

CHAPTER 10

Launching the New Ship of State, 1789–1800

PART I: REVIEWING THE CHAPTER

A. CHECKLIST OF LEARNING OBJECTIVES

After mastering this chapter, you should be able to

1. state why George Washington was pivotal to inaugurating the new federal government.
2. describe the methods and policies Alexander Hamilton used to put the federal government on a sound financial footing.
3. explain how the conflict between Hamilton and Jefferson led to the emergence of the first political parties.
4. describe the polarizing effects of the French Revolution on American foreign policy and politics from 1790 to 1800.
5. explain the rationale for Washington's neutrality policies, the conciliatory Jay's Treaty, and why the treaty provoked Jeffersonian outrage.
6. describe the causes of the undeclared war with France and explain Adams's decision to seek peace rather than declare war.
7. describe the poisonous political atmosphere that produced the Alien and Sedition Acts and the Kentucky and Virginia resolutions.
8. describe the contrasting membership and principles of the Hamiltonian Federalists and the Jeffersonian Republicans, and how they laid the foundations of the American political party system.

B. GLOSSARY

To build your social science vocabulary, familiarize yourself with the following terms:

1. **census** An official count of population; in the United States, the federal census occurs every ten years. "... the first official census of 1790 recorded almost 4 million people." (p. 190)
2. **public debt** The debt of a government or nation to individual creditors, also called the national debt. "... the public debt, with interest heavily in arrears, was mountainous." (p. 190)
3. **cabinet** The body of official advisers to the head of a government; in the United States, it consists of the heads of the major executive departments. "The Constitution does not mention a cabinet. . . ." (p. 191)
4. **circuit court** A court that hears cases in several designated locations rather than a single place. "The act organized . . . federal district and circuit courts. . . ." (p. 193)
5. **fiscal** Concerning public finances—expenditures and revenues. "His plan was to shape the fiscal policies of the administration. . . ." (p. 193)

6. **assumption** The appropriation or taking on of obligations not originally one's own. "The secretary made a convincing case for 'assumption.'" (p. 194)
7. **excise** A tax on the manufacture, sale, or consumption of certain products. "Hamilton . . . secured from Congress an excise tax on a few domestic items, notably whiskey." (p. 195)
8. **stock** The shares of capital ownership gained from investing in a corporate enterprise; the term also refers to the certificates representing such shares. "Stock was thrown open to public sale." (p. 196)
9. **medium of exchange** Any item, paper or otherwise, used as money. "They regarded [whiskey] as a . . . medium of exchange." (p. 196)
10. **despotism** Arbitrary or tyrannical rule. "The American people, loving liberty and deploring despotism, cheered." (p. 198)
11. **impress** To force people or property into public service without choice; conscript. "They . . . impressed scores of seamen into service on British vessels. . . ." (p. 200)
12. **assimilation** The merging of diverse cultures or peoples into one. "The drastic new law violated the traditional American policy of open-door hospitality and speedy assimilation." (p. 205)
13. **witch-hunt** An investigation carried on with much publicity, supposedly to uncover dangerous activity but actually intended to weaken the political opposition. "Anti-French hysteria played directly into the hands of witch-hunting conservatives." (p. 206)
14. **compact** An agreement or covenant between states to perform some legal act. "Both Jefferson and Madison stressed the compact theory. . . ." (p. 207)
15. **nullification** In American politics, the assertion that a state may legally invalidate a federal act deemed inconsistent with its rights or sovereignty. "[The] resolutions concluded that . . . 'nullification' was the 'rightful remedy.'" (p. 207)

PART II: CHECKING YOUR PROGRESS

A. True-False

Where the statement is true, circle T; where it is false, circle F.

1. T F One immediate concern for the new federal government was the questionable loyalty of people living in the western territories of Kentucky, Tennessee, and Ohio.
2. T F The passage of the first ten amendments to the Constitution demonstrated the Federalist determination to develop a powerful central government.
3. T F Hamilton's basic purpose in all his financial measures was to strengthen the federal government by building up a larger national debt.
4. T F Both "funding at par" of the federal debt and assumption of state debts were designed to give wealthier interests a strong stake in the success of the federal government.
5. T F Hamilton financed his large national debt by revenues from tariffs and excise taxes on products such as whiskey.
6. T F In the battle over the Bank of the United States, Jefferson favored a "loose construction" of the Constitution and Hamilton favored a "strict construction."
7. T F The first American political parties grew mainly out of the debate over Hamilton's fiscal policies and U. S. foreign policy toward Europe.

8. T F The French Revolution's radical political goals were greeted with great approval by both Jeffersonian Republicans and Federalists.
9. T F Washington's Neutrality Proclamation was based on a mistaken belief that the United States could not really compete militarily with the major world powers.
10. T F The Indians of the Miami Confederacy northwest of the Ohio River were easily defeated by U.S. forces and removed across the Mississippi.
11. T F Washington supported John Jay's unpopular treaty with Britain because he feared a disastrous war if it were rejected.
12. T F Adams decided to seek a negotiated peace with France in order to unite his party and enhance his own popularity with the public.
13. T F The Alien Laws were a conservative Federalist attempt to prevent radical French immigrants and spies from supporting the Jeffersonians and stirring up anti-British sentiment.
14. T F Jeffersonian Republicans believed that the common people were not to be trusted and had to be led by those who were wealthier and better educated.
15. T F The Jeffersonian Republicans generally sympathized with Britain in foreign policy, while the Hamiltonian Federalists sympathized with France and the French Revolution.

B. Multiple Choice

Select the best answer and circle the corresponding letter.

1. A key addition to the new federal government that had been demanded by many of the ratifying states was
 - a. a cabinet to aid the president.
 - b. a written bill of rights to guarantee liberty.
 - c. a supreme court.
 - d. federal assumption of state debts.
2. One immediate innovation not mentioned in the Constitution that was developed by George Washington's administration was
 - a. the cabinet.
 - b. the military joint chiefs of staff.
 - c. the Supreme Court.
 - d. the vice presidency.
3. The Bill of Rights is the name given to provisions whose actual form is
 - a. an executive proclamation of President George Washington.
 - b. Article II, Section 3 of the U.S. Constitution.
 - c. a set of rulings issued by the Supreme Court.
 - d. the first ten amendments to the federal Constitution.
4. Which of the following sets of rights are *not* included in the Bill of Rights?
 - a. freedom of religion, speech, and the press.
 - b. rights to freedom of education and freedom of travel.
 - c. rights to bear arms and to be tried by a jury.
 - d. rights to assemble and petition the government for redress of grievances.
5. The Ninth and Tenth Amendments partly reversed the federalist momentum of the Constitution by declaring that
 - a. the federal government had no power to restrict the action of local governments.

- b. the powers of the presidency did not extend to foreign policy.
 - c. all rights not mentioned in the federal Constitution were retained by the states or by the people themselves.
 - d. the Supreme Court had no power to rule in cases affecting property rights.
6. Hamilton's first financial policies were intended
- a. to finance the new government through the sale of western lands.
 - b. to fund the national debt and to have the federal government assume the debts owed by the states.
 - c. to repudiate the debts accumulated by the government of the Articles of Confederation.
 - d. to create a sound federal currency backed by gold.
7. The essential disagreement between Hamilton and Jefferson over the proposed Bank of the United States was
- a. whether the Constitution granted the federal government the power to establish such a bank.
 - b. whether it would be economically wise to create a single national currency.
 - c. whether the bank should be under the control of the federal government or the states.
 - d. whether such a Bank violated the Bill of Rights.
8. The first American political parties developed primarily out of
- a. the disagreement of Jefferson and his states' rights followers with Hamilton's economic policies.
 - b. the belief of the Founding Fathers that organized political opposition was a necessary part of good government.
 - c. the continuing hostility of the antifederalists to the legitimacy of the new federal Constitution.
 - d. patriotic opposition to foreign intervention in American domestic affairs.
9. The Whiskey Rebellion was most significant because
- a. it showed that American citizens would rise up against unfair taxation.
 - b. it showed that the new federal government would use force if necessary to uphold its authority.
 - c. it demonstrated the efficiency of the American military.
 - d. it showed the strength of continuing antifederalist hostility to the new constitutional government.
10. Regarding the French Revolution, most Jeffersonian Democratic-Republicans believed that
- a. the violence was regrettable but necessary.
 - b. the overthrow of the king was necessary, but the Reign of Terror went much too far.
 - c. the Revolution should be supported by American military aid.
 - d. the Revolution represented a complete distortion of American ideals of liberty.
11. Washington's foreign policy rested on the basic belief that
- a. there should be an end to European colonialism in the Americas.
 - b. it was in America's interest to stay neutral in all European wars.
 - c. America needed to adhere to its Revolutionary alliance with France.
 - d. America ought to enter the French-British war only if republican ideals were at stake.
12. The United States became involved in undeclared hostilities with France in 1797 because of
- a. fierce American opposition to the concessions of Jay's Treaty.
 - b. American anger at attempted French bribery in the XYZ Affair.
 - c. French interference with American shipping and freedom of the seas.
 - d. President Adams's sympathy with Britain and hostility to Revolutionary France.
13. The Alien and Sedition Acts were aimed primarily at
- a. the Jeffersonians and their allegedly pro-French activities and ideas.
 - b. the opponents of President Adams's peace settlement with France.

- c. Napoleon's French agents who were infiltrating the country.
 - d. the Hamiltonian Federalists and their pro-British activities and ideas.
14. In foreign policy, the Jeffersonians essentially believed that
- a. the United States should seek an international organization that could mediate great-power conflicts.
 - b. that the "Anglo-Saxon" nations of Britain and the United States shared a common language and political heritage.
 - c. the United States should turn westward, away from old Europe, and strengthen democracy at home.
 - d. that the United States should pursue an aggressively anti-colonial policy in Spanish-owned Latin America.
15. The Federalists essentially believed that
- a. most governmental power should be retained by the states.
 - b. government should provide no special aid to private enterprise.
 - c. the common people could, if educated, participate in government affairs.
 - d. there should be a strong central government controlled by the wealthy and well educated.

C. Identification

Supply the correct identification for each numbered description.

- 1. _____ The official body designated to choose the President under the new Constitution, which in 1789 unanimously elected George Washington
- 2. _____ The constitutional office into which John Adams was sworn on April 30, 1789
- 3. _____ The cabinet office in Washington's administration headed by a brilliant young West Indian immigrant who distrusted the people
- 4. _____ Alexander Hamilton's policy of paying off all federal bonds at face value in order to strengthen the national credit
- 5. _____ Hamilton's policy of having the federal government pay the financial obligations of the states
- 6. _____ The first ten amendments to the Constitution
- 7. _____ Political organizations not envisioned in the Constitution and considered dangerous to national unity by most of the Founding Fathers
- 8. _____ Political and social upheaval supported by most Americans during its moderate beginnings in 1789, but the cause of bitter divisions after it took a radical turn in 1792
- 9. _____ Agreement signed between two anti-British countries in 1778 that increasingly plagued American foreign policy in the 1790s
- 10. _____ Alliance of eight Indian nations led by Little Turtle that inflicted major defeats on American forces in the early 1790s.
- 11. _____ Document signed in 1794 whose terms favoring Britain outraged Jeffersonian Republicans
- 12. _____ The nation with which the United States fought an undeclared war from 1798 to 1800

13. _____ The political theory on which Jefferson and Madison based their antifederalist resolutions declaring that the thirteen sovereign states had created the Constitution
14. _____ The doctrine, proclaimed in the Virginia and Kentucky resolutions, that a state can block a federal law it considers unconstitutional
15. _____ The nation to which most Hamiltonian Federalists were sentimentally attached and which they favored in foreign policy

D. Matching People, Places, and Events

Match the person, place, or event in the left column with the proper description in the right column by inserting the correct letter on the blank line.

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|-----------|---------------------------------|---|
| 1. _____ | Neutrality Proclamation of 1793 | a. A protest by poor western farmers that was firmly suppressed by Washington and Hamilton's army |
| 2. _____ | Alexander Hamilton | b. Body organized by the Judiciary Act of 1789 and first headed by John Jay |
| 3. _____ | Thomas Jefferson | c. Brilliant administrator and financial wizard whose career was plagued by doubts about his character and belief in popular government |
| 4. _____ | James Madison | d. Political party that believed in the common people, no government aid for business, and a pro-French foreign policy |
| 5. _____ | Supreme Court | e. President Washington's statement of the basic principles of American foreign policy in his administration |
| 6. _____ | Funding and assumption | f. Skillful politician-scholar who drafted the Bill of Rights and moved it through the First Congress |
| 7. _____ | Bank of the United States | g. Institution established by Hamilton to create a stable currency and bitterly opposed by states' rights advocates |
| 8. _____ | Whiskey Rebellion | h. Hamilton's aggressive financial policies of paying off all federal bonds and taking on all state debts |
| 9. _____ | Federalists | i. Harsh and probably unconstitutional laws aimed at radical immigrants and Jeffersonian writers |
| 10. _____ | Republicans | j. Agreement between the United States and Miami Indians that ceded much of Ohio and Indiana while recognizing a limited sovereignty for the Miamis |
| 11. _____ | XYZ | k. Message telling America that it should |
| 12. _____ | Treaty of Greenville | |
| 13. _____ | Alien and Sedition Acts | |
| 14. _____ | Bill of Rights | |
| 15. _____ | Farewell Address | |

avoid unnecessary foreign entanglements—a reflection of the foreign policy of its author

- l. Secret code names for three French agents who attempted to extract bribes from American diplomats in 1797
- m. Washington's secretary of state and the organizer of a political party opposed to Hamilton's policies
- n. Ten constitutional amendments designed to protect American liberties
- o. Political party that believed in a strong government run by the wealthy, government aid to business, and a pro-British foreign policy

E. Putting Things in Order

Put the following events in correct order by numbering them from 1 to 5.

- 1. _____ Revolutionary turmoil in France causes the U.S. president to urge Americans to stay out of foreign quarrels.
- 2. _____ Envoys sent to make peace in France are insulted by bribe demands from three mysterious French agents.
- 3. _____ First ten amendments to the Constitution are adopted.
- 4. _____ Western farmers revolt against a Hamiltonian tax and are harshly suppressed.
- 5. _____ Jefferson organizes a political party in opposition to Hamilton's financial policies.

F. Matching Cause and Effect

Match the historical cause in the left column with the proper effect in the right column by writing the correct letter on the blank line.

Cause	Effect
1. _____ The need to gain support of wealthy groups for the federal government	a. Led to the formation of the first two American political parties
2. _____ Passage of the Bill of Rights	b. Caused the Whiskey Rebellion
3. _____ The need for federal revenues to finance Hamilton's ambitious policies	c. Led Hamilton to promote the fiscal policies of funding and assumption
4. _____ Hamilton's excise tax on western farmers' products	d. Guaranteed basic liberties and indicated some swing away from Federalist centralizing
5. _____ Clashes between Hamilton and Jefferson over fiscal policy and foreign affairs	e. Led to imposition of the first tariff in 1789 and the excise tax on whiskey in 1791
	f. Aroused Jeffersonian Republican

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|----------|--|---|
| 6. ____ | The French Revolution | outrage at the Washington administration's pro-British policies |
| 7. ____ | The danger of war with Britain | |
| 8. ____ | Jay's Treaty | g. Created bitter divisions in America between anti-Revolution Federalists and pro-Revolution Republicans |
| 9. ____ | The XYZ Affair | |
| 10. ____ | The Federalist fear of radical French immigrants | h. Caused an undeclared war with France
i. Led Washington to support Jay's Treaty
j. Caused passage of the Alien Acts |

G. Developing Historical Skills

Reading for Main Idea and Supporting Details

Any historical generalization must be backed up by supporting details and historical facts. For example, the text states that “the key figure in the new government was smooth-faced Alexander Hamilton. . .” (p. 193). This generalization is then supported by details and facts showing Hamilton's importance, such as his policy of funding and assumption, his customs and excise taxes, and his establishment of the Bank of the United States. (pp. 193–196)

List at least two supporting details or facts that support each of the following general assertions in the text.

1. “President Washington's far-visioned policy of neutrality was sorely tried by the British.” (p. 200)
2. “True to Washington's policy of steering clear of war at all costs, [President Adams] tried again to reach an agreement with the French. . . .” (p. 203)
3. “Exulting Federalists had meanwhile capitalized on the anti-French frenzy to drive through Congress in 1798 a sheaf of laws designed to reduce or gag their Jeffersonian foes.” (p. 205)
4. “Resentful Jeffersonians naturally refused to take the Alien and Sedition Laws lying down.” (p. 207)
5. “As the presidential contest of 1800 approached, the differences between Federalists and Democratic-Republicans were sharply etched.” (p. 207) (Indicate two clear differences between the parties.)