

# **ALEXANDER HAMILTON'S ECONOMIC PROGRAM**

## **1. Federal government assumes debts of Confederation government and states**

- ◆ national debt a “powerful cement of our union”
- ◆ benefits creditors (generally wealthy)
- ◆ requires federal excise taxes to cover the debt
- ◆ opposed by Republicans and supporters of state powers

## **2. Establishment of central bank, the Bank of the United States**

- ◆ guarantee stable value of currency
- ◆ regulate credit, interest rates, currency circulation
- ◆ owned by federal government, 80% by private investors

## **3. Promotion of manufacturing and industry**

- ◆ support American factories to produce American goods
- ◆ protective tariffs to discourage sale of foreign goods
- ◆ machinery provides greater efficiency, wider labor pool, and additional household income