a result, Hamilton said nothing for the first few weeks, and the Virginia and New Jersey delegations presented their plans for government. The Virginia plan, presented on May 29, was proposed by Edmund Randolph, governor of the most

\textsuperscript{217} Papers, vol IV, 71-92.
\textsuperscript{218} Papers, vol IV, 112-118.
populous, powerful state in the union. At its core, it proposed a bicameral legislature, a single or multiple person executive elected by the legislature, and a type of judiciary which consisted of the executive and a select number of chosen lawyers. While the details of the Virginia plan would be ironed out over the course of the five month convention, it nevertheless was a revolutionary step forward. By proposing to scrap the Articles of Confederation and replace it with a new government, Virginia was the first to say, in no uncertain terms, that the time of the Articles had passed.\textsuperscript{219}

William Paterson of New Jersey presented an alternative plan on June 15, but it was far different than Virginia’s. They had chastised the Virginian delegates for proposing to scrap the Articles, and presented their own plan for a fully state-controlled government. The key to the New Jersey plan was to keep the power in state hands. By presenting a vastly more decentralized plan than Virginia had, New Jersey, subtly, told the convention that they would not budge from their state-centric views. They maintained the spirit of the old Congress, where the states were allowed to send as many delegates to Congress as they chose, but each state would only receive one vote. Their proposed government was meant to be an amendment on the Articles.\textsuperscript{220}

On June 18, however, Hamilton had heard enough. He rose to his feet, and in a speech which lasted from morning until mid-afternoon, delivered one of his most telling, philosophical, and important speeches of his life.\textsuperscript{221} It is the most important speech in that, as an accumulation of all of his frustrations and legislative failures, he let his emotions carry his nationalist vision a step further. In his speech, he specifically targeted the New Jersey plan, and was “fully convicted, that no amendment of the Confederation,

\textsuperscript{219} See Beeman, \textit{Plain}, 86-92 for a more detailed look at the Virginia Plan.
\textsuperscript{220} See Beeman, \textit{Plain}, 160-162, for a closer look at the New Jersey Plan.
\textsuperscript{221} \textit{Papers}, vol IV, 178.
leaving the States in possession of the Sovereignty could possibly” succeed. The New
Jersey plan, he continued, departed from “the federal idea,” because it would “operate
eventually on individuals.” He explained his reasoning, though many at the convention
felt as he did already, hence the existence of the Virginia Plan.

Hamilton, before he launched into his main plan, reiterated what Randolph had
pointed out, that “The States sent us here to provide for the exigences [sic] of the Union.
[And] To rely on & purpose any plan not adequate to these exigences, merely because it
was not clearly within our powers, would be to sacrifice the means to the end.”
Essentially, he argued with Livingston’s suggestion that they merely amend the Articles,
because the convention was not given the authority to do otherwise. To ignore such a
great opportunity to “make for the happiness of our Country…” would be a terrible loss.
This happiness was would never be found in such situation as he experienced in New
York. He pointed to an example of when “a proviso was moved, [and] that no act of the
Convention [of legislators] should be binding until [sic] it should be referred to the
people & ratified.” The issue was that when the legislature tried to repeal the proposed
law, “the motion was lost by a single voice only.” The “inconvenient shackle” of relying
to heavily on popular and state control was the problem.

He continued his speech by comparing the two plans against one another, to
“prove that there were essential defects in both- and [to] point out such changes as might
render a national one [government], efficacious [sic].” He compared them not side by side,
but highlighted five “great & essential principles necessary for the support of
Government,” and compared the plans to them. He made it clear, however, that these
principles were in fact detrimental to the current confederated government, and would
only work in a strong national government. His first principle was an “active & constant interest in supporting” the government. The states, as they were currently and would remain under New Jersey’s plan, would “constantly pursue internal interests adverse to those of the whole.”

His second principle warned of the danger of man’s “love of power.” He claimed that the “ambition of their demagogues is known to hate the controul [sic] of the Genl. Government.” He also argued that these power-hungry men in a strong federal government, though they might tear their individual state apart, would not be able to affect the federal. The third principle he claimed was the “habitual attachment of the people.” While at the moment the observation and acceptance of sovereignty is “is immediately before the eyes of the people,” in a stronger central government, the people would support it as they do the state government. This was because the authority on the presence of power would rest in the federal government, which the people would see as supreme to their own state governments. This would, in the long run, support his first principle and would legitimize the government.

The fourth principle he defined was “Force by which may be understood a coercion [sic] of arms.” As the present condition of the country made clear, especially the recent rebellion in Massachusetts, force cannot be exerted “on the States collectively” to prevent such disasters. It must reside in a sovereign national government, because if the status-quo remains, “confusion will increase, and a dissolution of the Union will ensue.” The fifth principle is tied somewhat to the first, and that is “influence.” He did not “mean corruption, but a dispensation of those regular honors & emoluments, which produce an attachment to the Govt.” Hamilton at this point pointed to the English model, where
offers of lucrative offices and emoluments of office were essential to an effective federal government. At that moment it rested entirely with the states, but power given to the federal government could change that.

Following his principles, Hamilton cited failed examples of confederacies which led to factional war, from the “Phocian war” to the “authority of Charlemagne.” He argued that the New Jersey plan “labors under great defects, and the defect of some of its provisions will destroy the efficacy of other.” In other words, he argued that no matter how good some parts of their plan might be, a loosely confederated government would end in ruin. His plan for government, then, was an assurance against the fate of the United States matching those of the failed confederacies.

But before he offered his plan, he summed up the single common problem with all of his principles of government: the states. He proposed that the states themselves be eliminated, because “If they were extinguished, … [a] great economy might be obtained by substituting a general Govt.” Hamilton thought that the cost of the state governments was an unnecessary burden on the whole, and the states themselves were “not necessary for any of the great purposes of commerce, revenue, or agriculture.” He would replace them with some form of subordinate authority at the local levels, but the state governments, as they were, were unnecessary. Their elimination, however, was more of an hypothetical, emergency cost-saving measure. His plan of government was, in fact, based on the existence of the states.

The next phase of his speech opened with an even more surprising statement. The United States, he argued, needed a government similar to the “British Govt.,” which “was the best in the world, …[and] doubted much whether any thing short of it would do in
America.” Throwing revolutionary political ideology out the window, he outlined the most un-democratic plan of the convention. Hamilton agreed with the idea of a bicameral legislature, allowing the lower house, or “Assembly,” to be directly elected by the people for a term of three years. But the upper house, the “Senate,” was elected by electors chosen by the people, but would serve “during good behavior.”

The senate and assembly followed Hamilton’s belief that society was separated into two classes, the “rich and the well born,” and “the other mass of people.” The “other” people were “turbulent and changing; …[and] seldom judge or determine right.” This chaotic nature must be resisted, and only the group given a “distinct, permanent share in the government” could “check the unsteadiness” of the other. The life tenure of the senate he based off of his experience with his own state senate, as their term of four years “we have found to be inefficient.” It was clear that Hamilton saw the senate as the more important half of the legislature, and a check against “the imprudence of democracy.”

Hamilton presented another stabilizing feature of his government, the executive. The “governor” was, like the senate, to serve for life, but was chosen by electors who were chosen by the legislature. The executive was almost completely disconnected from the public, and subject to the legislature only for “advice and approbation.” He was to be the commander in chief, and had absolute authority to appoint “heads of chief” and “officers of the departments of finance war and foreign affairs.” The governor was also given the power of an absolute negative on “all laws about to be passed and to have the

223 Papers vol IV, 207-208.
224 Papers vol IV, 200.
execution of all laws passed.”\textsuperscript{225} Not only could the governor deny any law from being passed, he was given the authority to control the execution of the law, which essentially meant that he could control how it was used.

The reason for a life-tenured plan was similar to his argument for the senate: “you cannot have a good executive upon a democratic plan.” Hamilton pointed to the “excellency [sic] of the British executive,” a man who was “placed above temptation” and had “no distinct interests from the public welfare.” The American executive, then, was based off of the British model. He also understood that the idea of an elected monarch was frightening to the other delegates, but he then asked, “what is a monarchy?” He argued that the current governors of the state could be considered a monarch. What separated the executive from a monarch, then, was the legislature’s power of impeachment. The fact of being legally allowed to remove the powerful executive will remove the threat of those monarchs in the past who “have produced tumults.”\textsuperscript{226}

Hamilton’s plan alienated the majority of the other delegates not only because of the British style government he proposed, but because of the powerless role the states played. The national government’s laws made “All state laws to be absolutely void.” In addition, an officer was to be “appointed in each state to have a negative on all state laws.” The militia and the appointment of their officers were also under the national governments control. Hamilton at the end of his speech confessed “that this plan and that from Virginia are very remote from the idea of the people. Perhaps the New Jersey plan is nearest their expectation. But the people are gradually ripening in their opinions of government- they begin to be tired of an excess of democracy- and what even is the

\textsuperscript{225} \textit{Papers} vol IV, 208.
\textsuperscript{226} \textit{Papers} vol IV, 200-201.
Virginia plan, but *pork still, with a little change of the sauce.* By saying this, Hamilton admitted that he “did not mean to offer the paper he had sketched as a proposition to the Committee.” Instead, his speech was “meant only to give a more correct view of his ideas,” and to make it clear that, although there was no chance his plan would get approval, “at present,” the committee “will adopt neither” of the other plans. Hamilton’s plan was about stability and organization, but because of his tolerance of popular elections in all branches of the government, it was not entirely undemocratic.

Hamilton’s six hour speech was met with silence. No one stood to comment, and certainly no one stood to second or support him. The convention simply adjourned for the day, and Hamilton’s speech was never brought up again at the convention. What it did do, however, was add an extreme example of a national government that countered the loose confederation of the New Jersey plan. Hamilton, in the final months of the convention, had lost his state’s quorum because Lansing and Yates had left for New York. They were disgusted with the direction the convention was going, considering the proposed constitution too nationalist. Hamilton, unable to do anything due to the lack of quorum, left for a month, and returned just in time to sign the finished document. The result of the convention, then, was a compromise between the two, resulting in the original articles of the Constitution, a product of the Federalists, and later the Bill of Rights, a product of James Madison, a later opponent of Hamilton.

The Constitution was not ratified until June, 1788, and when Washington took the oath of office in April, 1789, Hamilton was at the center of national politics. Appointed

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228 *Papers* vol IV, 194.
Secretary of the Treasury in September, he had a large amount of political power which his fellow cabinet members did not share.\textsuperscript{230} Finally, after years of futile attempts to increase the power of the national government, he was in a position to make a significant contribution toward that end. He believed that a stronger government had the ability to accomplish its goals, but those goals were always centered on the liberty of the people.\textsuperscript{231}

He made deals on behalf of the government with successful men and businesses, believing that with the social and economic elite on his side, the safety of the government would be assured. By appealing to these men’s interests, he sought to strengthen the hold of the central government over the people. Similarly, his financial plan, part of which was the Bank of the United States and its assumption of the state’s debt, offered him an unusually high level of control over the financial institutions of the country. Hamilton had even turned to his old mentor, Robert Morris, for help in the new nation’s financial matters.\textsuperscript{232} Along the way he met with harsh criticism and resistance, but through skilled negotiations and interpretations of the constitution’s articles, he increased the scope and breadth of the government’s power.

\textsuperscript{230} Beeman, \textit{Plain}, 128.
\textsuperscript{231} Frisch, \textit{Alexander}, 73.
\textsuperscript{232} Ver Steeg, \textit{Morris}, 120.
Conclusion

Historians and biographers, while offering thorough accounts of Hamilton’s life and politics, have missed the significance of the years 1782-1787. Perhaps this is because many assume he was somehow born to think one way. Even those who do not fall into this trap nevertheless miss the importance of these years in their quest to show Hamilton’s influence on the country. This project, then, set out to answer a question that has been either ignored or taken for granted: why did Hamilton adopt such a strong nationalist political view? For example, his experiences with the war certainly moved him to believe that more power should be vested in Congress, but how did that logical and increasingly popular idea evolve into his intensely polemical speech at the Philadelphia convention? It is not an adequate explanation to simply say, “that is just who he was.”

To summarize, Hamilton’s experiences as Receiver gave him a unique perspective on the intricacies of taxation. He was an insider at the local level, and saw first hand just how disorganized and volatile the state government was. His nationalist vision was formed as Receiver and in his next position as congressman. His close relationship with Robert Morris, one which he planned and carefully cultivated, showed him the value of a powerful executive and the necessity of financial regulation, ideas he applied during Washington’s presidency. Throughout his congressional career, myriad problems proved to Hamilton that the country, though he had not yet figured out exactly how, needed to institute a far more stable government. After he left office, Hamilton made a position for himself where he could have hands-on experience with the creation and the execution of a bank, an entity vital to his later economic policies.
These years taught him the fickle nature of democracies, and the necessity of retaining enough power in the head of government to make the country, and the economy, run smoothly. Hamilton’s experiences during 1782-1787 were responsible for creating one of the most nationalist politicians the United States has ever seen.

Clinton Rossiter was unable to answer my original question in his book, *Alexander Hamilton and the Constitution*, published in 1964. He said, “Just why Hamilton should have been so zealous an advocate of high-toned, energetic government is a question impossible to answer.” Professor Rossiter very skillfully analyzed Hamilton from many different angles, viewing him, as the title of one of his chapters in the book explains, as “The Many Hamiltons and the One.” The problem with the book, from my perspective, was that the assumption of Hamilton’s political origins was the foundation for his analysis. Another author, Morton J. Frisch in his book *Alexander Hamilton and the Political Order*, published in 1991, did a great job characterizing Hamiltonian politics and, in some cases, relating it to contemporary politics. The problem is that he viewed Hamilton entirely within the context of “comparing him with Jefferson,” which meant he also assumed that Hamilton was naturally a nationalist.

Ron Chernow, on the other hand, did not take Hamilton for granted. In his authoritative account of Hamilton’s life in *Alexander Hamilton*, published in 2004, he did a great job of analyzing Hamilton’s rise to political and social prominence and his immensely successful political career. Mr. Chernow did not assume Hamilton was born into his beliefs, but spent considerable time analyzing his early life and his military career. By the end of these sections, we have learned that Hamilton was a notable

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military officer, and made the transformation from “an insecure outsider to a consummate insider” by his own considerable talents. But like the others, Mr. Chernow missed the importance of the six years covered in this paper. He noted key elements like Hamilton’s well known letters and introduced some pivotal figures in his life, but he mostly sprinted through this time to get to the “juicier” aspects of Hamilton at the Philadelphia convention and beyond. The book is a wonderful biographical overview, but the obvious strength of it is in the analysis of the events surrounding the later time.

I mention these books because not only do I feel that they are fine works for understanding who Hamilton was and what he stood for, but they also highlight the importance of Hamilton to the United States today, as “we are indisputably the heirs to Hamilton’s America, and to repudiate his legacy is, in many ways, to repudiate the modern world.” In this context I set out to find more about this legendary and contentious figure in American politics, and determined that his experiences in 1782-1787, though generally ignored, were vital to who he became, and that his views were a logical response to the events around him, not an inborn ideological position.

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235 Chernow, Hamilton, 166.  
236 Chernow, Hamilton, 6.
Bibliography


