

= XYZ Affair =

The XYZ Affair was a political and diplomatic episode in 1797 and 1798 , early in the administration of John Adams , involving a confrontation between the United States and Republican France that led to an undeclared war called the Quasi @-@ War . The name derives from the substitution of the letters X , Y and Z for the names of French diplomats Hottinguer (X) , Bellamy (Y) , and Hauteval (Z) in documents released by the Adams administration .

An American diplomatic commission was sent to France in July 1797 to negotiate problems that were threatening to break out into war . The diplomats , Charles Cotesworth Pinckney , John Marshall , and Elbridge Gerry , were approached through informal channels by agents of the French Foreign Minister Talleyrand , who demanded bribes and a loan before formal negotiations could begin . Although such demands were not uncommon in mainland European diplomacy of the time , the Americans were offended by them , and eventually left France without ever engaging in formal negotiations . Gerry , seeking to avoid all @-@ out war , remained for several months after the other two commissioners left . His exchanges with Talleyrand laid groundwork for the eventual end to diplomatic and military hostilities .

The failure of the commission caused a political firestorm in the United States when the commission 's dispatches were published . It led to the undeclared Quasi @-@ War (1798 to 1800) . Federalists who controlled the government took advantage of the national anger to build up the nation 's military . They also attacked the Jeffersonian Republicans for their pro @-@ French stance , and Elbridge Gerry (a nonpartisan at the time) for what they saw as his role in the commission 's failure .

= = Background = =

In the wake of the 1789 French Revolution , relations between the new French Republic and the American administration of President George Washington became strained . In 1792 France and the rest of Europe went to war , a conflict in which Washington declared American neutrality . However , both France and Great Britain , the major naval powers in the war , seized ships of neutral powers (including those of the United States) that traded with their enemies . With the Jay Treaty , ratified in 1795 , the United States reached an agreement on the matter with Britain that angered members of the Directory that governed France . The French Navy consequently stepped up its efforts to interdict American trade with Britain . By the time John Adams assumed the presidency in early 1797 , the matter was reaching crisis proportions . In March 1797 , not long after assuming office , President Adams learned that Charles Cotesworth Pinckney had been refused as U. S. minister because of the escalating crisis , and that American merchant ships had been seized in the Caribbean . Popular opinion in the United States on relations with France was divided along largely political lines : Federalists took a hard line , favoring a defensive buildup but not necessarily advocating war , while Republicans expressed solidarity with the Republican ideals of the French revolutionaries and did not want to be seen as cooperating with the Federalist Adams administration . Jefferson looked at the Federalists as monarchists who were linked to Britain and therefore hostile to American values .

= = Commission to France = =

In late May 1797 Adams ' cabinet met to discuss French relations and to choose a special commission to France . Adams initially proposed that John Marshall and Elbridge Gerry join Pinckney on the commission , but his cabinet objected to the choice of Gerry because he was not a strong Federalist . Francis Dana was chosen instead of Gerry , but he declined to serve , and Adams , who considered Gerry one of the " two most impartial men in America " (he himself being the other) , submitted his name to the United States Senate in Dana 's stead without consulting his cabinet . Adams , in introducing the matter to Congress , made a somewhat belligerent speech in which he called for a vigorous defense of the nation 's neutrality and expansion of the United States

Navy , but stopped short of calling for war against France . Congress approved this choice of commissioners , and Adams instructed them to negotiate similar terms to those that had been granted to Britain in the Jay Treaty . The commissioners were also instructed to refuse loans , but to be flexible in the arrangement of payment terms for financial matters . Marshall left for Europe in mid @-@ July to join Pinckney , with Gerry following a few weeks later . The political divisions in the commission 's makeup were reflected in their attitudes toward the negotiations : Marshall and Pinckney , both Federalists , distrusted the French , while Gerry (who was then opposed to political parties) was willing to be flexible and unhurried in dealing with them .

The French Republic , established in 1792 at the height of the French Revolution , was by 1797 governed by a bicameral legislative assembly , with a five @-@ member Directory acting as the national executive . The Directory was undergoing both internal power struggles and struggles with the Council of Five Hundred , the lower chamber of the legislature . Ministerial changes took place in the first half of 1797 , including the selection in July of Charles Maurice de Talleyrand as foreign minister . Talleyrand , who had recently spent a few years in the United States , was openly concerned about the establishment of closer ties between the U. S. and Britain . The Directory , generally not well @-@ disposed to American interests , became notably more hostile to them in September 1797 , when an internal coup propelled several anti @-@ Americans into power . These leaders , and Talleyrand , viewed President Adams as hostile to their interests , but did not think that there was significant danger of war . In part based on advice imparted to French diplomats by Thomas Jefferson , Talleyrand decided to adopt a measured , slow pace to the negotiations .

The American commission arrived in Paris in early October , and immediately requested a meeting with Talleyrand . After an initial brief meeting (in which Talleyrand only provisionally accepted the commissioners ' credentials) , a longer meeting was held a week later . Talleyrand sought from the commissioners an explanation for the speech Adams had made in May , which had angered Directory members ; his motivation was to determine how favorably the commissioners were disposed to the negotiations . If they responded in an unfavorable manner , the Directory would refuse to accept their credentials . The commissioners first learned of Talleyrand 's expected demand on October 14 through an indirect channel . They decided that no explanation would be given for Adams ' speech .

= = = Initial meetings = = =

What followed were a series of meetings that took place outside formal diplomatic channels . On October 17 , Nicholas Hubbard , an Englishman working for a Dutch bank used by the Americans (and who came to be identified as " W " in the published papers) , notified Pinckney that Baron Jean @-@ Conrad Hottinguer , whom Hubbard described only as a man of honor , wished to meet with him . Pinckney agreed , and the two men met the next evening . Hottinguer (who was later identified as " X ") relayed a series of French demands , which included a large loan to the French government and the payment of a £ 50 @,@ 000 bribe to Talleyrand . Pinckney relayed these demands to the other commissioners , and Hottinguer repeated them to the entire commission , which curtly refused the demands , even though it was widely known that diplomats from other nations had paid bribes to deal with Talleyrand . Hottinguer then introduced the commission to Pierre Bellamy (" Y ") , who he represented as being a member of Talleyrand 's inner circle . Bellamy expounded in detail on Talleyrand 's demands , including the expectation that " you must pay a great deal of money . " He even proposed a series of purchases (at inflated prices) of currency as a means by which such money could be clandestinely exchanged . The commissioners offered to send one of their number back to the United States for instructions , if the French would suspend their seizures of American shipping ; the French negotiators refused .

Not long after this standoff , Talleyrand sent Lucien Hauteval (" Z ") to meet with Elbridge Gerry . The two men knew each other , having met in Boston in 1792 . Hauteval assured Gerry of Talleyrand 's sincerity in seeking peace , and encouraged him to keep the informal negotiations open . He reiterated the demands for a loan and bribe .

A week later (notably after the signing of the Treaty of Campo Formio , which ended the five @-@

year War of the First Coalition between France and most of the other European powers) , Hottinguer and Bellamy again met with the commission , and repeated their original demands , accompanied by threats of potential war , since France was at least momentarily at peace in Europe . Pinckney 's response was famous : " No , no , not a sixpence ! " The commissioners decided on November 1 to refuse further negotiations by informal channels . Publication of dispatches describing this series of meetings would form the basis for the later political debates in the United States .

= = = Later negotiations = = =

The commissioners soon discovered that only unofficial channels were open to them . Over the next several months , Talleyrand sent a series of informal negotiators to meet with and influence the commissioners . Some of the informal avenues were closed down (Gerry , for instance , informed Hauteval that they could no longer meet , since Hauteval had no formal authority) , and Talleyrand finally appeared in November 1797 at a dinner , primarily to castigate the Americans for their unwillingness to accede to the demand for a bribe .

In late November Talleyrand began maneuvering to separate Gerry from the other commissioners . He extended a " social " dinner invitation to Gerry , which the latter , seeking to maintain communications , planned to attend . The matter heightened distrust of Gerry by Marshall and Pinckney , who sought guarantees that Gerry would limit any representations and agreements he might consider . Despite seeking to refuse informal negotiations , all of the commissioners ended up having private meetings with some of Talleyrand 's negotiators .

The commissioners eventually divided over the issue of whether to continue informal negotiations , with the Federalists Marshall and Pinckney opposed , and Gerry in favor . This division was eventually clear to Talleyrand , who told Gerry in January 1798 that he would no longer deal with Pinckney . In February Talleyrand gained approval from the Directory for a new bargaining position , and he maneuvered to exclude Marshall from the negotiations as well . The change in strategy alarmed a number of American residents of Paris , who reported the growing possibility of war . Around this time Gerry , at Talleyrand 's insistence , began keeping secret from the other commissioners the substance of their meetings .

All three commissioners met with Talleyrand informally in March , but it was clear that the parties were at an impasse . This appeared to be the case despite Talleyrand 's agreement to drop the demand for a loan . Both sides prepared statements to be sent across the Atlantic stating their positions , and Marshall and Pinckney , frozen out of talks that Talleyrand would only conduct with Gerry , left France in April . Their departure was delayed due to a series of negotiations over the return of their passports ; in order to obtain diplomatic advantage , Talleyrand sought to force Marshall and Pinckney to formally request their return (which would allow him to later claim that they broke off negotiations) . Talleyrand eventually gave in , formally requesting their departure . Gerry , although he sought to maintain unity with his cocommissioners , was told by Talleyrand that if he left France the Directory would declare war . Gerry remained behind , protesting the " impropriety of permitting a foreign government to [choose] the person who should negotiate . " He however remained optimistic that war was unrealistic , writing to William Vans Murray , the American minister to The Netherlands , that " nothing but madness " would cause the French to declare war .

Gerry resolutely refused to engage in further substantive negotiations with Talleyrand , agreeing only to stay until someone with more authority could replace him , and wrote to President Adams requesting assistance in securing his departure from Paris . Talleyrand eventually sent representatives to The Hague to reopen negotiations with William Vans Murray , and Gerry finally returned home in October 1798 .

= = Reaction in the United States = =

While the American diplomats were in Europe , President Adams considered his options in the event of the commission 's failure . His cabinet urged that the nation 's military be strengthened ,

including the raising of a 20 000 man army and the acquisition or construction of ships of the line for the navy . He had no substantive word from the commissioners until March 1798 , when the first dispatches revealing the French demands and negotiating tactics arrived . The commission 's apparent failure was duly reported to Congress , although Adams kept secret the mistreatment (lack of recognition and demand for a bribe) of the diplomats , seeking to minimize a warlike reaction . His cabinet was divided on how to react : the general tenor was one of hostility toward France , with Attorney General Charles Lee and Secretary of State Timothy Pickering arguing for a declaration of war . Democratic - Republican leaders in Congress , believing Adams had exaggerated the French position because he sought war , united with hawkish Federalists to demand the release of the commissioners ' dispatches . On March 20 , Adams turned them over , with the names of some of the French actors redacted and replaced by the letters W , X , Y , and Z. The use of these disguising letters led the business to immediately become known as the " XYZ Affair " .

The release of the dispatches produced exactly the response Adams feared . Federalists called for war , and Democratic - Republicans were left without an effective argument against them , having miscalculated the reason for Adams ' secrecy . Congress authorized the acquisition of twelve frigates , and made other appropriations to increase military readiness . Despite calls for a formal war declaration , Adams steadfastly refused to ask Congress for one . On July 7 , 1798 , Congress annulled the 1778 Treaty of Alliance , and two days later authorized attacks on French warships .

= = = Partisan responses = = =

Federalists used the dispatches to question the loyalty of pro - French Democratic - Republicans ; this attitude contributed to the passage of the Alien and Sedition Acts , restricting the movements and actions of foreigners , and limiting speech critical of the government . Federalists were otherwise divided on the question of war , and the Democratic - Republicans painted hawkish Federalists as warmongers seeking to undermine the republic by military means .

Elbridge Gerry was placed in a difficult position upon his return to the United States . Federalists , spurred by John Marshall 's accounts of their disagreements , criticized him for abetting the breakdown of the negotiations . These bitterly harsh and partisan comments turned Gerry against the Federalists , and he eventually ended up joining with the Democratic - Republicans in 1800 .

= = Political reaction in France = =

When news reached France of the publication of the dispatches and the ensuing hostile reaction , the response was one of fury . Talleyrand was called to the Directory to account for his role in the affair . He denied all association with the informal negotiators , and enlisted the assistance of Gerry in exposing the agents whose names had been redacted , a charade Gerry agreed to participate in . In exchange Talleyrand confirmed privately to Gerry that the agents were in fact in his employ , and that he was , contrary to statements made to the Directory , interested in pursuing reconciliation . President Adams later wrote that Talleyrand 's confession to Gerry was significant in his decision to continue efforts to maintain peace . Gerry , in his private report on the affair to Adams in 1799 , claimed credit for maintaining the peace , and for influencing significant changes in French policy that lessened the hostilities and eventually brought a peace treaty .

The warlike attitude of the United States and the start of the Quasi - War (a naval war between the two countries that was fought primarily in the Caribbean) convinced Talleyrand that he had miscalculated in his dealings with the commissioners . In response to the diplomatic overtures he made to William Vans Murray in The Hague , President Adams sent negotiators to France in 1799 who eventually negotiated an end to hostilities with the Treaty of Mortefontaine (whose negotiations were managed in part by Marshall , then Secretary of State) in September 1800 . This agreement was made with First Consul Napoleon Bonaparte , who had overthrown the Directory in the Coup of 18 Brumaire in November 1799 , and it was ratified by the United States Senate in December 1801 .

