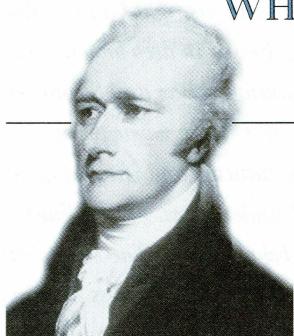




## A NEW REPUBLIC AND THE RISE OF PARTIES 1789–1800

---

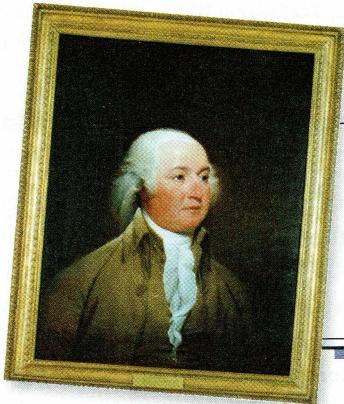
WHAT WERE the differences among the four major regions in the U.S. in 1789?



WHAT IS the Bill of Rights?



WHAT REACTION/OPPOSITION was there to Hamilton's financial policies?



WHAT WERE the first two major parties in U.S. politics, and how did their ideologies differ?



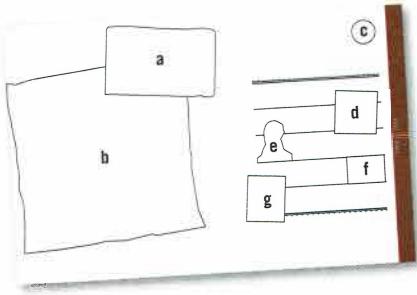
WHY WAS Adams defeated in the election of 1800?

---

1789 | 1800

## IMAGE KEY

for pages 194–195



- a. Manhattan end of the Brooklyn Ferry, c. 1790.
- b. Washington's Triumphal Entry Into New York In [1783, 1789]. A tapestry, of George Washington and his retinue riding into New York amid cheering crowds standing on a street and balconies.
- c. American political button from the 18th century.
- d. The twelve amendments submitted by the Congress of the United States in 1790 to safeguard the rights of individuals from the interference of the federal government. Ten of these articles were adopted in 1791 as the Bill of Rights - the first ten amendments of the US Constitution. This document bears the signature of John Adams, then vice president of the United States.
- e. American politician Alexander Hamilton (1757 - 1804), after service as aide de camp to George Washington during the War of Independence, wrote the majority of the federalist papers in support of acceptance of the constitution. Painting by John Trumbull (1756-1843).
- f. Congressional Pugilists: American cartoon engraving, 1798, on the fight in Congress between Roger Griswold (wielding cane) the Matthew Lyon, the most notable victim of the Sedition Act of 1798.
- g. John Adams wears a brown suit with a high folded collar over a white cravat in a framed painting by John Trumbull.

April 30, 1789

New York City

*This is the great important day. Goddess of Etiquette assist me while I describe it. . . . The President was conducted out of the middle window into the Gallery [of Federal Hall] and the Oath administered by the Chancellor [Robert R. Livingston, Chancellor of New York]. Notice that the Business was done, was communicated to the Croud by Proclamation. . . . who gave three Cheers. . . . As the Company returned into the Senate Chamber, the president took the Chair, and the Senate and representatives their Seats. He rose & all arose also and [he] addressed them [in his inaugural address]. This great Man was agitated and embarrassed more than ever he was by the levelled Cannon or pointed Musket. He trembled and, several times could scarce make out to read, tho it must be supposed he had often read it before. He put part of the fingers of his left hand, into the side, of what I think the Taylors call the fall, of his Breetches. Changing the paper into his left hand, after some time, he then did the same with some of the fingers of his right hand. When he came to the Words all the World, he made a flourish with his right hand, which left rather an ungainly impression. . . . He was dressed in deep brown, with Metal buttons, with an Eagle on them, White Stockings a Bag and Sword—from the Hall there was a grand. Procession to St. Pauls Church where prayers were said by the Bishop. The Procession was well conducted and without accident, as far as I have heard. The Militias were all under Arms. [They] lined the Street near the Church, made a good figure and behaved well. The Senate returned to their Chamber after Service, formed & took up the Address. . . . In the Evening there were grand fire Works. . . . and after this the People went to bed.*

[William Maclay]

Kenneth R. Bowling and Helen E. Veit, eds., *The Diary of William Maclay and Other Notes on Senate Debates*, March 4, 1789–March 3, 1791 (Baltimore: The Johns Hopkins University Press, 1988), pp. 11–13.

**SENATOR WILLIAM MACLAY** of Pennsylvania wrote this account of the inauguration of George Washington as the first president of the United States at Federal Hall in New York City on April 30, 1789. Born in Pennsylvania in 1737 he was selected by the Pennsylvania legislature in September 1788 as one of the state's first two U.S. senators. The Constitution had created the framework for a national government, but pressing problems demanded the fleshing out of that framework. The government urgently needed revenue to begin paying off the immense debt incurred during the Revolution. It also had to address unstable conditions in the West. Ultimately, the key to solving these and other problems was to establish the new republic's legitimacy. Washington and his supporters had to inspire popular backing for the government's right to exercise authority even though most Americans feared centralized authority.

The realities of governing would soon shatter the nonpartisan ideal that had prevailed when the Constitution was ratified. By the end of Washington's first



term, two political parties had begun to form. The Federalist party (the name came from that used by the original backers of the Constitution), which included Washington and his successor John Adams, favored a strong central government. The opposition party, the Jeffersonian Republicans, which senator Macby came to support, took shape as a result of differences over financial policy and the American response to the French Revolution. Led by Thomas Jefferson, the Republicans distrusted excessive central power.

The Federalists, who governed through 1800, showed a doubting world ruled by kings and queens that the American experiment in republican government could work. But as inheritors of a political tradition that equated parties with factions—temporary coalitions of selfish private interests—the Federalists doubted the loyalty of the Republicans. When the Federalists under President Adams attempted to suppress the Republicans, the stage was set for the critical election of 1800. Jefferson's victory in that election ended both Federalist rule and the republic's first major internal crisis.

## WASHINGTON'S AMERICA

**W**ho were the Americans whom Washington was called on to lead? There is no easy answer. In 1789, as now, Americans identified and grouped themselves according to many factors, including race, sex, class, ethnicity, religion, and degree of personal freedom. Variations in climate and soil further divided them into regions and sections. The resulting hodge-podge sorely tested the assumption that a single national government could govern Americans as a whole.

### THE UNIFORMITY OF NEW ENGLAND

The national census of 1790 counted nearly 4 million Americans, one in four of whom lived in New England. It alone of the nation's formative regions had largely shut itself off from outsiders. New England's poor soils and long, cold winters made it an impractical place to cultivate cash crops like the tobacco and rice of the South. As a result, New England farmers had little need of imported white indentured servants or black slaves. Puritan values and a harsh environment thus combined to make New England the most religiously and ethnically uniform region in the United States. Most of the people living there were descended from English immigrants who had arrived in the seventeenth century. Small pockets of Quakers, Baptists, and Catholics had gained the legal right of worship by the 1720s, but Congregationalism remained the official, state-supported religion in Connecticut and Massachusetts. Black people and Indians together barely constituted 3 percent of New England's population. The few remaining Indians lived on reservations of inferior land, which they usually left only to find work as servants or day laborers.

New Englanders found slavery incompatible with the natural rights philosophy that had emerged during the Revolution and abolished it in the 1780s. Slavery had, in any case, always been marginal in its economy. Women outnumbered men in parts of New England in 1789. This pattern—not found in other parts of the country—was the result of the pressure of an expanding population and the practice of dividing family farms among male heirs that left young men to migrate west in search of cheap, arable land. Thus by 1789, women formed a slight majority in Connecticut, Massachusetts, and Rhode Island. Yet despite their superior numbers, women in New England, as elsewhere, remained subordinate to men. Republican ideology, emphasizing the need of women to be intellectually prepared to raise virtuous, public-spirited children, led reformers in New England to seek equal access for

WHAT WERE the differences among the four major regions in the U.S. in 1789?

### QUICK REVIEW

#### New Englanders

- ♦ Most of population were descendants of seventeenth-century English immigrants.
- ♦ Congregationalism deemed official religion in Connecticut and Massachusetts.
- ♦ Women outnumbered men in some parts of the region.
- ♦ Slavery abolished in 1780s.



This painting of a young woman reading—*General Schumacker's Daughter*, by Jacob Maentel—reflects women's increasing access to education in the early years of the nation. Nearly four hundred female academies and seminaries were established between 1790 and 1830.

Jacob Maentel (American, 1778–1863). "General Schumacker's Daughter," c. 1812, pen and watercolor, sight size: 365 x 240 (14 7/16 x 9 1/2). © Board of Trustees, National Gallery of Art, Washington. Gift of Edgar William and Bernice Chrysler Garbisch

women to education. In 1789, Massachusetts became the first state to allocate funds specifically for girls' elementary education. Liberalized divorce laws in New England also allowed a woman to seek legal separation from an abusive or unfaithful spouse.

In other respects, politics in New England remained rooted in the Puritan past. Age, property, and reputation determined one's standing in a culture that valued a clearly defined social order. The moral code that governed town life promoted curbs on individual behavior for the benefit of the community as a whole. With their notions of collective liberty, New Englanders subscribed to a version of republicanism that favored strong government, setting themselves apart from most other Americans, who embraced a more individualistic idea of liberty and a republicanism suspicious of government power.

### MID-ATLANTIC PLURALISM

The states of the Mid-Atlantic region—New York, New Jersey, and Pennsylvania—were the most diverse in the nation. People of English descent comprised somewhat less than 40 percent of the population. Other major ethnic groups included the Dutch and Scots-Irish in New York and Germans and Scots-Irish in New Jersey and Pennsylvania. With ethnic diversity came religious diversity. In contrast to Puritan New England, the Middle Colonies had offered freedom of worship to attract settlers. In addition, economic opportunities for newcomers were much greater than in New England. The soil was better, the climate was milder, and market outlets for agricultural products were more abundant. These conditions made the mid-Atlantic region the nation's first breadbasket.

The demand for labor had also been met by importing African slaves. But despite its considerable strength in the port cities and adjacent rural areas, slavery was never an economically vital institution in most of the mid-Atlantic region. The region's major cash crop, wheat, required seasonal labor, which did not warrant tying up capital in slaves.

Consequently, Pennsylvania in 1780, New York in 1799, and New Jersey in 1804 each passed laws of gradual emancipation. These laws did not free adult slaves but provided that children born of a slave mother were to be freed at ages ranging between 18 and 28. Nevertheless, African Americans had to confront enduring white racism. The comments of one white New Yorker suggest what they were up against. "We may sincerely advocate the freedom of black men," he wrote, "and yet assert their moral and physical inferiority."

The diversity of the Mid-Atlantic region created a complex political environment. Some mid-Atlantic groups, including mercantile and financial leaders and commercial farmers, favored a strong central government to foster economic development and maintain traditional authority. Others, coming principally from the middle and lower classes, wanted to keep government weak so as to foster a republican equality that would promote individual freedom.

### THE SLAVE SOUTH AND ITS BACKCOUNTRY

In the South—the region from Maryland and Delaware to Georgia—climate and soil conditions favored the production of cash staples for world markets. Cultivating these crops required backbreaking labor and Southern planters relied on



the coerced labor of African slaves, whose numbers made the South the most populous region in the country. Just under 40 percent of all Southerners were slaves, but their concentration varied within each region.

The free black population in the South had grown rapidly during the 1780s. Thousands of slaves fled behind British lines to win their freedom, and patriots freed others as a reward for enlisting in their forces. The Revolutionary values of liberty and equality also led many slave owners to question the morality of slavery. Legislatures in the Upper South passed laws making it financially easier than before for masters to manumit (free) their slaves. In Virginia alone, ten thousand slaves were manumitted in the 1780s. Slavery, however, remained the foundation of the southern economy. As a result, no southern state embarked on a general program of emancipation, and slavery survived the turbulence of the Revolutionary era.

Economic conditions in the South, where the raw poverty of the backcountry offset the great wealth of the lowcountry, stamped the region's politics and culture. Tidewater planters were predominantly Anglican and of English descent. Piedmont farmers were more likely to be Scots-Irish Presbyterians and Baptists. More evangelical in their religion, and with simpler habits and tastes, the backcountry Baptists denounced the lowcountry planters for their luxury and arrogance.

Planters understood liberty to mean the power of white males, unchecked by any outside authority, to rule over others. The only acknowledged check on this power was the planter's sense of duty, his obligation to adhere to an idealized code of conduct befitting a gentleman and a man of honor. Backcountry farmers also jealously guarded their liberties.

## THE GROWING WEST

Between the Appalachian Mountains and the Mississippi River stretched the most rapidly growing region of the new nation, the West. During the 1780s, the white population of the West exploded from less than 10,000 to 200,000. The region's Native-American population was, in contrast, about 150,000.

Although Indians and white settlers struck many friendships and mutually advantageous ties, their relations were more generally marked by tension and sporadic violence. For example, when James Boone, the eldest son of the fabled Daniel Boone, who had blazed the first trail for white settlers into Kentucky, was captured, tortured, and killed by a band of Indians, a group of white settlers sought vengeance. They lured some Mingo Indians into their camp, got them drunk, and then killed and scalped them. According to one account, they strung up a pregnant Mingo woman, "sliced open her belly with a tomahawk, and impaled her unborn child on a stake." Indians had every reason to oppose the white intrusion, and they strongly resisted white claims on their lands.

Most white migrants in Kentucky and Tennessee were the young, rural poor from the seaboard slave states. The West offered them the opportunity to claim their own farms and gain economic independence free from the dominance of planters and the economic competition of slave labor. But planters also saw the West as a land of opportunity, speculating in vast tracts of western land.

Life in the Western settlements was harsh and often cruel. Mortality was high, especially among infants. Travelers from the East described settlers living in crudely built log cabins with squalid, filthy interiors infested with fleas and lice. Many were *squatters*, occupying land in the hopes of someday gaining title to it. Easterners also found an appallingly casual acceptance of violence in the West. Men commonly settled disputes in knife-slashing, eye-gouging brawls.

In Kentucky, squatters, aligned with a small class of middling landowners, spearheaded the movement for political separation from Virginia that gained



7-6

An African American Calls for an End to Slavery (1791)

## QUICK REVIEW

### Westerners

- ❖ White population of West 200,000 by end of 1780s.
- ❖ Relationship between whites and Indians tense and sometimes violent.
- ❖ Most white migrants to Kentucky and Tennessee were young, rural poor from seaboard slave states.

## MAP EXPLORATION

To explore an interactive version of this map, go to <http://www.prenhall.com/goldfield2/map8.1>



MAP 8-1

**Indian Land Cessions, 1784-1800** The persistent pressure of white settlers and the military forces of the new national government forced Native Americans to cede huge tracts of their western lands.

WHICH INDIAN peoples were most directly affected by westward expansion?



## CHRONOLOGY

<b>1789</b>	Inauguration of Washington. Congress establishes the first federal departments. French Revolution begins.	<b>1795</b>	Jay's Treaty with Britain ratified. Treaty of Greenville with Ohio Indians.
<b>1790</b>	Hamilton submits the first of his financial reports to Congress.	<b>1796</b>	Pinckney's Treaty with Spain ratified. Washington's Farewell Address. John Adams elected president.
<b>1791</b>	Bill of Rights ratified. Congress charters the Bank of the United States.	<b>1797</b>	Beginning of the Quasi-War with France.
<b>1792</b>	St. Clair's defeat along the Wabash. Re-election of Washington.	<b>1798</b>	XYZ Affair. Alien and Sedition Acts. Provisional army and direct tax. Virginia and Kentucky Resolutions.
<b>1793</b>	France goes to war against Britain, Spain, and Holland. Genêt Mission. Washington issues Proclamation of Neutrality.	<b>1799</b>	Fries's Rebellion in Pennsylvania.
<b>1794</b>	Ohio is opened with the victory of General Anthony Wayne at the Battle of Fallen Timbers. Suppression of the Whiskey Rebellion in western Pennsylvania.	<b>1800</b>	Franco-American Accord. Thomas Jefferson elected president.

statehood for the territory in 1792. But despite the statehood movement, the ultimate political allegiance of the West was uncertain in 1790. Westerners wanted the freedom to control their own affairs and outlets for their crops. Apparently, they were willing to strike a deal with any outside power including the British and the Spanish offering to meet these needs.

## FORGING A NEW GOVERNMENT

The Congress that assembled in New York from 1789 to 1791 faced a challenge scarcely less daunting than that of the Constitutional Convention of 1787. It had to give form and substance to the framework of the new national government outlined in the Constitution. Executive departments had to be established, a federal judiciary organized, sources of revenue found, terms of international trade and foreign policy worked out, and a commitment to add a bill of rights to the Constitution honored.

Staunch supporters of the new government had easily carried the first national elections in 1788 and enjoyed large majorities in both houses of Congress. These people brought superb administrative talents to the task of governing. Many, however, were clumsy politicians and unsympathetic to the egalitarian sensibilities of the electorate. By 1792, they faced growing political opposition.

### “MR. PRESIDENT” AND THE BILL OF RIGHTS

The first problem for Washington and Congress was to decide just how the chief executive of the new republic should be addressed. In a debate that tied up Congress for a month, the more democratically inclined members of the House argued that a title like “His Highness” smacked of a longing for monarchical rule; Adams and the others grudgingly agreed to accept “Mr. President.” Whatever his title, Washington was intent on surrounding the presidency in a halo of respectability and he set down guidelines for presidential etiquette. He established strict rules for his interactions with the public. He met with visitors twice a week for an hour

WHAT IS the Bill of Rights?

WHERE TO LEARN MORE



Federal Hall National Memorial,  
New York, New York  
[www.nps.gov/Feha](http://www.nps.gov/Feha)



7-5  
Opposing Visions for the New Nation (1791)

and bowed with republican deference to the people but refused to shake hands. He traveled outside New York in a luxurious coach pulled by six horses, and at all times he carried himself with stern reserve.

Meanwhile Congress got down to business. James Madison, now a representative from Virginia, early emerged as the most forceful leader in the House. To allay the fears of Antifederalists that the Constitution granted too much power to the national government, the Federalists had promised to consider amendments that protected both individual rights and liberties and the rights of states. But Madison, concerned not to have the new government immediately hobbled by concessions to states, astutely kept the focus of the amendments on personal liberties. He submitted nineteen amendments, and Congress soon settled on twelve. Ten of these amendments, known collectively as the **Bill of Rights**, were ratified by the states and became part of the Constitution as of December 15, 1791.

The Bill of Rights has been one of the most enduring legacies of the first Congress. The first eight amendments are concerned mostly with individual rights. They guarantee religious freedom, freedom of expression, and the safeguarding of individuals and their property against arbitrary legal proceedings. Only three amendments speak of state interests. Citing the necessity of a “well regulated militia” for “the security of a free State,” the Second Amendment guarantees “the right of the people to keep and bear Arms.” The Ninth and Tenth Amendments stipulate that the powers not granted to the national government in the Constitution are retained by the people and the states.

The Bill of Rights broadened the government’s base of popular support. Once Congress submitted the amendments to the states for ratification, North Carolina (1789) and Rhode Island (1790) overcame their lingering objections and joined the Union. The Bill of Rights also assured Americans that the central government would not try to impose on them a uniform national culture.

## DEPARTMENTS AND COURTS

In the summer of 1789, Congress authorized the first executive departments: the State Department for foreign affairs, the Treasury for finances, and the War Department for the nation’s defense. These departments already existed under the Articles of Confederation, and the only debate about them concerned the extent of presidential control over the officials who would head them. The Constitution was silent on whether or not the president could dismiss an official without the Senate’s consent. Congress decided that the president could do so, setting an important precedent that bolstered presidential power. Department heads would now be closely bound to the president. As a group, they would evolve into the *cabinet*, the president’s chief advisory body.

Greater controversy attended the creation of the federal judiciary. The Constitution called for “one Supreme Court” but left it up to Congress to authorize lower federal courts. The framers were deliberately vague about the federal judiciary because Antifederalists and proponents of states’ rights did not want national courts enforcing a uniform judicial system.

The **Judiciary Act of 1789** represented an artful compromise that balanced the concerns of the Antifederalists and states’ rights advocates with the concerns of nationalists who strongly opposed leaving matters of national law up to state courts. It created a hierarchical national judiciary based on thirteen federal district courts, one for each state. Appeals from these courts were to be heard in one of three circuit courts, and the Supreme Court was to have the final say in contested cases. In a major concession to the Antifederalists, however, the act limited jurisdiction in federal courts to legal issues stemming from the Constitution and the

### QUICK REVIEW

#### Amendments to the Constitution

- ◆ First eight amendments concerned with individual rights.
- ◆ Guarantees of religious freedom, freedom of expression, protection against arbitrary legal proceedings.
- ◆ Powers not granted to the national government retained by the people and the states.



**Bill of Rights** A written summary of inalienable rights and liberties.

**Judiciary Act of 1789** Act of Congress that implemented the judiciary clause of the Constitution by establishing the Supreme Court and a system of lower federal courts.



laws and treaties of the national government. The distinctive legal systems and customs of the states remained intact. State courts would continue to hear and rule on the vast majority of civil and criminal cases.

## REVENUE AND TRADE

The government's most pressing need was for revenue, and Madison acted to put the finances of the new federal government on a firm footing. Nearly everyone agreed that the government's chief source of income should be a tariff on imported goods and tonnage duties (fees based on cargo capacity) on ships entering American ports. The United States imported most of its manufactured goods, as well as many raw materials, and foreign-owned ships accounted for nearly half of entering tonnage.

The **Tariff Act of 1789** levied a duty of 5 percent on most imported goods but imposed tariffs as high as 50 percent on items such as steel, salt, cloth, and tobacco. The debate on the Tariff Act provoked some sectional sparring. In general, manufacturers, who were concentrated in the North, wanted high tariffs for protection against foreign competition. In contrast, farmers and southern planters wanted low tariffs to keep down the cost of the manufactured goods they purchased.

Madison originally hoped to use tonnage duties not only to raise revenue but also to strike at foreign nations like Great Britain that had not signed a commercial treaty with the United States. The duties Madison would impose on British ships entering American ports were in effect a declaration of economic warfare against Britain, and they failed to pass Congress, defeated by an unlikely coalition of sectional interests. Southerners voted against them because they feared their result would be to give New England merchants a monopoly on the carrying trade and raise the cost of shipping tobacco to Europe. Northern merchants, presumably the beneficiaries of the duties, also opposed them, leery of disrupting their profitable trade with Britain, especially with the economic slump of the 1780s abating. The **Tonnage Act of 1789**, as finally passed, treated all foreign ships equally.

## HAMILTON AND THE PUBLIC CREDIT

The Treasury was the largest and most important new department. To its head, Alexander Hamilton of New York, fell the task of bringing order out of the nation's ramshackle finances. The basic problem was the huge debt left over from the Revolution. With interest going unpaid, the debt was growing, and by 1789, it had reached \$52 million.

More than any other individual, Hamilton imparted energy and purpose to the Washington administration. Coming from humble beginnings, he was ambitious, egotistical, and overbearing. When he spoke of the people, he usually did so with a sneer. But he also had a brilliant financial mind and a sweeping vision of national greatness. He was convinced that the economic self-interests of the wealthy and well-born offered the only sound foundation for the success of the new government.

At the request of Congress, Hamilton prepared a series of four reports on the nation's finances and economic condition. In the first, issued in January 1790, Hamilton proposed a bold plan to address the Revolutionary War debt. The federal government, he maintained, should fund the national debt at full face value. To do this, he proposed exchanging the old debt, including accrued interest, for new government bonds bearing interest at about 4 percent. In addition, Hamilton maintained that the federal government should assume the remaining war debt of the state governments. The intent of this plan was to give the nation's creditors an economic stake in the stability of the new nation.

### WHERE TO LEARN MORE

Hamilton Grange National  
Memorial, New York, New York  
[www.npd.gov/hagr/](http://www.npd.gov/hagr/)



**Tariff Act of 1789** Apart from a few selected industries, this first tariff passed by Congress was intended to raise revenue and not protect American manufacturers from foreign competition.

**Tonnage Act of 1789** Duty levied on the tonnage of incoming ships to U.S. ports; tax was higher on foreign-owned ships to favor American shippers.

In his second report, Hamilton called for an excise tax (a tax on the production, sale, or consumption of a commodity) on distilled whiskey produced within the United States to raise additional revenue for interest payments on the national debt and establish the government's authority to levy internal taxes on its citizens.

The third report recommended the chartering of a national bank, the Bank of the United States. Hamilton patterned his proposed bank after the Bank of England and intended it to meet a variety of needs. Jointly owned by the federal government and private investors, it would serve as the fiscal (financial) and depository agent of the government and make loans to businesses. Through a provision that permitted up to three-fourths of the value of bank stock to be purchased with government bonds, the bank would create a market for public securities and hence raise their value. Most important, the bank would provide the nation with a stable currency.

Hamilton's final report, issued in December 1791, recommended government actions to promote industry. Looking, as always, to the British model of economic development, he argued that the United States would never become a great power as long as it imported most of its manufactured goods. Hamilton advocated aid in the form of protective tariffs (high tariffs meant to make imported goods more expensive than domestic goods) for such industries as iron, steel, and shoe-making—which had already begun to establish themselves—and direct subsidies to assist with start-up costs for other industries. He believed that such “patronage,” as he called it, would ultimately foster interregional economic dependence.

## REACTION AND OPPOSITION

The breadth and boldness of Hamilton's program invited opposition. About half of the members of Congress owned some of the nation's debt, and nearly all of them agreed with Hamilton that it should be paid off. Some opponents, however, were concerned that Hamilton's plan was unfair. Hard times had forced most of the original holders of the debt—by and large, ordinary citizens—to sell their certificates to speculators at a fraction of their face value. Others objected on republican grounds that Hamilton had no intention of actually eliminating the government's debt. He envisioned instead a permanent debt, with the government making regular interest payments as they came due. The debt, in the form of government securities, would serve as a vital prop for the support of moneyed groups.

Opposition to Hamilton's proposal to have the federal government assume state debts reflected sectional differences. With the exception of South Carolina, the southern states had already paid back a good share of their war debts. Thus Hamilton's plan stood to benefit the northern states disproportionately.

A compromise was reached in July 1790. Southerners agreed to accept funding in its original form because, as Hamilton correctly noted, it would be impractical, if not impossible, to distinguish between the original and current holders of the national debt. Assumption passed after Hamilton cut a deal with Virginians James Madison and Thomas Jefferson. In exchange for southern support of assumption, Hamilton agreed to line up northern votes for locating the nation's permanent capital on the banks of the Potomac River, where it would be surrounded by the slave states of Maryland and Virginia.

The bank bill passed Congress on a vote that divided on sectional lines. Madison objected that the Constitution did not explicitly authorize Congress to charter a bank or any other corporation. Washington sought the cabinet's opinion, provoking the first great debate over how the Constitution should be interpreted. Thomas Jefferson, the secretary of state, sided with Madison and for the first time

### QUICK REVIEW

#### Hamilton's Reports

- ♦ Plan to address Revolutionary War debt.
- ♦ Call for an excise tax on distilled whiskey.
- ♦ Proposal to charter a national bank.
- ♦ Recommendation for government to promote industry.



openly clashed with Hamilton. Taking a strict constructionist position, he argued that all powers the Constitution had not expressly delegated to the national government were reserved to the states under the Tenth amendment. Hamilton, in a brilliant rejoinder, argued that Article 1, Section 8 of the Constitution, which declares that Congress has the right “to make all laws which shall be necessary and proper” to exercise its powers and those of the federal government, gives Congress implicit authority beyond its explicitly enumerated powers. With this broad constructionist position, he won Washington to his side.

With Washington’s signature on the bill, Hamilton’s bank was chartered for twenty years and a hefty 25 percent tax on distilled liquor was also passed. Little, however, of Hamilton’s plan to promote manufacturing survived.

## THE EMERGENCE OF PARTIES

**B**y the end of Washington’s first term, Americans were dividing into two camps. On one side stood those who still called themselves **Federalists**. These were the supporters of Hamilton’s program—speculators, creditors, merchants, manufacturers, and commercial farmers. They were the Americans most fully integrated into the market economy and were concentrated in the North. In both economic and cultural terms, the Federalists were drawn from the more privileged segments of society.

Jefferson and Madison shrewdly gave the name **Republican** to the party that formed in opposition to the Federalists, thus identifying it with individual liberties and the heritage of the Revolution. The Republicans accused Hamilton and the Federalists of attempting to impose a British system of economic privilege and social exploitation. The Republicans were committed to an agrarian America in which power remained in the hands of farmers and planters.

In 1792, parties were still in a formative stage. Washington remained aloof from the political infighting and was still seen as a great unifier. Unopposed, he was reelected in 1792. However, a series of crises in his second term deepened and broadened the incipient party divisions. By 1796, rival parties were contesting the presidency and vying for the support of an increasingly politically organized electorate. (See the overview table on the two parties. p. 207)

WHAT WERE the first two major parties in U.S. politics, and how did their ideologies differ?

## THE FRENCH REVOLUTION

The French Revolution began in 1789, and in its early phase, most Americans applauded it. By 1792, however, the Revolution had turned violent and radical. Its supporters confiscated the property of aristocrats and the church, slaughtered suspected enemies, and executed the king, Louis XVI.

These excesses touched off a bitter debate in America. Federalists drew back in horror, arguing in the Federalist *Gazette of the United States* that “The American Revolution, it ought to be repeated, was not accomplished as the French has been, by massacres, assassinations, or proscriptions.” For the Republicans, the French remained the standard-bearers of the cause of liberty for common people everywhere. Jefferson admitted that the French Revolution was tarnished by the loss of innocent lives but was convinced that its cause was just.

When the new French ambassador Edmond Genêt arrived in the United States in April 1793—just as the debate in America over the French Revolution was heating up—Franco-American relations reached a turning point. Genêt, it soon became clear, hoped to embroil the United States in the French war against the British. He commissioned American privateers to attack British shipping

**Federalists** Supporters of the Constitution who favored its ratification.

**Republican (Jeffersonian) party** Party headed by Thomas Jefferson that formed in opposition to the financial and diplomatic policies of the Federalist party; favored limiting the powers of the national government and placing the interests of farmers over those of financial and commercial groups.

## FROM THEN TO NOW

### Hamilton's Legacy and the National Debt

The debate over the national debt that figured so prominently in the rise of party politics in the 1790s has continued to echo throughout American history. The tripling of the debt in the 1980s, combined with a recession that hit during the presidency of George Bush, sharpened these debates and made the debt a major issue in the election of 1992.

Well into the twentieth century, a Jeffersonian bias against a large public debt dominated the fiscal policy of the federal government. Until 1930, government revenues usually exceeded expenditures, and the surplus was used to reduce the debt. Even so, except for a brief time in the mid-1830s during Andrew Jackson's presidency, the debt was never actually extinguished. This was because economic depressions periodically reduced government income, and wars periodically forced huge increases in expenditures, keeping the government perpetually in debt.

By 1860, the national debt was smaller than it had been when Alexander Hamilton took office as the first secretary of the treasury. To pay for the unprecedented expenses of the Civil War, however, the government borrowed funds, and by 1866, the debt had skyrocketed. The government then committed itself to lowering the debt, and, by the 1890s, when a depression ended twenty-eight consecutive years of budget surplus, it had declined by two-thirds. World War I began a similar cycle—a runup of the debt followed by a gradual reduction—until the onset of the Great Depression of the 1930s began a dramatic change in government policy toward the debt.

Under President Franklin Roosevelt's New Deal, the federal government responded to the length and severity of the depression with new relief programs that drove up outlays

while revenues plunged. In what was highly unusual for peacetime, budget deficits piled up, and the national debt rose. It was the cost of World War II, however, that sent the debt soaring. By 1946 it stood at \$271 billion, more than the entire economic output of the country. This time, after the war, the creation of surpluses to reduce the debt did not top the government agenda. On the contrary, the onset of the Cold War began an extended period of massive defense spending. At the same time, the government built on the New Deal with new spending on domestic welfare.

Many economists argue that the government's deficit spending since World War II has kept the economy healthy and helped to avert a new depression. In any case the size of the debt relative to the economy as a whole has declined since World War II—even after the runup of the 1980s—because the economy has grown faster than the debt.

Why, then, were the debt and federal deficits such potent political issues in 1992? One reason was surely that the country was just then emerging from a recession. All aspects of the economy were under intense scrutiny, as voters fearful for their jobs struggled with their own debt loads. Renewed economic growth and budgetary restraint allayed those fears by the late 1990s, when the budget was in surplus and the government was paying down some of the national debt. In the presidency of George W. Bush, however, another economic recession and the costs associated with the war on terrorism quickly converted projections of federal budgetary surpluses for the first decade of the twenty-first century into warnings of a new series of deficits. Whether this will revive concerns about the national debt that Jeffersonians first voiced in the 1790s remains to be seen.

and tried to enlist an army of frontiersmen to attack Spanish possessions in Louisiana and Florida.

The president feared that Genêt would stampede Americans into the European war, with disastrous results for the nation's finances. The bulk of America's foreign trade was with the British, and tariff duties on British imports were the main source of revenue to pay for Hamilton's assumption and funding programs. Hamilton urged Washington to declare American neutrality in the European war, maintaining that the president could commit the nation to neutrality on his own authority when Congress, as was then the case, was not in session. Jefferson, although he too wanted to avoid war, disputed Washington's power to act on his



# OVERVIEW

## FEDERALIST PARTY VERSUS REPUBLICAN PARTY

### Federalists

Favored strong central government	Wanted to limit the role of the national government
Supported Hamilton's economic program	Opposed Hamilton's economic program
Opposed the French Revolution	Generally supported the French Revolution
Supported Jay's Treaty and closer ties to Britain	Opposed Jay's Treaty and favored closer ties to France
In response to the threat of war with France, proposed and passed the Direct Tax of 1798, the Alien and Sedition Acts, and legislation to enlarge the size of the army	Opposed the Alien and Sedition Acts and the enlarged army as threats to individual liberties
Drew strongest support from New England; lost support in the mid-Atlantic region after 1798	Drew strongest support from the South and West

### Republicans

Favored strong central government	Wanted to limit the role of the national government
Supported Hamilton's economic program	Opposed Hamilton's economic program
Opposed the French Revolution	Generally supported the French Revolution
Supported Jay's Treaty and closer ties to Britain	Opposed Jay's Treaty and favored closer ties to France
In response to the threat of war with France, proposed and passed the Direct Tax of 1798, the Alien and Sedition Acts, and legislation to enlarge the size of the army	Opposed the Alien and Sedition Acts and the enlarged army as threats to individual liberties
Drew strongest support from New England; lost support in the mid-Atlantic region after 1798	Drew strongest support from the South and West

own, maintaining that the war-making powers of Congress reserved for it alone the right to issue a declaration of neutrality.

Washington accepted Hamilton's argument on his authority to declare neutrality and issued a proclamation on April 22, 1793, stating that the United States would be "friendly and impartial toward the belligerent powers."

After Genêt's visit, American politics became more open and aggressive. Pro-French enthusiasm lived on in a host of grass-roots political organizations known as the Democratic-Republican societies. As their name suggests, these societies reflected a belief that democracy and republicanism were one and the same. This was a new concept in American politics. As a letter writer to the Newark *Gazette* put it:

It must be the mechanics and farmers, or the poorer class of people (as they are generally called), that must support the freedom which they and their fathers purchased with their blood—the nobility will never do it—they will be always striving to get the reins of government into their own hands, and then they can ride the people at pleasure.

The Democratic-Republican societies attacked the Washington administration for failing to assist France, and they expressed the popular feeling that Hamilton's program favored the rich over the poor. For the first time, Washington himself was personally assailed in the press.

## SECURING THE FRONTIER

Control of the West remained an elusive goal throughout Washington's first term. Indian resistance in the Northwest Territory prevented whites from pushing north of the Ohio River. The powerful Miami Confederacy routed two ill-trained American armies in 1790 and 1791 and inflicted the worst defeat an American army ever suffered in frontier fighting.

By 1793, many western settlers felt abandoned by the national government. They believed that the government had broken a promise to protect them against Indians and foreigners. Much of the popularity of the Democratic-Republican societies in the West fed off these frustrations. Westerners also demanded free and open navigation on the Mississippi River.

WHERE TO LEARN MORE



Cincinnati Historical Society,  
Cincinnati, Ohio  
[www.cincynusam.org](http://www.cincynusam.org)



7-8  
George Washington, Farewell Address (1796)



This painting by an officer on General Wayne's staff shows Little Turtle, a Miami chief, speaking through an interpreter to General Wayne (with one hand behind his back) during the negotiations that led to the Treaty of Greenville.

Painting; P & S – 1914.0001; "The Treaty of Fort Greenville, Ohio." 1795. Artist unknown. Member of Gen. Anthony Wayne's Staff

**Treaty of Greenville** Treaty of 1795 in which Native Americans in the Old Northwest were forced to cede most of the present state of Ohio to the United States.

**Whiskey Rebellion** Armed uprising in 1794 by farmers in western Pennsylvania who attempted to prevent the collection of the excise tax on whiskey.

**Jay's Treaty** Treaty with Britain negotiated in 1794 in which the United States made major concessions to avert a war over the British seizure of American ships.

The Federalists, on the other hand, wanted submission to national authority from both the Indians and the western settlers. The War Department was reorganized, and it sent into the Ohio region a force built around veterans from the regular (or professional) army under General Anthony Wayne, a savvy, battle-hardened war hero.

On August 4, 1794, at the Battle of Fallen Timbers, near present-day Toledo, Wayne's army dealt a decisive blow to the Ohio Indians. In the **Treaty of Greenville**, signed in August 1795, twelve tribes ceded most of the present state of Ohio to the U.S. government in return for an annual payment of \$9,500. The Ohio country was now open to white settlement. (See American View: "Little Turtle Defends the Miami Lands.")

### THE WHISKEY REBELLION

Within a few months of Wayne's victory at Fallen Timbers, another American army was on the move.

The target this time was the so-called whiskey rebels of western Pennsylvania, who were openly resisting Hamilton's excise tax on whiskey. Hamilton was determined to enforce the tax and assert the supremacy of national laws. Although resistance to the tax was widespread, he singled out the Pennsylvania rebels. Washington was convinced that the Democratic-Republican societies of western Pennsylvania were behind the defiance of federal authority there and welcomed the opportunity to chastise these organizations, which he identified with the dangerous doctrines of the French Revolution.

Washington called on the governors of the mid-Atlantic states to supply militia forces to crush the **Whiskey Rebellion**. The 13,000-man army that assembled at Harrisburg and marched into western Pennsylvania in October 1794 was larger than any Washington had commanded during the Revolution. But the rebellion, as Jefferson sardonically noted, "could never be found." The army met no resistance and expended considerable effort rounding up twenty prisoners. Still, the Federalists had made their point: When its authority was openly challenged, this national government was prepared to use military force to compel obedience.

The Whiskey Rebellion starkly revealed the conflicting visions of local liberty and national order that divided Americans of the early republic. The non-English majority on the Pennsylvania frontier—Irish, Scots-Irish, German, and Welsh—justified resistance to the whiskey tax with the same republican ideology that had fueled the American Revolution. In putting down the Pennsylvania rebels, Washington and Hamilton acted on behalf of more English and cosmopolitan groups in the East who valued central power as a check on any local resistance movement that might begin unraveling the still fragile republic.

### TREATIES WITH BRITAIN AND SPAIN

Washington's government had the resources to suppress Indians and frontier dissidents but lacked sufficient armed might to push Spain and especially Britain out of the West. Meanwhile, on the high seas, the British began seizing American ships in an effort to prevent them from trading with the French. Desperate to avert a war, Washington sent John Jay, the chief justice of the United States, to London to negotiate an accord.

From the American point of view, the resulting agreement, known as **Jay's Treaty**, was flawed but acceptable. Jay had to abandon the right of the United

## ◆ AMERICAN VIEWS ◆

### LITTLE TURTLE DEFENDS THE MIAMI LANDS



*The climax of what had become a thirty-year war between Native Americans and white settlers to control the Ohio country came in 1794 with the American victory at the Battle of Fallen Timbers.*

*The most successful Indian leader in the conflict was the Miami war chief Mishikinakwa, or Little Turtle as he was known by white people. The following is from one of his speeches during the peace negotiations with the victorious Americans at Greenville, Ohio, in July, 1795.*

WHAT WAS Little Turtle's stance during the negotiations? How did Little Turtle justify the land claims of the Miamis? How would this differ from the way in which whites staked their claim to the land? How did Little Turtle explain his leadership of the Miamis and how did this differ from white notions of leadership? What might account for the divisions among the Indians that were cited by Little Turtle?

"General Wayne: I hope you will pay attention to what I now say to you. I wish to inform you where your younger brothers, the Miamies, live, and, also, the Pottawatamies of St. Joseph's together with the Wabash Indians. You have pointed out to us the boundary line between the Indians and the United States, but I now take the liberty to inform you, that the line cuts off from the Indians a large portion of country, which has been enjoyed by

my forefathers (from) time immemorial, without molestation or dispute. The print of my ancestors' houses are every where to be seen in this portion. . . . It is well known by all my brothers present, that my forefathers kindled the first fire at Detroit; from thence, he extended his lines to the head waters of Scioto; from thence; down the Ohio, to the mouth of the Wabash; and from thence to Chicago, on Lake Michigan. . . . I have now informed you of the boundaries of the Miami nation, where the Great Spirit placed my forefathers a long time ago, and charged him not to sell or part with his lands, but to preserve them for his posterity. This charge has been handed down to me. . . . I was much surprised to find that my other brothers differed so much from me on this subject for their conduct would lead one to suppose, that the Great Spirit, and their forefathers, had not given them the same charge that was give[n] to me but, on the contrary, had directed them to sell their lands to any white man who wore a hat, as soon as he should ask it of them. Now, elder brother, your younger brothers, the Miamis, have pointed out to you their country, and also to our brothers present. When I hear your remarks and proposals on this subject [of Miami lands], I will be ready to give you an answer; I came with an expectation of hearing you say good things, but I have not heard what I have expected."

*Source:* "Documents, Legislative and Executive, of the Congress of the United States, From the First Session of the First to the Third Session of the Thirteenth Congress, Inclusive: commencing March 3, 1789, and ending March 8, 1815 Vol. IV (Washington: Gales and Seaton, 1832), pp. 570–571.

States to continue trading with France without British harassment. He also had to grant Britain "most favored nation" status, giving up the American right to discriminate against British shipping and merchandise. And he had to reconfirm the American commitment that pre-Revolutionary debts owed by Americans to the British would be repaid in full. In return for these major concessions, Britain pledged to compensate American merchants for the ships and cargoes it had seized in 1793 and 1794, to abandon the six forts it still held in the American Northwest, and to grant the United States limited trading rights in India and the British West Indies. Signed in November 1794, Jay's Treaty caused an uproar in the United States when its terms became known in March 1795. Southerners saw in

it another sellout of their interests. The Senate ratified the treaty in June 1795, but only because Washington backed it.

Jay's Treaty helped convince Spain to adopt a more conciliatory attitude toward the United States. In the **Treaty of San Lorenzo** (also known as **Pinckney's Treaty**) of 1795, Spain accepted the American position on the 31st parallel as the northern boundary of Spanish Florida and granted American farmers the right of free transit through the port of New Orleans.

### THE FIRST PARTISAN ELECTION

Two terms in office were more than enough for Washington. The partisan politics that emerged during his second term—and its expression in an increasingly partisan press—disgusted him. He announced his decision to retire from public life in his Farewell Address of September 1796, less than two months before the presidential election. He intentionally delayed the announcement to minimize the time the Republicans would have to prepare for the campaign. Washington devoted most of his address to a denunciation of partisanship. He invoked the republican ideal of disinterested, independent statesmanship as the only sure and virtuous guide for the nation. He warned against any permanent foreign alliances and cautioned that the Union itself would be endangered if parties continued to be characterized “by geographical discriminations—*Northern* and *Southern*, *Atlantic* and *Western*.”

Confirming Washington’s fears, the election of 1796 was the first openly partisan election in American history. John Adams was the Federalist candidate and Thomas Jefferson the Republican candidate. Each was selected at a party caucus, a meeting of party leaders.

Adams won despite Alexander Hamilton’s interference, which inadvertently almost threw the election to Jefferson. Now a private citizen in New York, Hamilton wanted to be the power behind the throne in any new Federalist administration. Uncomfortable with Adams, he connived to have Thomas Pinckney of South Carolina, the other Federalist running with Adams, win the election. The Constitution did not originally call for electors to cast separate ballots for president and vice president. The Constitution was written with absolutely no thought of organized partisan competition for the presidency. Taking advantage of this weakness, Hamilton convinced some of the South Carolina electors to drop Adams from their ballots. He expected that with the solid support of the New England electors for both Adams and Pinckney, Pinckney would be elected president and Adams vice president. But the scheme backfired. When New Englanders learned of it, they refused to vote for Pinckney. As a result, Adams came in first with seventy-one votes, but Jefferson came in second with sixty-eight. Thanks to Hamilton, Adams entered office with his chief rival as vice president and a politically divided administration. Adams received all the northern electoral votes, with the exception of Pennsylvania’s. Jefferson was the overwhelming favorite in the South.

#### QUICK REVIEW

##### Party Politics

- ❖ Washington’s Farewell Address denounced partisanship.
- ❖ Candidates in presidential election of 1796: John Adams (Federalist), Thomas Jefferson (Republican).
- ❖ Adams won despite Hamilton’s interference.

**Treaty of San Lorenzo (Pinckney’s Treaty)** Treaty with Spain in 1795 in which Spain recognized the 31st parallel as the boundary between the United States and Spanish Florida.

**WHY WAS** Adams defeated in the election of 1800?

### THE LAST FEDERALIST ADMINISTRATION

The Adams administration got off to a rocky start from which it never recovered. Adams had been a lawyer before the Revolution; he was a veteran of both Continental Congresses, had been a diplomat in Europe for a decade, and had served as Washington’s vice president for eight years. But despite this extraordinarily rich background in public affairs, he was politically naive. Scrupulously honest but quick to take offense, he lacked the politician’s touch for inspiring per-

sonal loyalty and crafting compromises based on a realistic recognition of mutual self-interest. But putting the interests of the country before those of his party, he almost single-handedly prevented a nearly certain war with France and a possible civil war at home. The price he paid was a badly split Federalist party that refused to unite behind him when he sought reelection in 1800.

## THE FRENCH CRISIS AND THE XYZ AFFAIR

An aggressive coalition known as the Directory gained control of revolutionary France in 1795 and denounced the Jay treaty as evidence of an Anglo-American alliance against France. The French annulled the commercial treaty of 1778 with the United States; ordered the seizure of American ships carrying goods to the British; and declared that any American sailors found on British ships, including those forcibly pressed into service, would be summarily executed.

In the fall of 1797, Adams sent three commissioners to Paris in an effort to avoid war. The French treated the three with contempt. Having just conquered the Netherlands and detached Spain from its British alliance, France was in no mood to compromise. Through three intermediaries—identified by Adams only as X, Y, and Z when he informed Congress of the negotiations—the French foreign minister demanded a large bribe to initiate talks and an American loan of \$12 million.

In April 1798, the Senate published a full account of the insulting behavior of the French in what came to be called the **XYZ Affair**. The public was indignant, and war fever swept the country. By the fall of 1798, American ships were waging an undeclared war against the French in Caribbean waters, a conflict that came to be known as the **Quasi-War**. The Federalists, who had always warned against the French, enjoyed greater popularity than they ever had or ever would again. Congress acted to upgrade the navy and the army dramatically and adopted Washington's suggestion that Hamilton be appointed second in command. To pay for both the expanded army and the naval rearmament, the Federalists pushed through the Direct Tax of 1798, a levy on the value of land, slaves, and dwellings.

## CRISIS AT HOME

The thought of Hamilton in charge of a huge army convinced many Republicans that their worst nightmares were about to materialize. The Federalists then passed four laws in the summer of 1798, known collectively as the **Alien and Sedition Acts**, that confirmed the Republicans' fears. The most dangerous of the four acts in the minds of Republicans was the **Sedition Act**, a measure that made it a federal crime to engage in any combination or conspiracy against the government or to utter or print anything "false, scandalous and malicious" against the government. Federalist judges were blatantly partisan in their enforcement of the Sedition Act. Twenty-five individuals, mostly Republican editors, were indicted under the act, and ten were convicted.

Facing a Congress and a Supreme Court dominated by the Federalists, Jefferson and Madison turned to the safely Republican legislatures of Kentucky and Virginia for resolution that attacked the constitutionality of the Alien and Sedition Acts, and they produced the first significant articulation of the southern stand on **states' rights**. The resolutions—adopted in the fall of 1798—proposed a compact theory of



**With the horrors** of the French Revolution forming a backdrop, this cartoon depicts France as a five-headed monster demanding a bribe from the three Americans sent by Adams. The Federalists hoped that such anti-French sentiments would lead to an open war.

The Granger Collection, New York

### WHERE TO LEARN MORE



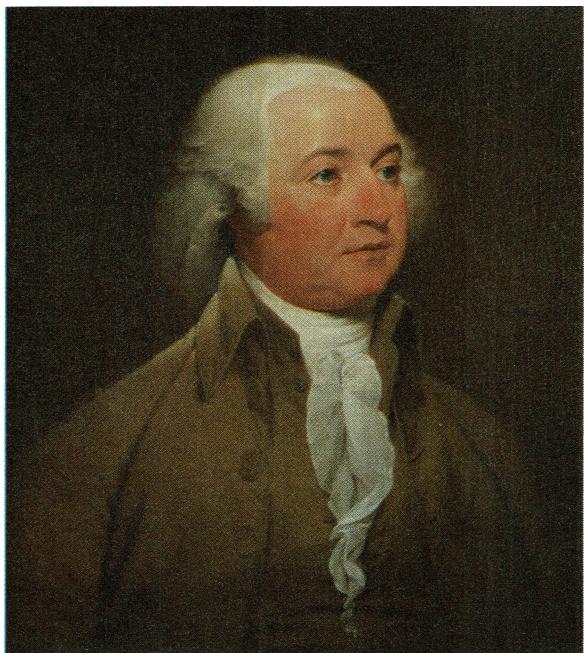
Adams National Historic Site,  
Quincy, Massachusetts  
[www.nps.gov/adam](http://www.nps.gov/adam)

**XYZ Affair** Diplomatic incident in 1798 in which Americans were outraged by the demand of the French for a bribe as a condition for negotiating with American diplomats.

**Quasi-War** Undeclared naval war of 1797 to 1800 between the United States and France.

**Alien and Sedition Acts** Collective name given to four acts passed by Congress in 1798 that curtailed freedom of speech and the liberty of foreigners resident in the United States.

**States' rights** Favoring the rights of individual states over rights claimed by the national government.



**Short and pudgy**, Adams had little of Hamilton's physical presence as a natural leader, but he had a first-rate mind and the political courage to place the nation's needs above those of his Federalist party when he peacefully ended the Quasi-War with France.

John Trumbull; White House Historical Association (White House Collection). (25)

**Nullification** A constitutional doctrine holding that a state has a legal right to declare a national law null and void within its borders.

**Franco-American Accord of 1800** Settlement reached with France that brought an end to the Quasi-War and released the United States from its 1778 alliance with France.

the Constitution. They asserted that the states had delegated specific powers to the national government for their common benefit. It followed that the states reserved the right to rule whether the national government had unconstitutionally assumed power not granted to it. If a state decided that the national government had exceeded its powers, it could "interpose" its authority to shield its citizens from a tyrannical law. In a second set of resolutions, the Kentucky legislature introduced the doctrine of **nullification**, the right of a state to render null and void a national law it deemed unconstitutional.

Jefferson and Madison hoped that these resolutions would rally voters to the Republican party as the defender of threatened American liberties, yet not a single additional state seconded them. In the end, what aroused popular rage against the Federalists was not legislation directed against aliens and subversives but the high cost of Federalist taxes.

The Direct Tax of 1798 fell on all owners of land, dwellings, or slaves and provoked widespread resentment. Enforcing it required an army of bureaucrats—more than five hundred for the state of Pennsylvania alone. In February 1799, in the heavily German southeastern counties of Pennsylvania, a group of men led by an auctioneer named

John Fries released tax evaders from prison in Bethlehem. President Adams responded to Fries's Rebellion with a show of force, but the fiercest resistance the soldiers he sent to Pennsylvania encountered was from irate farm wives, who doused them with hot water. The Federalists had now lost much of their support in Pennsylvania.

### THE END OF THE FEDERALISTS

The events in Pennsylvania reflected an air of menace that gripped the country as the campaign of 1800 approached. The army was chasing private citizens whose only crime in the eyes of many was that they were honoring their Revolutionary heritage by resisting hateful taxes. Federal soldiers also roughed up Republican voters at polling places. Southern Republicans talked in private of the possible need to resist Federalist tyranny by force and, failing in that, to secede from the Union. Hamilton and his backers, known as the High Federalists, saw in the Kentucky and Virginia resolutions "a regular conspiracy to overturn the government."

No one did more to defuse this charged atmosphere than President Adams. The Federalists depended for their popular support on the expectation of a war with France, which as late as 1798 had swept them to victory in the congressional elections. Still, Adams refrained from asking for a declaration of war. Adams recognized that war with France could trigger a civil war at home. Hamilton and the High Federalists, he feared, would use war as an excuse to crush the Republican opposition in Virginia. Fearful of Hamilton's intentions and unwilling to run the risk of militarizing the government, Adams broke with his party and decided to reopen negotiations with France in February 1799.

The **Franco-American Accord of 1800** that resulted from Adams's initiative released the United States from its 1778 alliance with France and in return the United States surrendered all claims against the French for damages done to American shipping. The prospect of peace with France deprived the Hamilton Federalists of their trump card in the election. The Republicans could no longer be branded as the traitorous friends of an enemy state. The enlarged army, with no foe to fight, became a political embarrassment, and the Federalists dismantled it. Although rumors of possible violence continued to circulate, the Republicans grew increasingly confident that they could peacefully gain control of the government.



The Federalists, hampered by party disunity, could not counter the Republicans' aggressive organizational tactics. They found it distasteful to appeal to common people. Wherever the Republicans organized, they attacked the Federalists as monarchists plotting to undo the gains of the Revolution. The Federalists responded with emotional appeals that depicted Jefferson as a godless revolutionary whose election would usher in a reign of terror. "The effect," intoned the Reverend William Linn, "would be to destroy religion, introduce immorality, and loosen all bonds of society."

Attacks like Linn's reflected the fears of Calvinist preachers that a tide of disbelief was about to submerge Christianity in the United States. **Deism**, an Enlightenment religious philosophy popular among the leaders of the Revolutionary era, was making inroads among common citizens as well. Deists viewed God as a kind of master clockmaker who created the laws by which the universe runs but otherwise leaves it alone. They rejected revelation for reason, maintaining that the workings of nature alone reveal God's design. These developments convinced Calvinist ministers, nearly all of them Federalists, that the atheism of the French Revolution was infecting American republicanism.

The Republicans won the election by mobilizing voters through strong party organizations. Voter turnout in 1800 was twice what it had been in the early 1790s, and most of the new voters were Republicans. The Direct Tax of 1798 cost the Federalists the support of commercial farmers in the Mid-Atlantic states. Artisans in port cities had already switched to the Republicans in protest over Jay's Treaty, which they feared left them exposed to a flood of cheap British imports. Adams carried New England and had a smattering of support elsewhere. With New York added to their solid base in the South and the backcountry, the Jeffersonians gained an electoral majority (see Map 8–2).

Party unity among Republican electors was so strong that Jefferson and Burr each received seventy-three electoral votes. Consequently the election was thrown into the House of Representatives, which, until the newly elected Congress was seated, was still dominated by Federalists. Hoping to deny Jefferson the presidency, the Federalists in the House backed Burr. The result was a deadlock that persisted into the early months of 1801 when the Federalists yielded. Informed through intermediaries that Jefferson would not dismantle Hamilton's fiscal system, enough Federalists cast blank ballots to give Jefferson the majority he needed for election. The Twelfth Amendment to the Constitution, ratified in 1804, prevented a similar impasse from arising again by requiring electors to cast separate ballots for president and vice president.

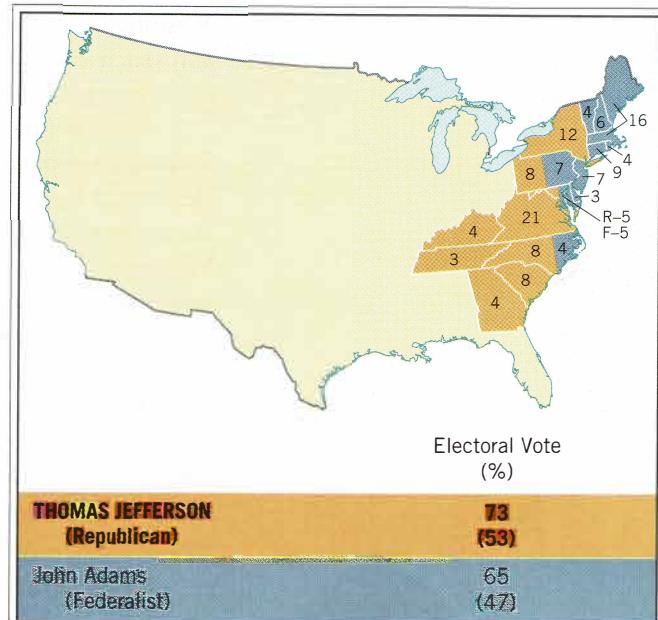
## CONCLUSION

In 1789, the American republic was little more than an experiment in self-government. The Federalists provided a firm foundation for that experiment. Hamilton's financial program, neutrality in the wars of the French Revolution, and the diplomatic settlement with Britain in Jay's Treaty bequeathed the young nation a decade of peace and prosperity.

Federalist policies, however, provoked strong opposition rooted in conflicting economic interests and contrasting regional views over the meaning of liberty and government in the new republic. The Federalist coalition split during Washington's

## MAP EXPLORATION

To explore an interactive version of this map, go to  
<http://www.prenhall.com/goldfield2/map8.2>



MAP 8–2

**The Election of 1800** The sharp erosion of Federalist strength in New York and Pennsylvania after 1798 swung the election of 1800 to the Republicans.

WHAT DOES this map show you about the interests of Jeffersonian Republicans versus those of the Federalists? Based on geographic regions, which party was more likely to represent farmers?

## QUICK REVIEW

### Presidential Election of 1800

- ❖ Federalists could not overcome party disunity.
- ❖ Federalists attacked as disbelievers in Christianity.
- ❖ Strong party organization won election for Republicans Jefferson and Burr.

**Deism** Religious orientation that rejects divine revelation and holds that the workings of nature alone reveal God's design for the universe.

second term when Southern planters joined urban artisans and backcountry Scots-Irish farmers in opposing Jay's Treaty and the commercially oriented program of the Federalists. When Quaker and German farmers in the Mid-Atlantic states defected from the Federalists over the tax legislation of 1798, three of the four regions in Washington's America now lined up behind the Republicans in the belief that measures such as expansion of the army and passage of the Alien and Sedition Acts threatened individual liberty and regional autonomy.

The openly partisan politics of the 1790s surprised the country's founders, who equated parties with the evils of factionalism. They had not foreseen that parties would forge a necessary link between the rulers and the ruled and create a mechanism by which group values and regional interests could be given a political voice. To the credit of the Federalists, they relinquished control of the national government peacefully. The importance of this precedent can scarcely be exaggerated. It marked the first time in modern political history that a party in power handed over the government to its opposition.

Party formation climaxed in the election of 1800, when the Republicans ended the Federalists' rule. The Republicans won by embracing the popular demand for a more egalitarian social and political order.

It now remained to be seen what the Republicans would do with their newfound power.



## SUMMARY

**Washington's America** The national census of 1790 counted nearly four million Americans, one in four of whom lived in New England. New Englanders found slavery incompatible with the natural rights philosophy that had emerged during the Revolution and abolished it in the 1780s. In other respects, though, politics in New England remained rooted in the Puritan past. The states in the Mid-Atlantic region were the most diverse in the nation, which created a complex political environment. In the South climate and soil conditions favored the production of cash staples for world markets and the use of slavery. And, between the Appalachian Mountains and the Mississippi River stretched the most rapidly growing region of the new nation, the West. Life in the West was harsh and often cruel, and Westerners were willing to strike a deal with almost any outside power to meet their needs.

**Forging a New Government** The Congress that assembled in New York from 1789 to 1791 faced a challenge scarcely less daunting than that of the Constitutional Convention of 1787. Led by Madison, the Congress submitted twelve amendments to the Constitution to the states of which ten were ratified. These ten are known as the Bill of Rights. Congress was also busy working out the cabinet and the court system.

**The Emergence of Parties** Two parties formed by the end of Washington's first term: the Federalists and the Republicans. In 1792, still in their formative stages, the parties re-elected an unopposed Washington. Control of the West remained an elusive goal throughout Washington's presidency. Among the distractions were wars with the Indians (the Battle of Fallen Timbers) and a Whiskey Rebellion in western Pennsylvania. The first partisan election was the election of 1796, with a divided nation electing Adams over Jefferson.

**The Last Federalist Administration** The Adams administration got off to a rocky start from which it never recovered. His administration dealt with the XYZ Affair, the Quasi-War with France, the Alien and Sedition Acts, and Fries's Rebellion. With Adams's many failed policies and the turmoil surrounding his presidency, the election of 1800 saw Jefferson narrowly elected president and the end of the Federalist party.

---

## REVIEW QUESTIONS

1. What role did the “people” play in Washington’s inauguration in 1789? What was the purpose of the grand procession, and why were the militia present?
  2. What was distinctive about the four regions of the United States in 1790? What were the common values and goals that brought white Americans together?
  3. How were the major problems confronting the Washington administration resolved?
  4. How did the Federalists and the Republicans differ over the meaning of liberty and the power of the national government?
  5. Why did Jefferson call his election of 1800 the “revolution of 1800”?
- 

## KEY TERMS

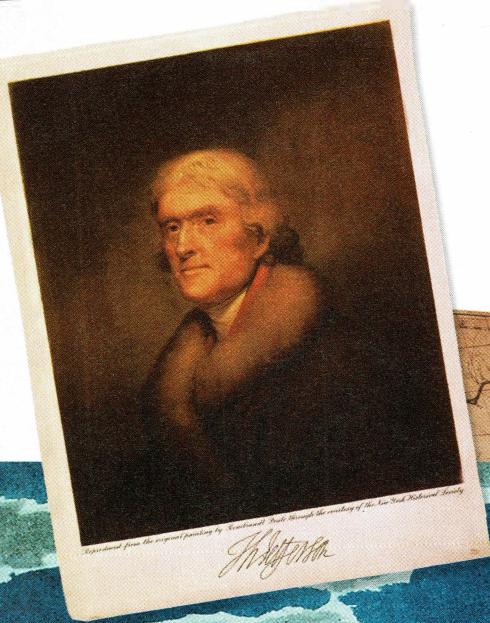
<b>Alien and Sedition Acts</b> (p. 211)	<b>Jay's Treaty</b> (p. 208)	<b>Tariff Act of 1789</b> (p. 203)
<b>Bill of Rights</b> (p. 202)	<b>Judiciary Act of 1789</b> (p. 202)	<b>Tonnage Act of 1789</b> (p. 203)
<b>Deism</b> (p. 213)	<b>Nullification</b> (p. 212)	<b>Treaty of Greenville</b> (p. 208)
<b>Federalists</b> (p. 205)	<b>Quasi-War</b> (p. 211)	<b>Treaty of San Lorenzo</b> (p. 210)
<b>Franco-American Accord of 1800</b> (p. 212)	<b>Republican (Jeffersonian)</b> (p. 205)	<b>Whiskey Rebellion</b> (p. 208)
	<b>States' rights</b> (p. 211)	<b>XYZ Affair</b> (p. 211)

## WHERE TO LEARN MORE

- ➲ **Cincinnati Historical Society, Cincinnati, Ohio.** Collections include written and visual materials on the history of the Old Northwest Territory. Visit its website [www.cincymuseum.org/](http://www.cincymuseum.org/) for information on its programs and the accessibility of its printed and audiovisual collections.
- ➲ **Federal Hall National Memorial, New York, New York.** This museum and historic site holds artifacts relating to President Washington’s inauguration. Its website [www.nps.gov/feha/](http://www.nps.gov/feha/) includes a printable travel guide to various sites in Manhattan administered by the National Parks Service.
- ➲ **Hamilton Grange National Memorial, New York, New York.** The home of Alexander Hamilton contains materials on his life. A brief history of the home and Hamilton’s life can be found at its website: [www.nps.gov/hagr/](http://www.nps.gov/hagr/)
- ➲ **Adams National Historic Site, Quincy, Massachusetts.** This site preserves buildings and manuscripts associated with four generations of the Adams family. See its website [www.nps.gov/adam/](http://www.nps.gov/adam/) for information on guided tours and the various homes that are part of the site.

 For additional study resources for this chapter, go to:  
[www.prenhall.com/goldfield/chapter8](http://www.prenhall.com/goldfield/chapter8)

*Since I started this letter we have been in a state  
of continual alarm, and now I have time to write  
only two or three lines to ask you to tell Papa that  
we are alive, in good health, and I hope safe from danger . . .*



*Reproduced from the original painting by Continental Paint through the courtesy of the New York Historical Society*

*J. H. Latrobe*



*Burning of the White House* by Leslie Saalburg.

