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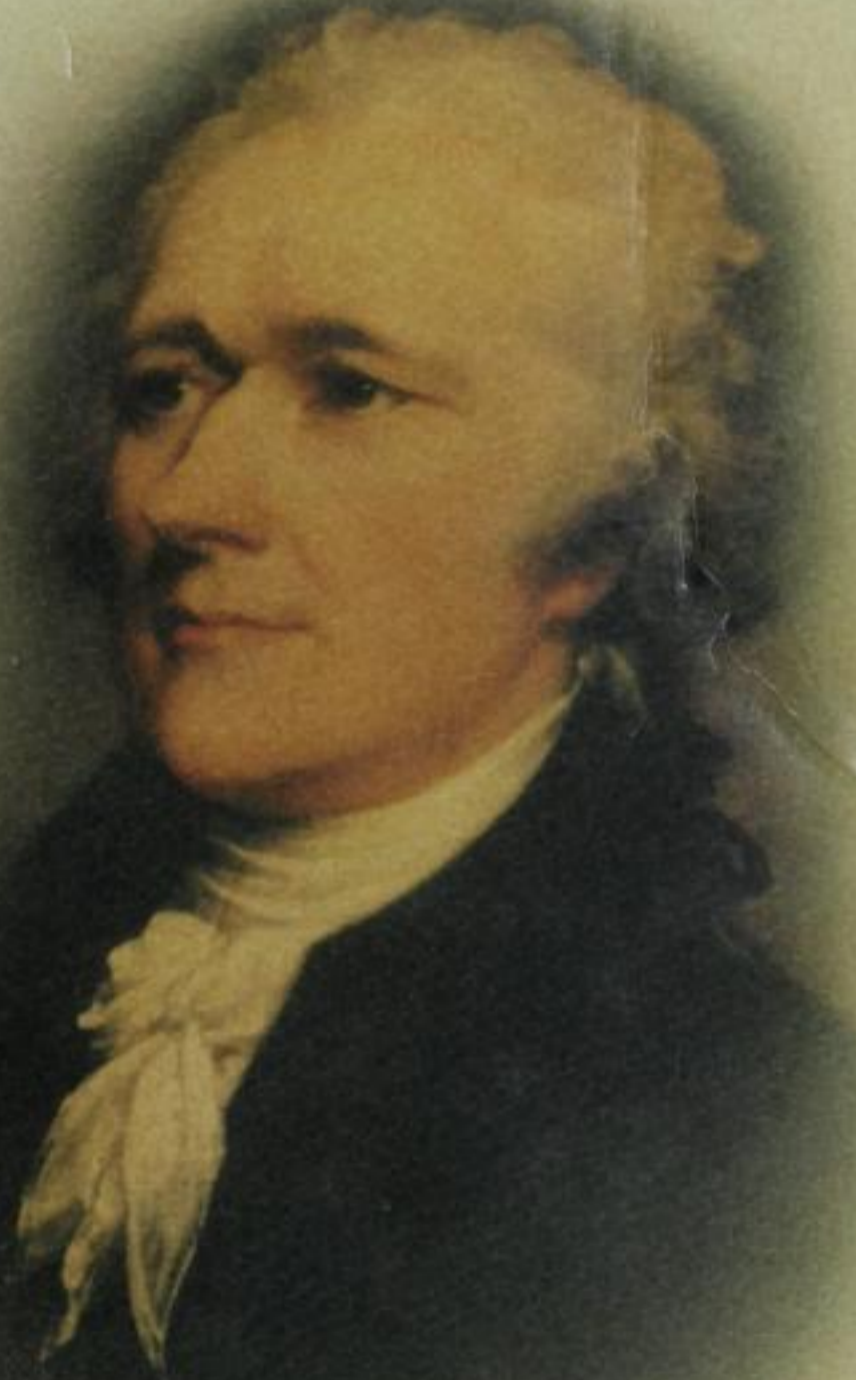
[Ron Chernow. (2004).
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A L E X A N D E R

H A M I L T O N

world financial center. Banking was still a new phenomenon in America. The first such chartered institution, the Bank of North America, had been started in Philadelphia in 1781, and Hamilton had studied its affairs closely. It was the brainchild of Robert Morris, and its two biggest shareholders were Jeremiah Wadsworth and Hamilton's brother-in-law John B. Church. These two men now cast about for fresh outlets for their capital. In 1783, John Church sailed for Europe with Angelica and their four children to settle wartime accounts with the French government. In his absence, Church named Hamilton as his American business agent, a task that was to consume a good deal of his time in coming years.

When Church and Wadsworth deputized him to set up a private bank in New York, Hamilton warmed to it as a project that could help to rejuvenate New York commerce. He was stymied by a competing proposal from Robert R. Livingston to set up a "land bank"—so called because the initial capital would be pledged mostly in land, an idea Hamilton derided as a "wild and impracticable scheme."⁴⁹ Since land is not a liquid asset and cannot be converted into ready cash in an emergency, Hamilton favored a more conservative bank that would conduct business exclusively in notes and gold and silver coins.

When Livingston solicited the New York legislature for a charter, the tireless Hamilton swung into action and mobilized New York's merchants against the effort. He informed Church that he had lobbied "some of the most intelligent merchants, who presently saw the matter in a proper light and began to take measures to defeat the plan."⁵⁰ Hamilton was more persuasive than he realized, and a delegation of business leaders soon approached him to subscribe to a "money-bank" that would thwart Livingston's land bank. "I was a little embarrassed how to act," Hamilton confessed sheepishly to Church, "but upon the whole I concluded it best to fall in with them."⁵¹ Instead of launching a separate bank, Hamilton decided to represent Church and Wadsworth on the board of the new bank. Ironically, he held in his own name only a single share of the bank that was long to be associated with his memory.

On February 23, 1784, *The New-York Packet* announced a landmark gathering: "It appearing to be the disposition of the gentlemen in this city to establish a bank on liberal principles . . . they are therefore hereby invited to meet tomorrow evening at six o'clock at the Merchant's Coffee House, where a plan will be submitted to their consideration."⁵² At the meeting, General Alexander McDougall was voted the new bank's chairman and Hamilton a director. Snatching an interval of leisure during the next three weeks, Hamilton drafted, singlehandedly, a constitution for the new institution—the sort of herculean feat that seems almost commonplace in his life. As architect of New York's first financial firm, he could sketch

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