

**MARTIN VAN BUREN'S
CALUMNIES REPUDIATED:
HAMILTON'S CONDUCT AS
SECRETARY OF THE TREASURY
VINDICATED**

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Martin Van Buren's Calumnies Repudiated: Hamilton's Conduct as Secretary of the Treasury
Vindicated by James A. Hamilton

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JAMES A. HAMILTON

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INQUIRY

Into the Origin and Course of Political Parties in the United States, by the late ex-President Martin Van Buren. 1867.

WE do not intend to review this work, but to refer to such parts of it as charge Alexander Hamilton with having (p. 203) "*been faithless to one of the most sacred trusts that can be placed in man.*" P. 214: "*Hamilton did more than any one—I had almost said, than all his contemporaries—to counteract the will of the people, and to subvert, by undermining, the Constitution of their choice.*" P. 215: "*Hamilton's course was an outrage upon liberty and a crime against free government.*" It is asserted (p. 234) "*of the great crisis in our national affairs, the fourth crisis of our Government was Hamilton's attempt to make of the Government which had been established under it (the Constitution) "a delusion, and the Constitution a sham, to pave the way for its overthrow.*" (The italics are ours.)

It is remarkable that a gentleman, who, as Senator, Vice-President, and President of the United States, had become familiar with the legislation of the nation, the messages of its Presidents, and the published letters of Mr. Jefferson, *should have made such statements*, when that legislation, those documents and letters, establish the fact that some, if not all, the measures referred to were sanctioned as well by Congress again and again, as by Presidents Washington, Jefferson, Madison,

Monroe, and others, as will appear by the following examination.

It is undeniable that Hamilton, as Secretary of the Treasury, urged upon Congress the adoption, 1st, of a Bank of the United States; 2d, the assumption of the debts of the States incurred in the prosecution of the War of Independence; 3d, a Funding system; and, 4th, the protection of Domestic Manufactures; that laws were passed by the first Congress under the Constitution, to carry into effect these measures, and approved by President Washington. See vol. ii., *Laws of U. S.*, *Protection*, pp. 2, 176; *Assumption*, pp. 123, 127, 174; *Funding System*, pp. 123, 186; *Bank*, pp. 194, 200.

Van Buren (p. 171) says: "I have already spoken of the extent to which the public mind was excited by Hamilton's measures. Large portions of the people regarded the most prominent among them as violations of the Constitution." He does not refer to any evidence on which these assertions are founded. We now produce conclusive proof that they are untrue.

Mr. Jefferson (Secretary of State when these measures were adopted), in a letter to William Carmichael, dated Philadelphia, May 17th, 1791, says: "The term of the first Congress expired on the 3d instant. They separated on that day, much important business being necessarily postponed. New elections have taken place for the most part, and very few changes made. This is one of many proofs that the proceedings of the new Government have given general satisfaction."

Mr. Jefferson to Fulwar Skepwith, Philadelphia, May 13th, 1791: "In general, our affairs are proceeding in a train of unparalleled prosperity. This arises from the real improvements in our Government; from the unbounded confidence reposed in it by the people; their zeal to support it, and their conviction that a solid union is the best rock of their safety;" * * * "from the favorable seasons, and from the growth of industry, economy, and domestic manufactures; so that I believe I may say with truth, that there is not a nation under the sun enjoying more present prosperity, nor with more in prospect."

The same to Colonel Humphries, July 13th, 1791: "Our Bank was filled with subscriptions the moment it was opened. Eight millions of dollars was the whole permitted to be sub-

scribed, of which two millions were deposited in cash, the residue in public paper. Every other symptom is equally favorable to our credit."

Jefferson, Secretary of State, April 6th, 1790: "The Secretary of the Treasury having, by order of Congress, reported plans for funding both our foreign and domestic debts, they thought it necessary, by a recommitment, to subject that part of it which concerned the domestic debt to maturer discussion; but the clause for making such adequate provision for fulfilling our engagements in respect to our foreign debt was not recommitment, because not susceptible of any abridgment or modification; on the contrary, it was passed without a dissenting voice, and only waits till the residue of that system of which it makes a part can be digested and put into the form of a law. I send you a copy of the resolution."

Thus we are informed by the highest authority (Mr. Jefferson) that the Funding System was adopted without a dissenting voice.

Jefferson to Short, vol. iii., pp. 59, 60, July 26th, 1790: "Congress has passed an Act for establishing the seat of Government at Georgetown from the year 1800." (It was passed July 16th, 1790.) * * * "They have still before them the bill for funding the public debts, that has hitherto been delayed by a question whether the debts contracted by the particular States for general purposes should at once be assumed by the General Government. A development of circumstances and more mature consideration seem to have produced some changes of opinion on the subject. When it was first proposed, a majority was against it. There is reason to believe, by the complexion of some latter votes, that the majority will now be for assuming these debts at a fixed amount—twenty-one millions of dollars proposed. As soon as this point is settled, the Funding Bill will pass." The Assumption Bill was passed August 4th, 1790. The Act establishing the Funding System appointing commissioners was passed August 12th, 1790. Particular reference is made to the dates of the approval of the two last Acts in connection with another part of Mr. Van Buren's treatise.

These letters clearly contradict the statement made by Van Buren, p. 171: "I have already spoken to some extent to which the public mind was excited by Hamilton's measures. Large

portions of the people regarded the most prominent among them as violations of the Constitution." If it be true that the public mind was so excited, it must have been known to Mr. Jefferson; and that excitement would have produced a change of the members of the second Congress. Whereas Mr. Jefferson, in his letter to Carmichael, March 7th, 1791, before referred to, declares: "New elections have taken place for the most part, and very few changes made. This is one of the many proofs that the proceedings of the new Government have given general satisfaction." It is possible, but highly improbable, that Van Buren should not have read these and the other letters to which we have referred. Mr. Jefferson, in these letters, not only approves what had been done, but avers that the people, by their elections, did the same.

We now proceed with the examination of the charges against Hamilton. First, "*The Protective System.*" Van Buren, p. 159, referring to Hamilton's Report on Manufactures, says: "Its bold assumptions of power, and the jubilant spirit in which they were expressed, afforded the clearest indications as well to his opponents and to the country that he regarded *his victory over the Constitution as complete.*" (The italics are ours.) The report is dated on the 9th, and was communicated to the House of Representatives on the 14th January, 1790—before Mr. Jefferson's letters above quoted were written.

In this connection it is important to refer to the *second Act passed by Congress*, and approved by Washington, on the 20th July, 1789, for laying duties on goods, wares, and merchandise imported into the United States. The recital to this Act is as follows: "Whereas it is necessary for the support of Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be levied on goods, wares, and merchandise imported," &c. The discussion of this Act, which was introduced by Mr. Madison, began in the House of Representatives on the 8th April, and ended May 16th, 1789—ayes 41, nays 8. The question of the constitutional power was only once referred to, and by Mr. Madison, who said: "When these States retained the power of making regulations of trade, they had the power to protect and cherish such institutions. By adopting the present Constitution, they have thrown the exercise of this power into other hands. They must have done this with an expectation that these interests would not have been neglected."

Mr. Van Buren refers to Mr. Madison's efforts to pass *this Act*; he, however, does not quote or refer to the preamble, or to this part of the discussion. This omission as to the preamble could not have been the result of ignorance. What was it, then? The discussion he may not have read.

The Act establishing the Treasury Department was approved on the 10th September, 1789; and Hamilton was not, when this protective Act was passed, a member of the Government.

On the 10th August, 1790, another Act was passed. The preamble refers to the Act of 20th July, 1789, and states that "divers duties were laid on goods, wares, and merchandise so imported, for the discharge of the debts of the United States, and the encouragement and protection of manufactures." The duties were increased by this Act. Washington, in his first annual Message, January 8, 1790, says: "The safety and interest of the people require that they should promote such *manufactures* as tend to render them independent of others for essentials, particularly for military supplies." And the House of Representatives passed a resolution in these words: "That it be referred to the Secretary of the Treasury, to propose and report to this House a proper plan or plans, conformably to the recommendation of the President in his speech to both Houses of Congress, for the encouragement and promotion of such manufactures as will tend to render the United States independent of other nations for essential, particularly for military, supplies."

If Hamilton had any doubts as to the true interpretation of the Constitution as to protective duties—which he certainly had not—this action of Congress and the President would have sanctioned his course on that subject. His Report on Manufactures was communicated to the House of Representatives December 5th, 1791, nearly a year and a half after these two *protective* Acts were passed by Congress and approved by the President, with the open or silent approbation of his Cabinet; Jefferson, Secretary of State. Washington, in his Message, December 7th, 1796, refers to the exercise of this power by Congress, in these words: "Congress have *repeatedly*, and not without success, directed their attention to the *encouragement of manufactures*. The object is of too much consequence not to insure a continuance of their efforts in every way which shall appear eligible." The power under the Constitution to sustain such a system was

not questioned in the legislative or executive departments, nor by Mr. Jefferson in his letters to his friends. On the contrary, in the letters quoted above, he not only approves what had been done, but avers that the people, by their elections, had done the same.

Jefferson, in his eighth annual Message, November 8th, 1808, says: "The extent of this conversion is daily increasing, and little doubt remains that the establishments formed, and forming (internal manufactures), will, under the auspices of cheaper materials, &c., and of protective duties and prohibition, become permanent."

Mr. Madison, in his inaugural address, 4th March, 1809, referring to the purposes and the principles which he brought with him into this arduous service as President, enumerates what ought to be the principles and measures of our Government; and, among others, "to promote, by authorized means, improvements friendly to agriculture, to *manufactures*, and to external as well as to internal commerce." Here we have the authority of this distinguished man that the United States Government, under the Constitution, had the power to take measures to improve our agriculture, our *manufactures*, and, by roads and canals, to promote improvements in our internal commerce.

Madison, in his Message, May 23d, 1809, advises, in the revision of our commercial laws, "to make such further alterations in the laws" (those of 1790 included) "as will more especially protect and foster the several branches of manufactures which have been recently instituted and extended by the laudable exertions of our citizens." Madison's second annual Message, December 5th, 1810, refers to the *advantageous results of protection*. His third annual Message, November 5th, 1811: "The just and sound policy of securing to our manufacturers the success they have attained." Madison, by a special Message, December 23d, 1811, suggests to Congress "the propriety and advantages of a general system of internal communication by canals." Madison, special Message, March 31st, 1814: "I recommend, also, as a more effectual safeguard and encouragement to our growing manufactures, that the additional duties on imports be prolonged." Madison, seventh annual Message, December 5th, 1815: "In adjusting the duties on imports to the object of revenue, the influence of the tariff on manufactures