

CHAPTER 10

The Federalist Era

1789–1800

SETTING THE SCENE

Focus

The Constitution set up a completely new framework of government that was meant to be flexible and lasting. Along with the excitement of a new nation came challenges and growing pains. Many people, both Americans and foreigners, wondered: Could this new kind of government last?

Concepts to Understand

- ★ How the beliefs and ideas of the nation's leaders influenced the development of government
- ★ How the new government defined its role in world affairs

Read to Discover . . .

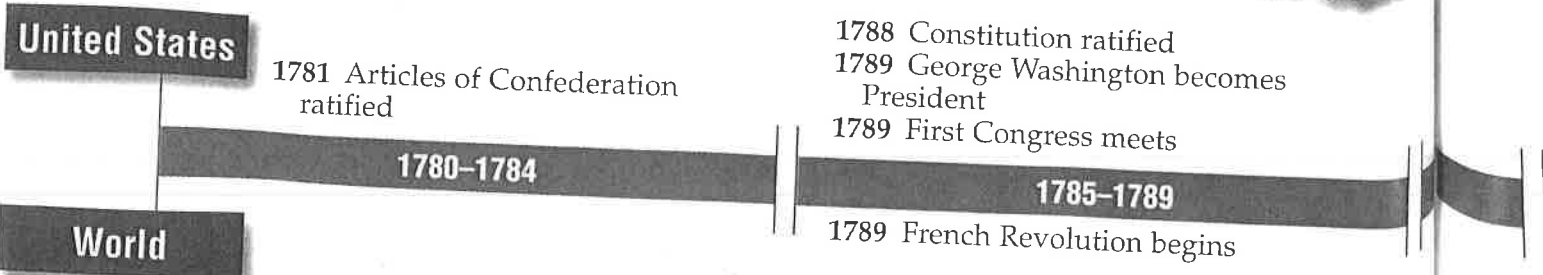
- ★ the organization of the new national government.
- ★ the causes and effects of internal and foreign challenges to the United States government.
- ★ the competing political views that led to the growth of party politics.

Journal Notes

The 1790s were the beginning of a fundamental split in political ideas in the United States. Make two columns in your journal. As you read the chapter, note the differing points of view about each issue on which people were divided.



▶ BIBLE USED AT WASHINGTON'S INAUGURATION



Establishing the New Government

SETTING THE SCENE

Read to Learn . . .

- ★ how Congress organized the legislative branch of the government.
- ★ how the executive and judicial branches were organized.
- ★ what plans the new government made to pay the United States's debts.

Terms to Know

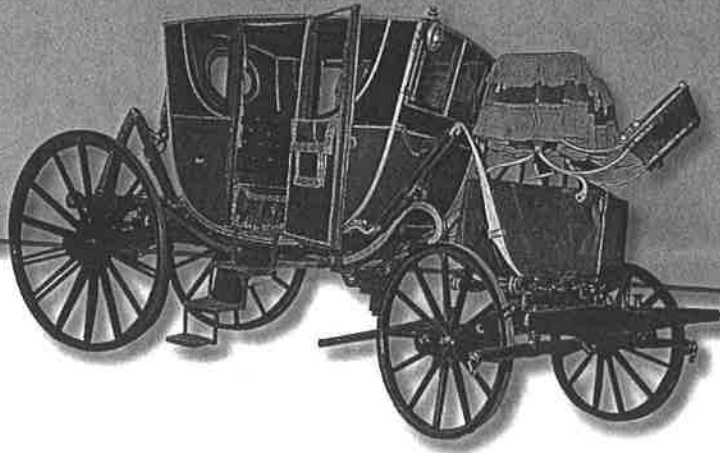
- ★ ratification
- ★ Bill of Rights
- ★ cabinet
- ★ unconstitutional
- ★ national debt
- ★ excise tax
- ★ tariff

People to Meet

- ★ George Washington
- ★ John Adams
- ★ Thomas Jefferson
- ★ Alexander Hamilton
- ★ John Jay

Places to Locate

- ★ District of Columbia



▶ WASHINGTON'S
CARRIAGE

Some people expected the occasion to be as elaborate as the crowning of a king. Instead, the central figure wore a plainly cut suit of brown, American-made broadcloth, with knee breeches and white silk hose. His hair, pulled back and tied with a ribbon, was powdered white for the occasion. Standing on the small balcony of Federal Hall in downtown New York City, **George Washington** took the oath of office on April 30, 1789:

“I do solemnly swear that I will faithfully execute the

office of President of the United States and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States.”

Washington then added the words, “So help me God.”

The crowds filling the streets cheered as America's first national hero became the United States's first President. This was just one of many firsts for this new government, which now faced its first challenges.

★ Shaping a New Government

Americans and foreigners alike eagerly waited to view the first actions of the unique new government in the United States of America. Was the Constitution strong enough to withstand the challenges that would confront it?

Soon after the ratification, or vote of approval, of the Constitution, elections were held for the members of the new government. Then, as the Constitution provided, members of the electoral college—a group of presidential electors chosen by the states—voted for two people. The person with the most electoral votes became President. The person with the next largest number became Vice President.

Electors Select Washington

The electors unanimously chose George Washington as President. Americans and foreigners alike respected, trusted, and admired him. He had earned this respect as a military hero and as president of the Constitutional Convention. **John Adams**, a lawyer and patriot leader from Massachusetts, received the next largest vote and became the first Vice President.

In those first federal elections, members of Congress were also elected. Members of the House of Representatives were elected by the people, as they are elected today. Senators, however, were chosen by the state legislatures—a practice that continued until the Constitution was amended in 1913.

With the first elections, the new government was under way. The newly elected officials—and the new nation—faced many challenges. The United States was a weak country. Its army was small, and it had no navy. Frontier settlements were under attack by Native Americans. Pirates constantly threatened American trade. The United States owed money, with no

way to raise it. President Washington and the government would need to meet all these challenges.

The Reluctant President

Washington, who had spent much of his life as a soldier, reluctantly accepted the job as the first President. In a letter to a friend early in 1789, he expressed his doubts:

“ . . . so unwilling am I, . . . to quit a peaceful abode for an ocean of difficulties, without that competency of political skill, abilities, and inclination, which are necessary to manage the helm . . . ”

While Washington was a cautious President, he proved a capable leader who used his integrity and firmness in making sound decisions. He had no models to follow in his new job. It was his responsibility to establish the President's role in the United States government as well as to organize the executive department. Nearly everything Washington did in his first term of office established a model that later Presidents followed.

★★★ AMERICA'S FLAGS ★★★



Betsy Ross Flag, 1790 Legend holds that it was Philadelphia seamstress Betsy Ross who

stitched the first Stars and Stripes. Supposedly, George Washington gave her the design and asked her to make the flag in 1776. Historical fact does not support this account, however. The popular “Betsy Ross flag,” with 13 stars arranged in a circle, did not appear until the early 1790s. Its creator is unknown.

★★

★ The Branches of Government

Before facing these challenges, the new government had to organize itself. The Constitution had set up a framework of government with three branches that both supported and limited one another's powers. Now officials had to build a working government on that framework.

The Legislative Branch

The United States Congress, the legislative branch, met for the first time in New York City in March 1789. As the Constitution required, both houses chose leaders. Members of the House of Representatives chose as speaker Frederick Muhlenberg, a Lutheran minister from Pennsylvania. According to the Constitution, the Vice President is the official leader and president of the Senate. The first Senate chose a *president pro tempore*, who would temporarily take charge when Vice President John Adams had other duties.

Congress Passes Bill of Rights

The first session of Congress passed much important legislation. The most important was the addition of a **Bill of Rights**, the first 10 amendments to the Constitution. These amendments describe the powers and rights of American citizens. This answered many complaints made during the struggle for ratification of the Constitution.

Many people feared a strong central government unless citizens were specifically promised certain civil rights. To ensure ratification, the Federalists had promised to add these rights later. **James Madison**, elected to the House of Representatives in 1789, sponsored the first 10 amendments. The amendments guaranteed such rights as freedom of speech and religion and the right to trial by jury.

The necessary two-thirds majority of Congress passed the Bill of Rights in September 1789. Before the amendments could become law, however, the legislatures of three-fourths of the states had to ratify them. The Bill of Rights was not ratified until 1791. Congress passed 12 amendments, but only 10 were originally approved by the states. One of the 12 was ratified in 1992 and became the Twenty-seventh Amendment.

The Executive Branch and Cabinet

Article II of the Constitution mentions "executive departments" but does not name them. In 1789 Congress established the first three departments: State, War, and Treasury. A few months later, in the **Judiciary Act of 1789**, Congress created the office of attorney general.

As President, Washington chose the heads of the executive departments, who were called secretaries. He met with these advisers, known as the cabinet, to discuss actions and policies. This was one of the many ways that the United States was taking a different road from European governments. There, the heads of cabinet departments were chosen from members of the legislature.

The first cabinet included several outstanding men. Washington appointed the many-talented **Thomas Jefferson** of Virginia as secretary of state, in charge of foreign affairs. The first secretary of war was Henry Knox, who had been chief of artillery during the Revolution. **Alexander Hamilton**, a lawyer who had worked hard for ratification of the Constitution, became secretary of the treasury. Another respected lawyer, **Edmund Randolph** of Virginia, was named attorney general.

The Judicial Branch

The third, or judicial, branch interprets the nation's laws. The Constitution establishes only the Supreme Court as the



▲ MEMORIAL TANKARD

**Picturing
History**

▲ **THE FIRST CABINET** Though he did not hold regular meetings with his cabinet, President Washington relied on their expert advice to help run the government. Henry Knox is seated at left. Next to him are Thomas Jefferson, Edmund Randolph (back turned), Alexander Hamilton, and Washington himself. **Who was the first secretary of state?**

highest court in the land. The details of organizing the rest of a court system were left to Congress.

Congress organized the federal court system with the passage of the Judiciary Act of 1789. This act stated that the Supreme Court should be made up of 1 chief justice and 5 associate justices. Today the Supreme Court has 9 members (a chief justice and 8 associate justices). The Judiciary Act of 1789 also set up lower federal courts—3 circuit courts and 13 district courts.

The Judiciary Act of 1789 made clear the Supreme Court's power over state courts. It gave the Supreme Court the power to rule on the decisions of state courts about whether state laws were unconstitutional—that is, contrary to what is written in the Constitution.

Washington appointed **John Jay** as the first chief justice. Jay was a successful

New York lawyer who had been one of the writers of *The Federalist*, which argued for the ratification of the Constitution. According to the Constitution, Supreme Court justices are appointed by the President with the advice and consent of Congress.

★ A Nation in Debt

The new United States faced many financial challenges in the early 1790s, but probably the most serious of these was the large debt from the Revolutionary War. The total amount a government owes on money it has borrowed is called the **national debt**. The government had borrowed millions of dollars from foreign governments and individual citizens to finance the American Revolution. Many states were also in debt from the war.

Biography ★★

Alexander Hamilton Develops Economic Plan

Alexander Hamilton was born on the island of Nevis in the West Indies in 1755. He worked with a trading company in the Caribbean until his employers, impressed by his skills and ambition, sent him to school in New York.

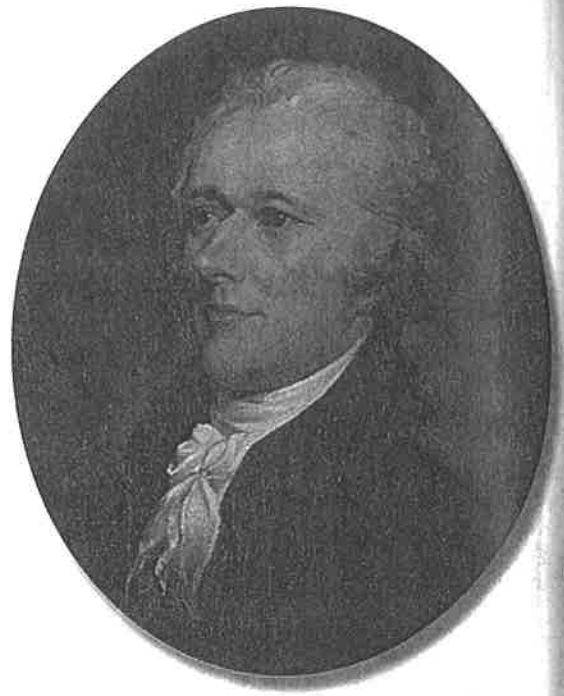
As a student, Hamilton wrote fiery pamphlets for independence. At 22, he became an aide to General George Washington early in the Revolution. In 1782 he became a lawyer and was one of New York's delegates to the Continental Congress. Working hard to ratify the Constitution, he wrote letters to newspapers as well as essays that were part of *The Federalist*.

Hamilton had a strong, clear vision of the United States's future. As he tried to build a strong federal government, he disagreed openly with members of Congress and others—especially Thomas Jefferson—who favored strong state governments.

As secretary of the treasury, he developed an economic plan to deal with the nation's debts and provide a secure base of credit for the country. His plan called for the federal government to pay the debts owed by both the nation and the states.

Opposition to Hamilton's Plan

Many Southerners, notably James Madison, did not like Hamilton's plan. Most states in the South had paid off their debts. Also, many Southern farmers had sold their government bonds to Northern merchants at very low prices because they needed cash. According to Hamilton's plan, federal funds would pay the new owners of the bonds, so tax money from the South would end up in Northern hands. Southerners, led by Jefferson, opposed the plan also because they did



▲ ALEXANDER HAMILTON

not want to see the power of the state governments weakened by being dependent on the federal government.

Compromise

Together Madison and Jefferson reached a compromise with Hamilton. Jefferson and his Southern followers agreed to the payment of state debts in return for a promise to locate the new national capital in the South. It would be built along the Potomac River between Maryland and Virginia. A special territory, the **District of Columbia**, was created so that no one state could claim the capital city. While waiting for the new Capitol to be built, Congress made Philadelphia the capital city.

In 1795 Hamilton resigned as secretary of the treasury. President Washington reluctantly accepted his resignation and wrote him an appreciative letter: "In every relation that you have borne to me, I have found that my confidence in your talents, exertions, and integrity has been well placed." Hamilton remained a trusted friend to Washington and one of the most influential people in government. ★★★

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★ The Bank of the United States

Another important part of Hamilton's financial plan was a national bank. He proposed four duties for the bank. The bank would handle the federal government's money. It would also help collect tax money, issue paper money, and give out loans to help the growth of businesses.

Many people in the country thought a national bank was a bad idea. Since the Constitution did not establish a national bank, they argued, the government did not have the power to set it up. Southerners, including Jefferson and Madison, argued that the bank would create a wealthy upper class. They pointed out that Hamilton was helping wealthy Northern merchants at the expense of Southern farmers. Bankers, investors, and Congress, however, favored Hamilton's plan. In 1791, Congress passed a bill creating the Bank of the United States.

Taxes and Rebellions

Once the government had agreed to pay the war debts, Hamilton needed a plan to raise money. The national government also needed money for improvements such as bridges and highways.

Hamilton wanted to levy an **excise tax**—a tax placed on goods made, sold, and used within the country. He also wanted to set import tariffs, or taxes placed on certain manufactured goods brought into the country. Besides raising money, the tax on imports would make foreign goods expensive to buy. That would encourage the growth of American industries, another of Hamilton's goals. Congress passed these taxes in 1791 and 1792.

The Whiskey Rebellion

The new excise tax on whiskey, however, angered farmers on the Western frontier. Because bad roads made it hard for them to ship grains such as rye and corn to market, they turned their crops into whiskey, which was used almost like cash on the frontier. The whiskey tax, they felt, was as unfair as British taxes had been. In 1794, government agents clashed with farmers in western Pennsylvania who refused to pay the tax. Fighting broke out, and several people were killed.

The so-called **Whiskey Rebellion** was a test of the new federal government's power. President Washington responded angrily. He sent in the militia, and the revolt was over.

★ SECTION 1 REVIEW ★

Checking for Understanding

1. Identify George Washington, John Adams, Thomas Jefferson, Alexander Hamilton, John Jay, District of Columbia.
2. Define ratification, Bill of Rights, cabinet, unconstitutional, national debt, excise tax, tariff.
3. What were some challenges facing the United States when George Washington became the first President?
4. What did Hamilton see as the duties of the Bank of the United States?

Critical Thinking

5. **Recognizing Points of View** Why did Hamilton believe that the federal government should pay the states' war debts as well as its own? Why did some states object?

ACTIVITY

6. Put yourself in the place of President Washington choosing his first cabinet members. Write a Help Wanted advertisement for one of these official positions: chief justice, secretary of the treasury, secretary of state.

SECTION 2

Dealing With Other Nations

SETTING THE SCENE

Read to Learn . . .

- ★ why the United States tried to remain neutral in European wars.
- ★ how the Jay Treaty with Britain affected the new nation.
- ★ why Washington decided not to seek a third term as President.

Terms to Know

- ★ tribute
- ★ neutral
- ★ impress

People to Meet

- ★ John Jay
- ★ Thomas Pinckney

Places to Locate

- ★ Appalachian Mountains
- ★ Northwest Territory
- ★ Mediterranean Sea
- ★ Barbary Coast



◀ HOOKED RUG, 1790s

As a newcomer to world politics, the United States in the 1790s was weak compared with the powerful European nations—Great Britain, France, and Spain. The United States had only a small army and no navy. It had to work hard to gain the respect of other countries.

★ Challenges From Other Nations

The United States was not yet strong enough to risk getting involved in world conflicts. It found other ways to settle disputes with the nations that challenged it both in North America and overseas.

Conflicts in the Northwest Territory

The Treaty of Paris in 1783 was supposed to settle arguments about the land west of the **Appalachian Mountains**. On paper this land belonged to the United States. The British had agreed to leave their forts in the **Northwest Territory**—a region bounded by the Ohio River, the Great Lakes, and the Mississippi River—and stop trading with Native Americans.

In the 1790s, however, Great Britain still had forts in the Ohio Valley and Great Lakes region. They continued to trade with their Native American allies and stir them up against settlers. As American settlers moved West, Native Americans attempted



Picturing History

▲ **TREATY OF GREENVILLE** After the loss at the Battle of Fallen Timbers, the Shawnee lost any hope of keeping their land. **Who led the Shawnee at the Battle of Fallen Timbers?**

to defend their lands. With weapons and encouragement from the British, the Miami and other groups attacked American frontier settlements in the Ohio Valley, driving some settlers away.

President Washington hoped to end the bloodshed. In 1790 and 1791, Washington sent troops into the Northwest Territory. The federal troops were badly defeated by Native Americans led by Miami Chief Little Turtle. An alliance of the Miami, Shawnee, and Delaware continued to resist the takeover of their lands.

As the violence spread, Washington ordered the governor of the Northwest Territory, General Arthur St. Clair, to the region with a huge American army to defeat the Native Americans. St. Clair moved north from Cincinnati and into Native American territory. His army, badly weakened by disease and desertion, was attacked in November 1791 near the present-day Ohio-Indiana border. Only 500 American soldiers survived one of the worst defeats in American military history.

The Native Americans demanded that all settlers north of the Ohio River leave the territory. Washington sent another army headed by Anthony Wayne, a former Revolutionary War general, to challenge their

demands. In August 1794, Wayne's army defeated 800 Native Americans under Shawnee Chief Blue Jacket at the **Battle of Fallen Timbers** (near present-day Toledo). The Battle of Fallen Timbers crushed the Native Americans' hopes of keeping their land. In the **Treaty of Greenville** (1795), the Native Americans agreed to surrender most of the land in present-day Ohio.

Spain Controls the Mississippi

Spain held the Louisiana Territory, located west of the Mississippi River. Spain had gained this territory during the French and Indian War. For years Spain and the United States had argued about boundaries and Americans' right to use the Mississippi River and the port of New Orleans for trade. This route was especially important for people living west of the Appalachians. They shipped their crops by flatboat down the Ohio and Mississippi Rivers. Spanish officials often made trouble for foreigners in Louisiana.

Pirates in the Mediterranean

Americans trading abroad met a different enemy. In the **Mediterranean Sea**, traders faced pirates from the states of the **Barbary Coast** of North Africa—Morocco, Algiers, Tunis, and Tripoli. Pirates stole cargoes, seized American ships, and imprisoned American sailors. The Barbary pirates ignored the protests of the United States, knowing it was powerless without a navy. To sail safely, the United States had to pay tribute, or protection money, to local rulers.

★ Choosing Neutrality

The most serious challenge from abroad came with the beginning of the French Revolution. In 1789 many French people rebelled against the high taxes and oppressive rule of the monarchy and set up a republic. Over several years of

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bloody fighting, the king and queen of France and many aristocrats were arrested and beheaded on the guillotine.

Monarchs in other European countries worried that the fight for liberty and equality in France might spill over into their countries. In 1793 Great Britain and several other nations went to war against the revolutionary government of France.

France now called on the United States to abide by the Treaty of Alliance of 1778. According to this treaty, the two nations would provide aid to each other in war. President Washington, however, wanted the United States to stay neutral, or not take sides. He believed the country was not prepared to go to war. In particular, he did not want to challenge the British navy. He sought the advice of his two chief cabinet officers, Thomas Jefferson and Alexander Hamilton.

Hamilton and Jefferson Disagree

As they did on many other issues, Hamilton and Jefferson disagreed on a policy toward France. Hamilton supported Washington's decision for a number of reasons. Like many other Americans, he was horrified when the French Revolution turned to violence and bloodshed. For practical reasons, too, Hamilton believed that the United States should stay on good terms with Great Britain. After all, three-fourths of America's trade was with Britain. Tariffs on British goods brought in a great deal of money. Besides, the British had asked only for neutrality, not help.

Jefferson thought the Treaty of Alliance with France was still binding. Jefferson believed in the democratic ideals of the revolution in France. He and many Americans supported the French revolutionaries who were demanding the same rights that Americans had won a few years earlier. He believed that an alliance with France gave the United States more power to bargain with Great Britain.

Washington Makes a Decision

Washington decided to recognize the new French Republic. He explained to the French, however, that the 1778 treaty had been made with King Louis XVI, who had been executed. The United States had no treaty with the new French government. In April 1793, Washington issued a **Proclamation of Neutrality**, stating that the United States would continue to trade with both France and Great Britain. He declared that the United States would be "friendly and impartial." He warned that Americans who helped either side would be denied the protection of the government and would be subject to punishment.

The Genet Affair

Many Americans, however, still felt sympathy for the French revolutionaries. They welcomed a French diplomat, Edmond Genet (zhuh•NAY), who came seeking financial help. Although he won much popular support, Genet went too far. He plotted to ignore Washington's neutrality order and equip ships to fight the British. This put Washington's neutrality proclamation to the test.

Challenges to Neutrality

As Genet had shown, staying neutral was not easy. When Americans tried to trade with both Great Britain and France, the result was an undeclared war at sea. Both the French and the British seized hundreds of American ships. The powerful British navy, however, caused the most harm to American merchant shipping.

Late in 1793 the British government passed a series of rules limiting the rights of neutral ships at sea. The British ships not only stopped and seized American ships, they also impressed, or kidnapped, American sailors to serve in the British navy. The British claimed that these sailors were really British citizens who had "jumped ship," or moved to America from Britain.

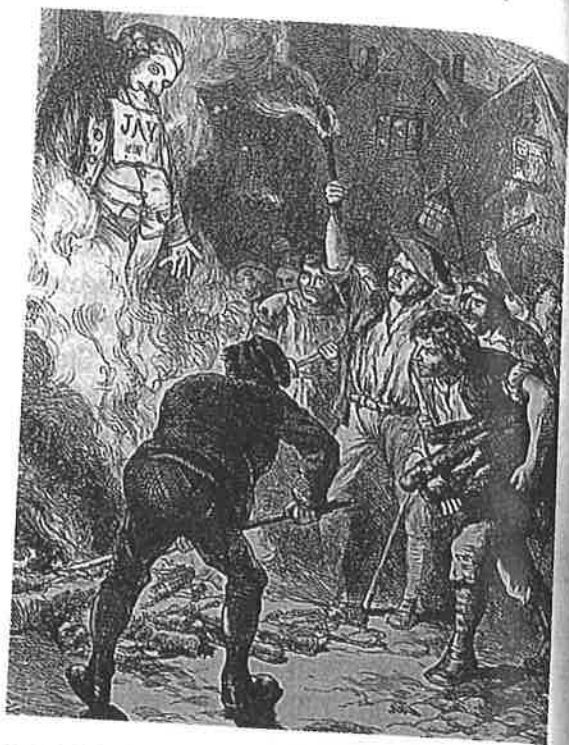
★ Agreement With Great Britain

The President's principal advisers, Jefferson and Hamilton, again disagreed on how to act toward Britain. Jefferson advised a ban, or embargo, on imports of British goods, but Hamilton said that such a ban would hurt the American economy as well. Instead, he suggested that Washington send a peace mission to London to meet with British officials. Chief Justice John Jay led the mission.

Although Great Britain was far more powerful than the United States, British officials were willing to listen to Jay's proposals. They did not want to lose American trade or see the United States allied with France. Great Britain's former colonies were still its most profitable market. As a result, they agreed to a treaty.

The Jay Treaty, signed late in 1794, dealt with several troublesome issues. Britain agreed to withdraw from its forts in the Northwest Territory. It also allowed American merchant ships to trade in the British West Indies. Commissions were to settle the disputed boundaries between Canada and the United States. The United States agreed to see that private debts would be repaid.

The Jay Treaty disappointed many Americans. The British had not promised to stop seizing American ships or kidnapping American sailors. Many people were



Picturing History

▲ **OUTRAGE OVER THE JAY TREATY** Americans symbolically burned Chief Justice John Jay because his treaty did not stop the seizing of American ships by Great Britain. **What effect did the Jay Treaty have on the relationship between the United States and Spain?**

also upset at the idea of paying debts to Britain for the American Revolution.

Washington agreed to the treaty and asked the Senate to ratify it. The treaty passed by a slim margin and provided peace. This gave the young nation time to become stronger and more prosperous.

Footnotes to History

The "First President" The first person to be addressed "President of the United States" was not George Washington. In 1781 Maryland finally ratified the Articles of Confederation, and the union among the 13 states went into effect. John Hanson, the man who signed the Articles for Maryland, was immediately elected president of the assembly. His formal title was President of the United States in Congress Assembled.

When Washington won his great victory at Yorktown during the American Revolution, Hanson sent him a letter to congratulate him. Washington wrote back to Hanson, addressing his letter to the President of the United States. There was no executive branch under the Articles. Hanson's position was comparable to that of the speaker of the House today.

★ Agreement With Spain

The Jay Treaty caused Spain to rethink its foreign policy with the United States. Spanish leaders now realized that the United States and Great Britain might work together against the Spanish Empire in North America.

This alarmed Spanish leaders and led them to make a treaty with the American envoy, **Thomas Pinckney**, in October 1795. According to Pinckney's Treaty, American ships were allowed to use the lower Mississippi and to trade through the port of New Orleans. Spain recognized the 31st parallel as the southern boundary of the United States and the Mississippi River as the western boundary.

★ Washington Leaves Office

During Washington's two terms of office, he established a firm foundation for the new national government. He made the presidency a stronger office than had been expected. By deciding not to seek reelection in 1796, he set a standard. Until 1941 no American President served more than two terms.

Many people encouraged Washington to seek another term, but he was tired of public office. In his mid-sixties, he wanted to retire to his estate at Mount Vernon.

Washington's Farewell Address

As was his time in office, the words of Washington's Farewell Address were a guide to future leaders. He urged them to be independent in dealing with other nations:

“The great rule of conduct for us, in regard to foreign Nations, is . . . to have with them as little Political connection as possible. . . .

'Tis our true policy to steer clear of permanent alliances, with any portion of the foreign world;—so far, I mean, as we are now at liberty to do it. . . .

Washington cautioned the nation to guard against threats to its unity. In his address, Washington warned against the development of divisive political parties and rivalries between the Northern and Southern interests in the country.

★ SECTION 2 REVIEW ★

Checking for Understanding

1. Identify John Jay, Thomas Pinckney, Appalachian Mountains, Northwest Territory, Mediterranean Sea, Barbary Coast.
2. Define tribute, neutral, impress.
3. What other powers in North America were a challenge to the United States in the 1790s?
4. How did the French Revolution affect American foreign affairs?
5. What troublesome issues did the Jay Treaty deal with?

Critical Thinking

6. **Drawing Conclusions** Why did Washington warn against making alliances with foreign nations? What characteristics of the United States in the 1790s would make this good advice?

ACTIVITY

7. Make a map showing possible trade routes that might take American ships along the Barbary Coast. Label the nations of Morocco, Algiers, Tunis, and Tripoli.

SECTION 3

Political Parties Develop

SETTING THE SCENE

Read to Learn . . .

- ★ what caused political parties to form in the United States.
- ★ who were the leaders of the first political parties.
- ★ what issues were important in the election of 1796.

Terms to Know

- ★ Federalists
- ★ Democratic-Republicans
- ★ political party
- ★ loose construction
- ★ strict construction
- ★ caucus

People to Meet

- ★ John Fenno
- ★ Philip Freneau
- ★ Thomas Pinckney
- ★ Aaron Burr



▲ WASHINGTON BANNER

When George Washington took office for his first term, the country had no political parties. By the end of his second term that had changed. He worried that the nation's unity would be threatened by leaders with differing views. He feared that these differences would split the nation.

Washington had reason to worry. He had seen his closest advisers, Alexander Hamilton and Thomas Jefferson, disagree so bitterly about government policies that both had resigned from the cabinet. They were brilliant leaders who had the support of many citizens who held the same beliefs and viewpoints.

★ Dividing Into Parties

On most issues, Hamilton and Jefferson disagreed too sharply for any kind of compromise. Even before Washington's second term ended, their followers had split to form two groups. The group led by Hamilton, which supported most of the decisions made by the government, were known as Federalists. Jefferson and James Madison led an opposition group known as the Democratic-Republicans (sometimes called Republicans, but not related to the modern Republican party).

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The two parties reflected their leaders' personalities in many ways. Hamilton was sharp, focused, and ambitious, an active political leader. Jefferson, more a country gentleman, appeared more relaxed, although his mind was constantly working on new ideas. He expressed his democratic ideals but tried to avoid actual politics.

The First Parties

The Federalists and the Democratic-Republicans were the nation's first political parties. A political party is a group of people with similar ideas and beliefs about government. The members of a political party usually agree on the way to run the government and on the policies that should be carried out. Members of political parties work together to get their leaders elected and to influence government decisions.

The Constitution made no provisions for political parties. The authors of the Constitution actually had hoped that political parties would not form. They did not like what they saw as the results of political parties in other countries. During the fight over ratification of the Constitution,

those who favored a central government—all the new national leaders—were known as Federalists.

★ Conflicting Party Viewpoints

The Framers of the Constitution shared many of the same ideas and beliefs about government. Still, they had to make some compromises over issues that seriously divided them. Conflict over some of these issues later returned to destroy the unity of the country.

Differing Views

As you have read, Hamilton, rather than Jefferson, influenced many of President Washington's decisions. Like Hamilton, Washington wanted to ensure the strength of the central government. Jefferson, on the other hand, wanted a weak central government. Even though Washington tried to stand apart from opposing groups and be a symbol of national unity, he was thought of as a Federalist.

Trying to keep a balance, however, Washington had tried to get the two men

Differences Between the First Political Parties

Federalists

Leader:
Alexander Hamilton

Favored:

- Rule by the wealthy and educated class
- Strong federal government
- Emphasis on manufactured products
- Loose interpretation of Constitution
- Pro-British, anti-French positions
- National bank
- Protective tariffs

Democratic-Republicans

Leader:
Thomas Jefferson

Favored:

- Rule by the people
- Strong state governments
- Emphasis on agricultural products
- Strict interpretation of the Constitution
- Pro-French, anti-British positions
- State banks
- Free trade



Chart Study

Hamilton and Jefferson represented the beliefs of opposition parties. Which leader would have encouraged trade with France?

Linking Past and Present

Japanese Imports

Using products made in Japan is nothing new for Americans. Two hundred years ago, however, the imports were not electronic chips or luxury cars.

▶ LACQUER PLATE



Then

Lacquer Boxes and Woven Mats

For most of the 1700s, Japan was largely closed to traders from the West. Yet in May of 1799, Captain James Devereaux brought his ship *Franklin* back to Boston from a voyage to the Dutch East Indies and Japan. Landing in Japan had not been on the captain's original schedule, but he was given a chance to make a run into Nagasaki harbor. There he traded sugar, tin, elephant tusks, cotton goods, pepper,

and cloves for shiny lacquer boxes and trays, Japanese mats, and pans.

Now

Cameras and Cars

Today the United States is Japan's main trading partner. From Japanese factories to American stores come automobiles, televisions, VCRs, stereos, cameras, and computers. Look around you. What Japanese products are part of your everyday life?



▶ JAPANESE CAR

to work out their differences. Knowing Jefferson was discontented, Washington wrote him this note:

“ I believe the views of both of you to be pure and well-meant. . . I have a great sincere esteem and regard for you both, and ardently wish that some line could be marked out by which both [of] you could walk. ”

Nevertheless, by 1793 Jefferson was so unhappy that he resigned as secretary of state. The rival groups and their points of view moved further apart.

Federalist Viewpoints

Federalists represented mainly the interests of the gentry—wealthy Americans such as manufacturers, bankers, and business owners. Much of their support was in the big cities of the Northeast such as Philadelphia, New York, and Boston.

Some plantation owners in the South also agreed with Federalist views. Hamilton and his followers wanted to see the government run by wealthy, successful people. They found popular democracy a disturbing idea.

The Federalists supported a strong national government that they believed would hold the states together in a firm union. They wanted the government to support the growth of cities, trade, businesses, and industries. In foreign policy, they supported the country's chief trading partner—Great Britain.

Federalists worked to increase the power of the national government, based on what the Constitution allowed. Because the Constitution was a very general framework, however, it did not answer some specific problems. The Federalists, therefore, looked at the meaning behind the words in the Constitution and interpreted them to allow the government to do more. This is called following a loose construction of the Constitution.

The Democratic-Republican View

In contrast, the Democratic-Republicans favored the interests of artisans, shopkeepers, and small farmers. The party drew much of its support from the South. Jefferson and other members of the party believed in the ability of ordinary people to govern themselves. He wanted power to be shared by all the people, not limited to a small, select group.

The United States in the 1790s was overwhelmingly a farming nation. Small farmers made up about 90 percent of the population. Jefferson loved the country and believed that farm families who owned and worked their land were the nation's strength. According to Jefferson, "Those who labour in the earth are the chosen people of God." He wanted to establish a system of public education to help farmers better understand and defend their rights and freedoms.

Jefferson took a dim view of the growth of cities and manufacturing—the opposite of the Federalists' support for them. Like many people in rural areas, he saw cities as evil. "The mobs of great cities," he said, "add so much to the support of pure government, as sores do to the strength of the human body."

In foreign policy, the Democratic-Republicans supported the new French Republic rather than Great Britain. They looked on France as an ally.

Rather than work for a strong central government, Democratic-Republicans worked to increase the power and independence of state governments. They believed in limiting the authority of the federal government to the powers specifically granted to it in the Constitution. This is called a strict construction of the Constitution.

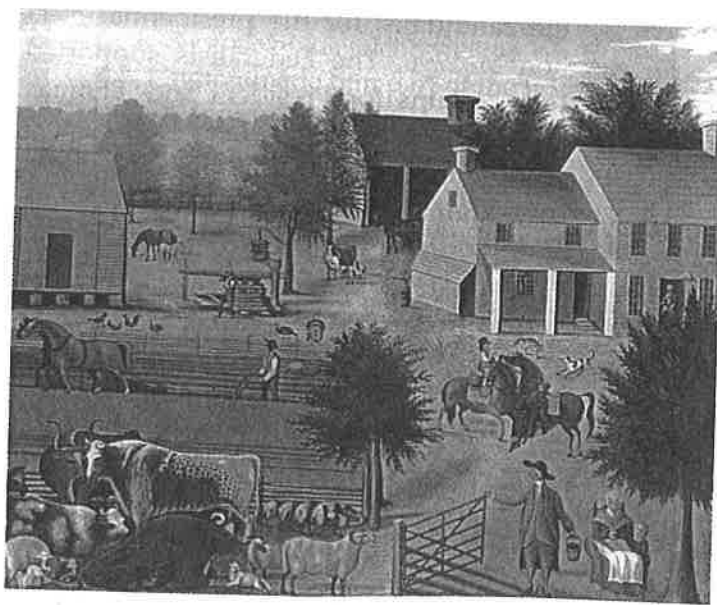
The Political Press Widens the Gap

Since colonial times, American newspapers had been very political. In the 1790s the number of newspapers more than

doubled, drawing still more readers. The new political parties quickly sponsored newspapers that followed their viewpoints. Both Jefferson and Hamilton probably wrote anonymously for their respective papers, even though both were still in the government.

The Federalists' newspaper for shaping public opinion was the *Gazette of the United States*. Its editor and publisher was **John Fenno**. The *Gazette* praised the decisions of Washington's administration, many of which followed Hamilton's advice.

In 1791, Jefferson and Madison chose the poet **Philip Freneau** to start a rival newspaper, the *National Gazette*. Many articles and editorials in the paper criticized Washington's administration. Freneau was a skillful writer who attacked Hamilton in print as an enemy of true republican government while praising Jefferson as "that illustrious Patriot, Statesman, and Philosopher."



History
AND
ART

▲ **THE RESIDENCE OF DAVID TWINNING** by Edward Hicks, 1787 Jefferson and the Democratic-Republicans believed that farming families and ordinary people were the strength of the United States. **What percentage of the population were farmers in the 1790s?**

Throughout 1793 Hamilton and Jefferson and their supporters engaged in a nasty battle of words in the two newspapers, calling each other names and accusing the other of all kinds of dishonorable actions that were harmful to the nation. Writing under the pen name "T.L.," Hamilton accused Jefferson of encouraging division in the United States, "which, unless soon checked, may involve the country in all the horrors of anarchy."

★ Politics Dominate the Election of 1796

The rivalries between the Federalists and the Democratic-Republicans spread into Congress. Both parties tried to gain control of Congress. During Washington's second term, the Democratic-Republicans won a majority of seats in the House of Representatives.

For the first time, political parties chose the candidates for the presidential election of 1796. The Federalists supported **John Adams** for President and **Thomas Pinckney** for Vice President. The Democratic-Republican candidate for President was **Thomas Jefferson**. Their candidate

for Vice President was **Aaron Burr**, a well-known lawyer who was a senator from New York.

Party Caucus

The four candidates were chosen by each political party at a caucus, or private meeting, held by congressional leaders. Because the Constitution did not mention political parties or ways of nominating candidates for President, party leaders developed the caucus.

The Constitution provided that the presidency and vice presidency would go to the two candidates with the highest number of electoral votes. Each elector voted for two candidates, without specifying which was for President or which was for Vice President. In 1796 this brought political rivals together in office.

When the electoral votes were counted, the Federalist candidate John Adams received the highest number of votes—71. Jefferson, the Democratic-Republican leader, received the second-highest number of votes—68. This meant that the President and Vice President came from opposing political parties. Would this bring balance to the executive branch and unite the two parties? Or would the differences between the two parties grow wider?

★ SECTION 3 REVIEW ★

Checking for Understanding

1. Identify John Ferri, Philip Freneau, Thomas Pinckney, Aaron Burr.
2. Define Federalists, Democratic-Republicans, political party, loose construction, strict construction, caucus.
3. What were the major differences between the Federalist and Democratic-Republican parties?
4. What was the outcome of the presidential election of 1796?

Critical Thinking

5. Identifying Alternatives Why did political parties form in the United States? Could they have been avoided?

ACTIVITY

6. Create a political cartoon that reflects the views of the editor of either the *National Gazette*, which supported Jefferson and the Democratic-Republicans, or the *Gazette of the United States*, which supported Hamilton and the Federalists.

SECTION 4

***** Troubled Times for John Adams *****

SETTING THE SCENE

Read to Learn . . .

- ★ how problems with France divided the nation.
- ★ what laws the Federalists passed to hurt the Democratic-Republicans.
- ★ how the Federalist party lost power.

Terms to Know

- ★ XYZ Affair
- ★ alien
- ★ deport
- ★ sedition
- ★ nullify
- ★ states' rights

People to Meet

- ★ John Adams
- ★ Charles C. Pinckney
- ★ Charles Maurice de Talleyrand
- ★ Abigail Adams

Places to Locate

- ★ Washington, D.C.



◀ JOHN ADAMS

The first election dominated by political parties had a strange outcome—the President and Vice President belonged to different parties. The division between their points of view, complicated by problems with France, would make President John Adams's term in office a stormy time for the country.

★ Adams in Office

Adams had served the American colonies and the United States in many ways before he became President. One of

Massachusetts's most active Patriots, he later became ambassador to France, to the Netherlands, and to Great Britain. He helped to negotiate the Treaty of Paris with the British in 1783 that ended the Revolution.

In the first presidential election in the United States, Adams became Washington's Vice President. He described that post as "the most insignificant office that ever the invention of man contrived. . . ." Still, as a dedicated Federalist, he backed the policies followed by Washington and Hamilton. Adams was a testy, stubborn

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man whose personality may have kept him from getting the respect he deserved.

Problems With France

As the United States tried to stay neutral during Washington's second term, relations with France grew worse. The French were unhappy with the Jay Treaty, which protected trade with Great Britain. French ships stopped American ships in the Caribbean and seized their cargoes. The French also tried to influence the 1796 election in favor of Jefferson, who sympathized with France.

When Adams began his presidency, anti-French feelings ran high. Americans were furious that the French were interfering with both trade and politics. Adams knew this might be his biggest challenge. Early in 1797, he wrote to Henry Knox, former secretary of war:

“ I have it much at heart to settle all disputes with France, and nothing shall be wanting on my part to accomplish it, excepting a violation of our faith and a sacrifice of our honor. But old as I am, war is, even to me, less dreadful than iniquity [wickedness] or deserved disgrace. ”

To avoid war with France, Adams sent a three-person peace commission to Paris.

The diplomats were prominent political figures—John Marshall, Charles C. Pinckney, and Elbridge Gerry.

The meeting with the French, however, made relations even worse. The French foreign minister, Charles Maurice de Talleyrand, sent three agents to meet with the Americans. The French agents offered the Americans a treaty with France—at a price. The French agents demanded that a bribe of \$250,000 and a loan of about \$10 million be paid to Talleyrand. Outraged at being asked for a bribe, Pinckney replied, “No! Not a sixpence!”

The XYZ Affair

The event soon became public, with the French agents known only as X, Y, and Z. The so-called XYZ Affair made many people even angrier with France, bringing the two countries closer to war. A popular slogan was “Millions for defense, but not one cent for tribute!”

Congress quickly voted to enlarge the United States army and navy. Soon American warships were waging an undeclared naval war with France.

Winning the Peace

The XYZ Affair forced President Adams to seriously consider asking Congress to declare war on France to preserve American honor. He angrily blamed not only the French but also Americans who showed “unqualified devotion to the

Footnotes to History

Not One Cent for Tribute? For many years Americans took pride in their popular slogan, “Millions for defense, but not one cent for tribute.” Historically, however, the statement was not really true. In the early years of the Republic, the United States often paid tribute to other countries to avoid war. In 1786 the United States gave \$10,000 to Morocco, in 1795 it began giving a yearly tribute of \$21,600 to Algiers. In 1805 the United States paid Tripoli \$60,000 for the return of captured American citizens. As you will learn in Chapter 11, the United States eventually went to war to end this practice.



Picturing History

▲ **THE XYZ AFFAIR** This political cartoon shows Americans resisting threats and demands for money from French officials. **What did the French agents demand in return for a treaty with France?**

French Republic.” This accusation, of course, was aimed at Jefferson and the Democratic-Republicans.

Before publicly asking Congress to declare war, Adams decided to wait. He hoped that either France would negotiate or the American people would unite against France. Soon Talleyrand did want to meet again with American diplomats. France’s new leader, **Napoleon Bonaparte**, was at war with Britain and did not want the United States as an enemy too.

Adams once again sent an American peace commission. In the **Convention of 1800**, France and the United States agreed on terms for peace.

Losing Federalist Support

Many historians consider that making peace with France was Adams’s greatest achievement as President. At the time, though, many Federalists were angry

about the treaty. They vigorously opposed friendship with France. Many were eager for war as a way to strengthen the federal government. Hamilton himself hoped to lead the army. Making peace divided the Federalists and lost Adams the support of his own party. Adams, however, was very proud of his accomplishment. He wrote that he wanted the following words on his gravestone: “Here lies John Adams who took upon himself the responsibility of the peace with France in the year 1800.”

★ **Alien and Sedition Acts**

Beginning in 1798, the Federalist-controlled Congress passed four laws that stirred up a storm of debate. The new laws were aimed at stopping the growth of the Democratic-Republican party. Three of the laws, known collectively as the Alien Acts, were supposedly to protect the country from aliens, or foreigners living in the United States.

The **Naturalization Act** increased the time required to become a United States citizen from 5 to 14 years. Federalists wanted to make citizenship more difficult for newcomers. Most new immigrants coming from France and Ireland joined the Democratic-Republican party.

The **Alien Act** gave the President power to imprison or deport—send out of the country—any foreigner. This applied to people from both friendly and enemy nations, if they were considered dangerous. The Federalists hoped this law would silence the French refugees who opposed Federalist calls for war.

The **Alien Enemies Act** allowed the United States government to arrest and deport all aliens who were citizens of foreign nations at war with the United States.

The final law in this group was the **Sedition Act**. Sedition means to act or speak out against the government in a way that causes unrest. This law made it a

crime to speak or write critically about the President, members of Congress, the federal government, or federal laws. Its purpose was to silence criticism.

Under the Sedition Act, about 25 Democratic-Republican newspaper editors and others were arrested and 10 were convicted for printing criticisms of President Adams. No aliens were ever deported under these laws. The Alien and Sedition acts brought a quick, angry response from Jefferson and other Democratic-Republicans.

Madison and Jefferson Respond

To Jefferson, James Madison, and others, the Sedition Act looked like a direct attack on the Bill of Rights and the liberties of Americans. It violated the First Amendment to the Constitution, which protects freedom of speech and of the press. Free speech includes the right to criticize the President and other government leaders.

To challenge the Sedition Act, Madison and Jefferson wrote two statements, or resolutions, that were approved by the state legislatures of Virginia and of Kentucky.

The Kentucky and Virginia Resolutions

The Kentucky and Virginia Resolutions of 1798 claimed that the Alien and Sedition acts could not be put into action because they were in violation of the Constitution.

Moreover, the resolutions said, the people of each state had the right to nullify, or cancel, a federal law within that state. Each state could determine whether the federal government had gone beyond its constitutional powers. It could then decide whether or not to obey such laws. This was the states' rights theory. It was one of the principles that anti-Federalists, who opposed a strong federal government, had always held.

The Federalists, believers in a strong federal government, rejected the states' rights theory. They argued that the people of the United States had formed the federal government and that only the Supreme Court could declare a law unconstitutional. No other state legislature agreed with the Kentucky and Virginia Resolutions. The resolutions, however, did raise questions about whether the states or the federal government had the final say over the constitutionality of laws.

These questions were not resolved during Jefferson's lifetime. The issue over states' rights would reappear in the 1830s.

★ Federalists Lose Power

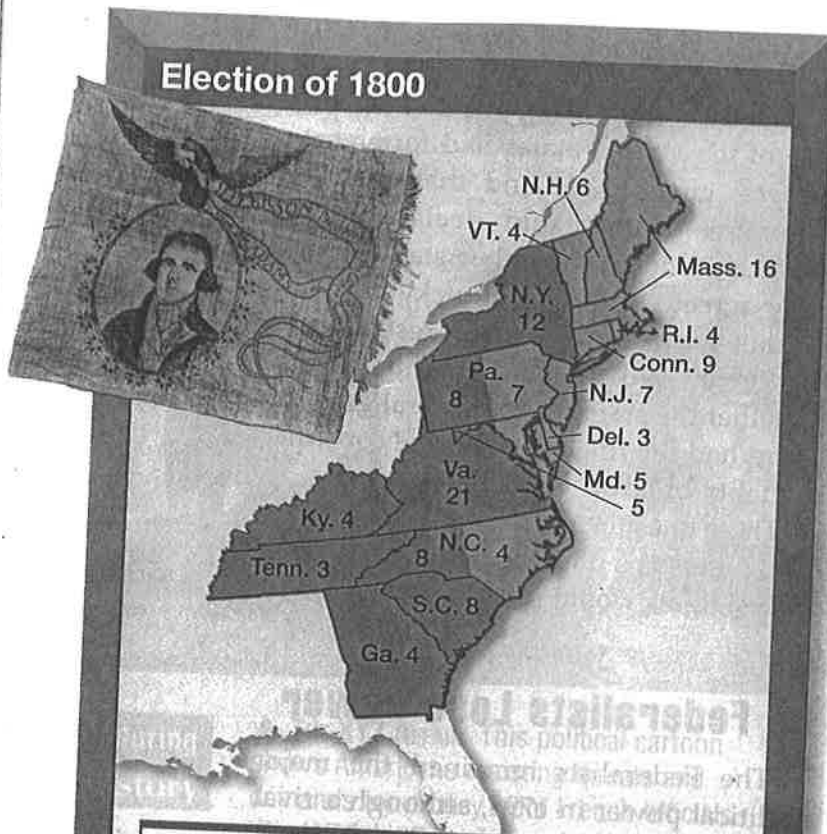
The Federalists remained the major political power in 1798, although a rival party was quickly growing. The Federalists controlled Congress and the presidency. The Sedition Act and the harsh way it was enforced, however, made the Federalists and John Adams look high-handed and tyrannical. Many people still feared the idea of a king or a government with too much power. By 1800 the Federalists had lost the support of many people.

John Adams also had other problems when he sought reelection to the presidency in 1800. His stand on making peace with France had split his own party. Hamilton and other Federalists refused to support Adams as their presidential candidate.

At the same time, Jefferson and the Democratic-Republicans were gaining support in every state. In many people's minds, Jefferson stood for more liberty and less government.

Thomas Jefferson was the obvious choice as the Democratic-Republican candidate for President. Aaron Burr, a well-known New York lawyer and former senator, was their candidate for Vice President. Burr had helped organize the

Election of 1800



Numbers on map indicate number of state's electors

Candidate	Electoral Votes	Party
Jefferson	73	Democratic-Republican
Burr	73	Democratic-Republican
Adams	35	Federalist
Pinckney	35	Federalist
Jay	7	Federalist

276 Total number of electoral votes

Map Study

Region Although the Democratic-Republicans won the election of 1800, there was no clear presidential winner. **Which three states split their electoral votes between Federalists and Democratic-Republicans?**

party in New York, where he and Hamilton had long been bitter political enemies. Jefferson mistrusted Burr, but he needed his help to win Northern votes.

★ The Election of 1800

The election of 1800 was vicious and hard-fought. Each side pictured the other

as a force that would destroy the nation. The final voting came closer than expected and produced a strange result. The Federalist candidates, John Adams and Charles C. Pinckney (brother of Thomas Pinckney), received 65 and 64 electoral votes, respectively. Both Democratic-Republican candidates (Jefferson and Burr), however, received 73 votes.

The Democratic-Republicans had won. But who was President, Jefferson or Burr? The party had meant Jefferson to be President, but the voting method did not make this clear. The ambitious Burr would not step aside, and the battle for the presidency became a personal struggle between Burr and Jefferson. According to the Constitution, the tie-breaking vote now went to the House of Representatives.

Hamilton Swings the Vote

For this vote, each state had one vote in the House. At first most Federalists voted for Burr, whom they disliked somewhat less than the hated Jefferson. Then the Federalist leader Alexander Hamilton decided to use his influence in support of Jefferson.

Despite his long history of disagreeing with Jefferson, Hamilton was more dismayed by the idea of Burr as President. He called Burr "as unprincipled and dangerous a man as any country can boast." After 35 rounds of votes, the House elected Thomas Jefferson as the third President of the United States. Burr became Vice President.

Amending the Constitution

The tie vote made it clear that the election method set down in the Constitution had flaws. To avoid another tie, the Twelfth Amendment to the Constitution was passed in 1804. This amendment calls for electors to vote on separate ballots to elect the President and the Vice President.

★ The Federalist Legacy

Along with losing the election of 1800, the Federalist party lost much of its power. Federalists, depending on strict laws and an elite group of leaders, distrusted the common people who were gaining a voice in government. The party never again gained national power.

The Federalists, nevertheless, had guided the new United States through a crucial time. They made the government work and gave it a solid financial base. They also won respect from other nations of the world. In addition, the United States had expanded with three new states—Vermont, Kentucky, and Tennessee.

Adams took one last opportunity to preserve the Federalist view of the Constitution. Until his last night in office, Adams wrote out appointments for many federal judges who would hold office for their lifetimes. The most important of these “midnight judges” was **John Marshall**, named as chief justice. Marshall led the Supreme Court from 1801 until his death in 1835. You will learn more about Adams’s midnight appointments in Chapter 11.

A New Capital

Another Federalist legacy was the new capital city, named for George Washington after his death in 1799. Bills passed by Congress created the District of Columbia, or **Washington, D.C.**, on a tract of land given by Maryland and Virginia. As President, Washington had named a commission to plan the city. Although denied the right of citizenship, **Benjamin Banneker**, a highly skilled African American scientist and mathematician, was chosen as a member.

The city plan was drawn by a French-born architect, **Pierre Charles L’Enfant**. It was to have broad avenues, a long, tree-lined mall, and impressive classical-style buildings.

Although George Washington lay the cornerstone of the United States Capitol in 1793, only one wing of the building had been finished in 1800 when Congress moved in. John and **Abigail Adams** were the first presidential family to live in the not-quite-finished President’s House, later called the White House. The rest of the city consisted of few other buildings, surrounded by woods and wilderness.

★ SECTION 4 REVIEW ★

Checking for Understanding

1. Identify John Adams, Charles C. Pinckney, Charles Maurice de Talleyrand, Abigail Adams, Washington, D.C.
2. Define XYZ Affair, alien, deport, sedition, nullify, states’ rights.
3. What incidents brought France and the United States close to war in 1797–98?
4. What four laws made up the Alien and Sedition acts?
5. How did the Federalists try to stop the growth of the Democratic-Republican party?

Critical Thinking

6. **Identifying Cause and Effect** The Federalists wanted a strong central government and healthy trade. Why would this lead them to want war with France and good relations with Britain?

ACTIVITY

7. The Sedition Act was aimed at newspapers that supported the Democratic-Republicans but had little effect on those that supported Federalists. Choose a side in this debate and make a poster advertising your newspaper.