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Launching the New Ship of State, 1789–1800

PART I: Reviewing the Chapter

A. Checklist of Learning Objectives

After mastering this chapter, you should be able to

1. describe how the new federal government was put into place and began functioning.
2. describe the various means Alexander Hamilton used to put the federal government on a sound financial footing.
3. explain how the conflict over Hamilton's policies led to the emergence of the first political parties.
4. describe the polarizing effects of the French Revolution on American foreign policy and politics from 1790 to 1800.
5. explain why Washington negotiated the conciliatory Jay's Treaty with the British and why it provoked Jeffersonian outrage.
6. describe the causes of the undeclared war with France and explain Adams's decision to move toward peace rather than declare war.
7. describe the poisonous political atmosphere that produced the Alien and Sedition Acts and the Kentucky and Virginia resolutions.
8. describe the contrasting membership and principles of the Hamiltonian Federalists and the Jeffersonian Republicans.

B. Glossary

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

1. **census** An official count of population; in the United States, the federal census occurs every ten years. "... the first official census of 1790 recorded almost 4 million people."
2. **public debt** the debt of a government or nation to individual creditors, also called the national debt. "... the public debt ... was mountainous."
3. **cabinet** The body of official advisers to the head of a government; in the United States, it consists of the heads of the major executive departments. "The Constitution does not mention a cabinet. ..."
4. **circuit court** A court that hears cases in several designated locations rather than a single place. "The act organized ... federal district and circuit courts. ..."
5. **fiscal** Concerning public finances—expenditures and revenues. "His plan was to shape the fiscal policies of the administration. ..."
6. **assumption** The appropriation or taking on of obligations not originally one's own. "The secretary made a convincing case for 'assumption.'"
7. **excise** A tax on the manufacture, sale, or consumption of certain products. "Hamilton ... secured from Congress an excise tax on a few domestic items, notably whiskey."

8. **stock** The shares of capital ownership gained from investing in a corporate enterprise; the term also refers to the certificates representing such shares. "Stock was thrown open to public sale."
9. **medium of exchange** Any item, paper or otherwise, used as money. "They regarded [whiskey] as a . . . medium of exchange."
10. **despotism** Arbitrary or tyrannical rule. "The American people, loving liberty and deploring despotism, were pleased."
11. **impress** To force people or property into public service without choice. "They . . . impressed scores of seamen into service on English vessels. . . ."
12. **assimilation** The merging of diverse cultures or peoples into one. "The drastic new law violated the traditional American policy . . . speedy assimilation."
13. **witch-hunt** An investigation carried on with much publicity, supposedly to uncover dangerous activity but actually intended to weaken the political opposition. "Anti-French hysteria played directly into the hands of witch-hunting conservatives."
14. **compact** An agreement or covenant between states to perform some legal act. "Both Jefferson and Madison stressed the compact theory. . . ."
15. **nullification** In American politics, the assertion that a state may legally invalidate a federal act deemed inconsistent with its rights or sovereignty. "[The] resolutions concluded that . . . 'nullification' was the 'rightful remedy.' "

PART II: Checking Your Progress

A. True-False

Where the statement is true, mark **T**. Where it is false, mark **F**, and correct it in the space immediately below.

- ___ 1. Two important political institutions not mentioned in the Constitution that developed in the first Washington administration were the cabinet and political parties.
- ___ 2. The passage of the first ten amendments to the Constitution demonstrated the Federalist determination to develop a powerful central government.
- ___ 3. Hamilton's basic purpose in all his financial measures was to strengthen the federal government by building up a larger national debt.
- ___ 4. Both "funding at par" of the federal debt and assumption of state debts were designed to give wealthier interests a strong stake in the success of the federal government.
- ___ 5. Hamilton financed his large national debt by revenues from tariffs and excise taxes on products such as whiskey.
- ___ 6. In the battle over the Bank of the United States, Jefferson favored a "loose construction" of the Constitution and Hamilton favored a "strict construction."
- ___ 7. The first American political parties grew mainly out of the debate over Hamilton's fiscal policies and foreign policies.
- ___ 8. The French Revolution's radical political goals were greeted with great approval by both Jeffersonian Republicans and Federalists.
- ___ 9. Washington's Neutrality Proclamation was based on his confidence in American military strength in comparison to the hostile powers.

- ___ 10. The British showed their respect for Washington's military ability by carefully refraining from any acts that would violate American neutrality.
- ___ 11. Washington supported Jay's unpopular treaty with Britain because he feared a disastrous war if it were rejected.
- ___ 12. Adams decided to negotiate peace with France in order to unite his party and enhance his own popularity with the public.
- ___ 13. The Alien Laws were a conservative Federalist attempt to prevent radical French immigrants and spies from supporting the Jeffersonians and stirring up anti-British sentiment.
- ___ 14. Jeffersonian Republicans believed that the common people were not to be trusted and had to be led by those who were better educated and wealthier.
- ___ 15. The Jeffersonian Republicans generally sympathized with Britain in foreign policy, while the Hamiltonian Federalists sympathized with France and the French Revolution.

B. Multiple Choice

Select the best answer and write the proper letter in the space provided.

- ___ 1. A key addition to the new federal government that had been demanded by many of the ratifying states was
 - a. a cabinet to aid the president.
 - b. a written bill of rights to guarantee liberty.
 - c. a supreme court.
 - d. federal assumption of state debts.
- ___ 2. One immediate innovation not mentioned in the Constitution that was developed by George Washington's administration was
 - a. the cabinet.
 - b. the military joint chiefs of staff.
 - c. the Supreme Court.
 - d. the vice presidency.
- ___ 3. The Bill of Rights is the name given to provisions that exist as
 - a. an executive proclamation of President George Washington.
 - b. a written agreement between the federal government and the states.
 - c. a set of rulings issued by the Supreme Court.
 - d. the first ten amendments to the federal Constitution.
- ___ 4. Which of the following sets of rights are *not* included in the Bill of Rights?
 - a. freedom of religion, speech, and the press
 - b. rights to education and travel
 - c. rights to bear arms and to be tried by a jury
 - d. rights to assemble and petition the government for redress of grievances

- 5. The Ninth and Tenth Amendments partly reversed the federalist momentum of the Constitution by declaring that
 - a. the federal government had no power to restrict the action of local governments.
 - b. the powers of the presidency did not extend to foreign policy.
 - c. all rights not mentioned in the federal Constitution were retained by the states or by the people themselves.
 - d. the Supreme Court had no power to rule in cases affecting property rights.

- 6. Hamilton's first financial policies were intended
 - a. to finance the new government through the sale of western lands.
 - b. to fund the national debt and to have the federal government assume the debts owed by the states.
 - c. to repudiate the debts accumulated by the government of the Articles of Confederation.
 - d. to create a sound federal currency backed by gold.

- 7. The essential disagreement between Hamilton and Jefferson over the proposed Bank of the United States was
 - a. whether or not the Constitution could be constructed to permit the federal government to establish such a bank.
 - b. whether or not it would be economically wise to create a single national currency.
 - c. whether the bank should be under the control of the federal government or the states.
 - d. whether or not such a bank would plunge the federal government into excessive debt.

- 8. The first American political parties developed out of
 - a. the disagreement of Jefferson and his states' rights followers with Hamilton's economic policies.
 - b. the belief of the Founding Fathers that organized political opposition was a necessary part of good government.
 - c. the continuing hostility of the antifederalists to the legitimacy of the new federal Constitution.
 - d. patriotic opposition to foreign intervention in American domestic affairs.

- 9. The Whiskey Rebellion was most significant because
 - a. it showed that American citizens would rise up against unfair taxation.
 - b. it showed that the new federal government would use force if necessary to uphold its authority.
 - c. it demonstrated the efficiency of the American military.
 - d. it showed the strength of continuing antifederalist hostility to the new constitutional government.

- 10. Regarding the French Revolution, most Jeffersonian Democratic-Republicans believed that
 - a. the violence was regrettable but necessary.
 - b. the overthrow of the king was necessary, but the Reign of Terror went much too far.
 - c. the Revolution should be supported by American military aid.
 - d. the Revolution represented a complete distortion of American ideals of liberty.

- ___ 11. Washington's foreign policy rested on the basic belief that
 - a. it was in America's interest to aid the British against Revolutionary France.
 - b. it was in America's interest to stay neutral in European wars.
 - c. America was morally obligated to adhere to the alliance with France.
 - d. America ought to enter the French-British war only if republican ideals were at stake.

- ___ 12. The United States became involved in undeclared hostilities with France in 1797 because of
 - a. fierce American opposition to the concessions of Jay's Treaty.
 - b. American anger at attempted French bribery in the XYZ Affair.
 - c. French interference with American shipping and freedom of the seas.
 - d. President Adams's sympathy with Britain and hostility to Revolutionary France.

- ___ 13. The Alien and Sedition Acts were aimed primarily at
 - a. the Jeffersonians and their allegedly pro-French activities and ideas.
 - b. the opponents of President Adams's peace settlement with France.
 - c. Napoleon's French agents who were infiltrating the country.
 - d. the Hamiltonian Federalists and their pro-British activities and ideas.

- ___ 14. Jefferson's Kentucky resolutions argued that
 - a. the Alien and Sedition Acts were dangerous but constitutional.
 - b. the states ought to secede from the federal government.
 - c. the states had the right to nullify unconstitutional federal laws.
 - d. the Supreme Court had the right to declare legislation unconstitutional.

- ___ 15. The Federalists essentially believed that
 - a. most governmental power should be retained by the states.
 - b. government should provide no special aid to private enterprise.
 - c. the common people could, if educated, participate in government affairs.
 - d. there should be a strong central government controlled by the wealthy and well educated.

C. Identification

Supply the correct identification for each numbered description.

- _____ 1. The official body of voters, chosen by the states under the new Constitution, who in 1789 unanimously elected George Washington as president
- _____ 2. The constitutional office into which John Adams was sworn on April 30, 1789
- _____ 3. The cabinet office in Washington's administration headed by a brilliant young West Indian immigrant who distrusted the people
- _____ 4. Alexander Hamilton's policy of paying off all federal bonds at face value in order to strengthen the national credit
- _____ 5. Hamilton's policy of having the federal government pay the financial obligations of the states
- _____ 6. The first ten amendments to the Constitution
- _____ 7. Political organizations not envisioned in the Constitution and considered dangerous to national unity by most of the Founding Fathers

- _____ 8. Political and social upheaval supported by most Americans during its moderate beginnings in 1789 but the cause of bitter division among Americans after it took a radical turn in 1792
- _____ 9. Agreement signed between two anti-British countries in 1778 that increasingly plagued American foreign policy in the 1790s
- _____ 10. Message issued by Washington in 1793 that urged Americans to stay impartial and aloof from the French Revolutionary wars with the British
- _____ 11. Document signed in 1794 whose terms favoring Britain outraged Jeffersonian Republicans
- _____ 12. The nation with which the United States fought an undeclared war from 1798 to 1800
- _____ 13. The political theory on which Jefferson and Madison based their antifederalist resolutions declaring that the thirteen sovereign states had created the Constitution
- _____ 14. The doctrine, proclaimed in the Virginia and Kentucky resolutions, that a state can block a federal law it considers unconstitutional
- _____ 15. The nation to which most Hamiltonian Federalists were sentimentally attached and which they favored in foreign policy

D. Matching People, Places, and Events

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

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|----------------------------------|---|
| ___ 1. Census of 1790 | A. A protest by poor western farmers that was firmly suppressed by Washington and Hamilton's army |
| ___ 2. Alexander Hamilton | B. Body organized by the Judiciary Act of 1789 and first headed by John Jay |
| ___ 3. Thomas Jefferson | C. Brilliant administrator and financial wizard whose career was plagued by doubts about his character and belief in popular government |
| ___ 4. James Madison | D. Political party that believed in the common people, no government aid for business, and a pro-French foreign policy |
| ___ 5. Supreme Court | E. Effort that counted 4 million Americans |
| ___ 6. Funding and assumption | F. Skillful politician-scholar who drafted the Bill of Rights and moved it through the First Congress |
| ___ 7. Bank of the United States | G. Institution established by Hamilton to create a stable currency and bitterly opposed by states' rights advocates |
| ___ 8. Whiskey Rebellion | H. Hamilton's aggressive financial policies of paying off all federal bonds and taking on all state debts |
| ___ 9. Federalists | I. Harsh and probably unconstitutional laws aimed at radical immigrants and Jeffersonian writers |
| ___ 10. Republicans | J. Crafty French foreign minister who turned from hostile to friendly to Americans during a crisis |
| ___ 11. XYZ | K. Message telling America that it should avoid unnecessary foreign entanglements—a reflection of the foreign policy of its author |

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|---|---|
| <ul style="list-style-type: none"> ___ 12. Talleyrand ___ 13. Alien and Sedition Acts ___ 14. Bill of Rights ___ 15. Farewell Address | <ul style="list-style-type: none"> L. Secret code names for three French agents who attempted to extract bribes from American diplomats in 1797 M. Washington's secretary of state and the organizer of a political party opposed to Hamilton's policies N. Ten constitutional amendments designed to protect American liberties O. Political party that believed in a strong government run by the wealthy, government aid to business, and a pro-British foreign policy |
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E. Putting Things in Order

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

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

F. Matching Cause and Effect

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

Cause	Effect
___ 1. The need to gain support of wealthy groups for the federal government	A. Led to the formation of the first two American political parties
___ 2. Passage of the Bill of Rights	B. Caused the Whiskey Rebellion
___ 3. The need for federal revenues to finance Hamilton's ambitious policies	C. Led Hamilton to promote the fiscal policies of funding and assumption
___ 4. Hamilton's excise tax on western farmers' products	D. Guaranteed basic liberties and indicated some swing away from Federalist centralizing
___ 5. Clashes between Hamilton and Jefferson over fiscal policy and foreign affairs	E. Led to imposition of the first tariff in 1789 and the excise tax on whiskey in 1791
___ 6. The French Revolution	F. Aroused Jeffersonian Republican outrage at the Washington administration's pro-British policies
___ 7. The danger of war with Britain	G. Created bitter divisions in America between anti-Revolution Federalists and pro-Revolution Republicans
___ 8. Jay's Treaty	H. Caused an undeclared war with France
___ 9. The XYZ Affair	I. Led Washington to support Jay's Treaty
___ 10. The Federalist fear of radical French immigrants	J. Caused passage of the Alien Acts

G. Developing Historical Skills

Reading for Main Idea and Supporting Details

Any historical generalization must be backed up by supporting details and historical facts. For example, the text states that “the key figure in the new government was smooth-faced Alexander Hamilton. . .” (p. 192). This generalization is then supported by details and facts showing Hamilton’s importance, such as his policy of funding and assumption (pp. 192–193), his customs and excise taxes (pp. 193–194), and his establishment of the Bank of the United States (pp. 194–195).

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

1. “President Washington’s far-visioned policy of neutrality was sorely tried by the British” (p. 199).
2. “True to Washington’s policy of steering clear of war at all costs, [President Adams] tried again to reach an agreement with the French. . . (p. 202).”
3. “Exulting Federalists had meanwhile capitalized on the anti-French frenzy to drive through Congress in 1798 a sheaf of laws designed to reduce or gag their Jeffersonian foes” (p. 204).
4. “Resentful Jeffersonians naturally refused to take the Alien and Sedition Laws lying down” (p. 205).
5. “As the presidential contest of 1800 approached, the differences between Federalists and Democratic-Republicans were sharply etched” (p. 206).

PART III: Applying What You Have Learned

1. What were the most important issues facing the new federal government, and how did the Washington administration address them?
2. Explain the purpose and significance of the Bill of Rights. Were these amendments a hindrance to federal authority or actually a support for it?
3. What were Hamilton's basic economic and political goals, and how did he attempt to achieve them?
4. What were the philosophical and political disagreements between Hamilton and Jefferson that led to the creation of the first American political parties?
5. What were the basic goals of Washington's and Adams's foreign policies, and how successful were they in achieving them?
6. How did divisions over foreign policy create the poisonous political atmosphere that produced both the Alien and Sedition Acts and the Kentucky and Virginia resolutions?
7. Although Federalists and Republicans engaged in extremely bitter political struggles during this period, they both retained their basic commitment to republican government, and at the end of the decade, the Federalists peacefully handed over power to the Republicans. What characteristics of American politics and society enabled them to keep their conflict within bounds?