

**AP United States History**  
**Unit 3- The American Revolution**  
**Topic: Shaping a Nation**

**Introduction**

During the 1790s, the young republic faced many of the same problems that confronted the newly independent nations of Africa and Asia in the 20th century. Like other nations born in anti-colonial revolutions, the United States faced the challenge of building a sound economy, preserving national independence, and creating a stable political system which provided a legitimate place for opposition.

In 1790, it was not at all obvious that the Union would long survive. George Washington thought that the new government would not last 20 years. One challenge was to consolidate public support. Only about 5 percent of adult white males had voted to ratify the new Constitution and two states, North Carolina and Rhode Island, continued to support the Articles of Confederation. Vermont threatened to join Canada.

The new nation also faced economic and foreign policy problems.

- A huge debt remained from the Revolutionary War and paper money issued during the conflict was virtually worthless.
- In violation of the peace treaty of 1783 ending the Revolutionary War, Britain continued to occupy forts in the Old Northwest.
- Spain refused to recognize the new nation's southern and western boundaries.

**Establishing the Machinery of Government**

The U.S. Constitution created a general framework of government. It would be up to the first president and first Congress to fill in the details.

The new government consisted of nothing more than 75 post offices, a large debt, a small number of unpaid clerks, and an army of just 46 officers and 672 soldiers. There was no federal court system, no navy, and no system for collecting taxes.

The Senate devoted three weeks to debating how the president should be addressed. One committee proposed "His Highness the President of the United States and Protector of the Rights of the Same."

The House of Representatives, under the leadership of James Madison considered more pressing problems.

- To raise revenue, it passed a tariff on imports and a tax on liquor.
- To encourage American shipping, it imposed duties on foreign vessels.
- To provide a structure for the executive branch of the government, it created departments of State, Treasury, and War.

The Judiciary Act of 1789 organized a federal court system, which consisted of a Supreme Court with six justices, a district court in each state, and three appeals courts.

To strengthen popular support for the new government, Congress also approved a Bill of Rights. These first ten amendments guaranteed the rights of free press, free speech, and religion; the right to peaceful assembly; and the right to petition the government. The Bill of Rights also ensured that the national government could not infringe on the right to trial by jury. In an effort to reassure Antifederalists that the powers of the new

government were limited, the tenth amendment "reserved to the States respectively, or to the people" all powers not specified in the Constitution.

### **Defining the Presidency**

The Constitution provided only a broad outline of the office and powers of the president. It would be up to George Washington, as the first president, to define the office.

It was unclear, for example, whether the president was to personally run the executive branch or, instead, serve as a constitutional monarch and delegate responsibility to the vice president and executive officers (the cabinet).

Washington favored a strong and active role for the president. Modeling the executive branch along the lines of a general's staff, Washington consulted his cabinet officers and listened to them carefully, but he made the final decisions, just as he had done as Commander-in-Chief.

The relationship between the executive and legislative branches was also uncertain. Should a president, like Britain's prime minister, personally appear before Congress to defend administration policies? Should the Senate have sole power to dismiss executive officers? The answers to such questions were not clear. Washington insisted that the president could dismiss presidential appointees without the Senate's permission. A bitterly divided Senate approved this principle by a single vote.

With regard to foreign policy, Washington tried to follow the literal words of the Constitution, which stated that the president should negotiate treaties with the advice and consent of the Senate. He appeared before the Senate in person to discuss a pending Indian treaty. The senators, however, refused to provide immediate answers and referred the matter to a committee. "This defeats every purpose of my coming here," Washington declared. In the future he negotiated treaties first and then sent them to the Senate for ratification.

### **Alexander Hamilton's Financial Program**

The most pressing problems facing the new government were economic. As a result of the revolution, the federal government had acquired a huge debt: \$54 million including interest. The states owed another \$25 million. Paper money issued under the Continental Congresses and Articles of Confederation was worthless. Foreign credit was unavailable.

The person assigned to the task of resolving these problems was 32-year-old Alexander Hamilton. Born out-of-wedlock in the West Indies in 1757, he was sent to New York at the age of 15 for schooling. One of New York's most influential attorneys, he played a leading role in the Constitutional Convention and wrote 51 of the 85 Federalist Papers, urging support for the new Constitution. As Treasury Secretary, Hamilton designed a financial system that made the United States the best credit risk in the western world.

The paramount problem facing Hamilton was a huge national debt. He proposed that the government assume the entire debt of the federal government and the states. His plan was to retire the old depreciated obligations by borrowing new money at a lower interest rate.

States like Maryland, Pennsylvania, North Carolina, and Virginia, which had already paid off their debts, saw no reason why they should be taxed by the federal government to pay off the debts of other states like Massachusetts and South Carolina. Hamilton's critics claimed that his scheme would provide enormous profits to speculators who had bought bonds from Revolutionary War veterans for as little as 10 or 15 cents on the dollar.

For six months, a bitter debate raged in Congress, until James Madison and Thomas Jefferson engineered a compromise. In exchange for southern votes, Hamilton promised to support locating the national capital on the banks of the Potomac River, the border between two southern states, Virginia and Maryland.

Hamilton's debt program was a remarkable success. By demonstrating Americans' willingness to repay their debts, he made the United States attractive to foreign investors. European investment capital poured into the new nation in large amounts.

Hamilton's next objective was to create a Bank of the United States, modeled after the Bank of England. A national bank would collect taxes, hold government funds, and make loans to the government and borrowers. One criticism directed against the bank was "unrepublican"--it would encourage speculation and corruption. The bank was also opposed on constitutional grounds. Adopting a position known as "strict constructionism," Thomas Jefferson and James Madison charged that a national bank was unconstitutional since the Constitution did not specifically give Congress the power to create a bank.

Hamilton responded to the charge that a bank was unconstitutional by formulating the doctrine of "implied powers." He argued that Congress had the power to create a bank because the Constitution granted the federal government authority to do anything "necessary and proper" to carry out its constitutional functions (in this case its fiscal duties).

In 1791, Congress passed a bill creating a national bank for a term of 20 years, leaving the question of the bank's constitutionality up to President Washington. The president reluctantly decided to sign the measure out of a conviction that a bank was necessary for the nation's financial well-being.

Finally, Hamilton proposed to aid the nation's infant industries. Through high tariffs designed to protect American industry from foreign competition, government subsidies, and government-financed transportation improvements, he hoped to break Britain's manufacturing hold on America.

The most eloquent opposition to Hamilton's proposals came from Thomas Jefferson, who believed that manufacturing threatened the values of an agrarian way of life. Hamilton's vision of America's future challenged Jefferson's ideal of a nation of farmers, tilling the fields, communing with nature, and maintaining personal freedom by virtue of land ownership.

Alexander Hamilton offered a remarkably modern economic vision based on investment, industry, and expanded commerce. Most strikingly, it was an economic vision that had no place for slavery. Before the 1790s, the American economy--North and South--was intimately tied to a trans-Atlantic system of slavery. States south of Pennsylvania depended on slave labor to produce tobacco, rice, indigo, and cotton. The northern states conducted their most profitable trade with the slave colonies of the West Indies. A member of New York's first antislavery society, Hamilton wanted to reorient the American economy away from slavery and colonial trade.

Although Hamilton's economic vision more closely anticipated America's future, by 1800 Jefferson and his vision had triumphed. Jefferson's success resulted from many factors, but one of the most important was his ability to paint Hamilton as an elitist defender of deferential social order and an admirer of monarchical Britain, while picturing himself as an ardent proponent of republicanism, equality, and economic opportunity. Unlike Jefferson, Hamilton doubted the capacity of common people to govern themselves.

Jefferson's vision of an egalitarian republic of small producers--of farmers, craftsmen, and small manufacturers--had powerful appeal for subsistence farmers and urban artisans fearful of factories and foreign competition. In increasing numbers, these voters began to join a new political party led by Jefferson.

### **The Birth of Political Parties**

The framers of the Constitution had not prepared their plan of government with political parties in mind. They hoped that the "better sort of citizens" would debate key issues and reach a harmonious consensus regarding how best to legislate for the nation's future. Thomas Jefferson reflected widespread sentiments when he declared in 1789, "If I could not go to heaven but with a party, I would not go there at all."

Yet despite a belief that parties were evil and posed a threat to enlightened government, the nation's first political parties emerged in the mid-1790s. Several factors contributed to the birth of parties.

The Federalists, under the leadership of George Washington, John Adams, and Alexander Hamilton, feared that their opponents wanted to destroy the Union, subvert morality and property rights, and ally the United States with revolutionary France.

The Republicans, under the leadership of Thomas Jefferson, feared that the Federalists were trying to establish a corrupt monarchical society, like the one that existed in Britain, with a standing army, high taxes, and government-subsidized monopolies.

### **Years of Crisis (1793-1796)**

In 1793 and 1794 a series of crises threatened to destroy the new national government. The crises were all related to hostilities.

- France tried to entangle America in its war with England;
- Armed rebellion erupted in western Pennsylvania;
- Indians in Ohio threatened American expansion; and
- War with Britain appeared imminent.

In April 1793, a French minister, Edmond Charles Genet, arrived in the United States and tried to persuade American citizens to join in revolutionary France's "war of all peoples against all kings." Genet passed out letters authorizing Americans to attack British commercial vessels. Washington regarded these activities as clear violations of U.S. neutrality, and demanded that France recall its hot headed minister. Fearful that he would be executed if he returned to France, Genet requested and was granted political asylum.

The Genet affair intensified party divisions. From Vermont to South Carolina, supporters of the French Revolution organized Democratic-Republican clubs. Hamilton suspected that these societies really existed to stir up grass-roots opposition to the Washington administration.

Political polarization was further intensified by the outbreak of popular protests in western Pennsylvania against Hamilton's financial program. To help pay off the nation's debt, Congress passed a tax on whiskey. On the frontier, the only practical way to transport and sell surplus corn was to distill it into whiskey. Frontier farmers regarded a tax on whiskey in the same way as American colonists had regarded Britain's stamp tax.

By 1794, western Pennsylvanians had had enough. Some 7,000 frontiersmen marched on Pittsburgh to stop collection of the tax. Determined to set a precedent for the federal government's authority, Washington gathered an army of 15,000 militamen to disperse the rebels. In the face of this overwhelming force, the uprising collapsed. The new government had proved that it would enforce laws enacted by Congress.

Thomas Jefferson took a very different view of the "Whiskey Rebellion." He believed that the government had used the army to stifle legitimate opposition to unfair government policies.

The end of the American Revolution unleashed a rush of white settlers into frontier Georgia, Kentucky, Tennessee, Ohio, and western New York. Hundreds died as Indians resisted the influx of whites onto their lands. To open the Ohio country to white settlement, President Washington dispatched three armies. Twice, a confederacy of eight tribes led by Little Turtle, chief of the Miamis, defeated American forces. But in 1794, a third army defeated the Indian alliance at the Battle of Fallen Timbers in northwestern Ohio. Under the Treaty of Greenville (1795), Native Americans ceded much of the present state of Ohio in return for cash and a promise that the federal government would treat the Indian nations fairly in land dealings.

The year 1794 brought a crisis in America's relations with Britain. For a decade, Britain had refused to evacuate forts in the Northwest Territory. Control of those forts allowed the British to monopolize the fur trade. Frontier

settlers believed that British officials sold firearms to the Indians and incited uprisings against white settlers. War appeared imminent when British warships stopped 300 American ships carrying food supplies to France and to France's overseas possessions and forced sailors suspected of deserting from British ships into the British navy.

To end the crisis, President Washington sent Chief Justice John Jay to London to negotiate a settlement with the British. Britain agreed to evacuate its forts on American soil and to cease harassing American shipping (provided the ships did not carry supplies to Britain's enemies). Britain also agreed to pay damages for the ships it had seized and to permit the United States to trade with India and carry on restricted trade with the British West Indies. But Jay failed to win compensation for slaves carried off by the British army during the Revolution.

The Jeffersonians denounced the treaty as a give-away to northern shipping interests. Southern slave owners were especially angry because they received no compensation for the slaves who had fled to the British during the Revolution. In Boston, graffiti appeared on a wall: "Damn John Jay! Damn everyone who won't damn John Jay!! Damn everyone that won't put lights in his windows and sit up all night damning John Jay!!!"

President Washington was now in a position to retire gracefully. He had pushed the British out of the western forts, opened the Ohio country to white settlement, and avoided war with Britain. In a Farewell Address, published in a Philadelphia newspaper in 1796, Washington warned his countrymen against the growth of partisan divisions. He also called on the country to avoid "permanent alliance with any portion of the foreign world." It would not be until after World War II that the country would establish peacetime alliances with foreign nations.

### **The Election of 1796**

The election of 1796 was the first in which voters could choose between competing political parties. It was also the first test of whether the nation could transfer power through a contested election.

The Federalists chose Vice President John Adams as their presidential candidate, and the Republicans selected Thomas Jefferson. Both parties turned directly to the people for support, rallying supporters through the use of posters, handbills, and mass rallies. The Republicans condemned Adams as "the champion of rank, titles, and hereditary distinctions." The Federalists claimed that Jefferson was intent on undermining religion and morality.

John Adams won the election, despite backstage maneuvering by Alexander Hamilton against him. Hamilton developed a complicated scheme to elect Thomas Pinckney of South Carolina, the Federalist candidate for vice president. Under the electoral system at the time, each presidential elector was to vote twice, with the candidate who received the most votes becoming president and the candidate who came in second becoming vice president. Hamilton convinced some southern electors to drop Adams's name from their ballots, while still voting for Pinckney. Thus Pinckney would receive more votes than Adams and be elected president. When New Englanders learned of this plan, they dropped Pinckney from their ballots, ensuring that Adams won the election. When the final votes were tallied, Adams received 71 votes, only 3 more than Jefferson. As a result, Jefferson became vice president.

### **The Presidency of John Adams**

The new president was a 61 year-old Harvard-educated lawyer who had been an early leader in the struggle for independence. Short, bald, overweight, and vain, he was known, behind his back, as "His Rotundity."

Adams was the first president to live in what would later be called the White House. Just 6 of the structure's 30 rooms were plastered. The White House's main staircases were not installed for another four years. The mansion's grounds were cluttered with workers' shanties, privies, and stagnant pools of water. The president's

wife, Abigail, hung laundry to dry in the East Room. The city of Washington consisted of a brewery, a half-finished hotel, an abandoned canal, an empty warehouse and wharf, and 372 dwellings, "most of them small miserable huts." Cows and hogs ran freely in the capital's streets, and snakes frequented the city's many bogs and marshes. The entire population consisted of 500 families and some 300 members of government.

During Adams' presidency, the United States faced its most serious international crisis yet: an undeclared naval war with France. In the Jay Treaty, France perceived an American tilt toward Britain, especially in a provision permitting the British to seize French goods from American ships in exchange for financial compensation. France retaliated by capturing hundreds of vessels flying the United States flag.

Adams sent a negotiating team to France to settle the dispute. The French foreign minister continually postponed official negotiations. Meanwhile, three French emissaries (known later simply as X, Y, and Z) demanded that the Americans pay a bribe of \$250,000 and provide a \$10 million loan. The Americans refused to pay anything.

Word of the "XYZ affair" aroused a popular demand for war. The popular slogan was "millions for defense, but not one cent for tribute." The Federalist-controlled Congress prepared for war by authorizing a 20,000 man army and calling George Washington out of retirement as commander in chief. During the winter of 1798, an undeclared naval war took place between France and the United States.

In the midst of the crisis, the Federalist dominated Congress passed the notorious Alien and Sedition Acts, which were designed to suppress public criticism of the government. These laws:

- lengthened the period necessary before immigrants could become citizens from 5 to 14 years;
- gave the president the power to imprison or deport any foreigner believed to be dangerous to the United States; and
- made it a crime to attack the government with "false, scandalous, or malicious" statements or writings. These acts contributed to Thomas Jefferson's election as president in 1800 and gave the Federalist party a reputation for political repression. Federalist prosecutors used the Sedition Act to convict ten editors and printers. The most notorious use of the law to suppress dissent involved Luther Baldwin, who was arrested in a Newark, N.J. tavern. While cannons roared to celebrate a presidential visit to the city, Baldwin was overheard saying "that he did not care if they fired through [the president's] arse." For his drunken remark, Baldwin was imprisoned for two months and fined. Republicans accused the Federalists of violating fundamental liberties. The state legislatures of Kentucky and Virginia adopted resolutions written by Thomas Jefferson and James Madison denouncing the Alien and Sedition Acts as an infringement on freedom of expression. The Virginia and Kentucky Resolutions advanced the idea that the states had a right to declare federal laws null and void, and helped to establish the theory of states' rights. Adams succeeded in averting full-scale war with France, but at the cost of a second term as president. Hamilton vowed to destroy Adams: "If we must have an enemy at the head of government, let it be one whom we can oppose, and for whom we are not responsible."

### **An Era Comes to an End**

Between two and three in the morning, December 13, 1799, George Washington woke his wife, complaining of severe pains. Martha Washington called for an overseer, who inserted a lancet in the former president's arm and drew blood. Over the course of that day and the next, doctors arrived and attempted to ease General Washington's pain by applying blisters, administering purges, and additional bloodletting, altogether removing perhaps four pints of Washington's blood. Medical historians generally agree that Washington needed a tracheotomy (a surgical operation into the air passages), but this was too new a technique to be risked on the former president, who died on December 14.

During the early weeks of 1800, every city in the United States commemorated the death of the former leader. In Philadelphia, an empty coffin, a riderless horse, and a funeral cortege moved through the city streets. In Boston, business was suspended, cannons roared, bells tolled, and 6,000 people--a fifth of the city's population--stood in the streets to express their last respects for the fallen general. In Washington, Richard Henry Lee delivered the most famous eulogy. He proclaimed that Washington was "First in war, first in peace, and first in the hearts of his countrymen."

In 1789, it was an open question whether the Constitution was a workable plan of government. For a decade, the nation faced bitter party conflict, threats of secession, and foreign interference with American shipping and commerce.

By any standard, the new nation's achievements were impressive. During the first decade under the Constitution, the country adopted a bill of rights, protecting the rights of the individual against the power of the central and state governments; enacted a financial program that secured the government's credit and stimulated the economy; and created the first political parties that directly involved the enfranchised segment of the population in national politics. In the face of intense partisan conflict, the United States became the first nation to peacefully transfer political power from one party to another as a result of an election. A nation, strong and viable, had emerged from its baptism by fire.

### Assignment Questions:

- a. What major problems did the United States face when George Washington assumed the presidency and our first Congress and Supreme Court took their positions in the new government under the Constitution? Discuss **four** major issues.
- b. How did Alexander Hamilton try to address the enormous economic problems that the nation faced for the first time under the Constitution? Examine the importance of each of his **three** proposals to put the nation on sound financial footing.
- c. Which major issues led to the development of the first political parties. Examine **three** issues which separated the first two parties-- the Federalists and the (Jeffersonian) Republicans.
- d. How did the Washington Administration handle the following major issues listed below? What precedents were set by the Washington administration in handling each of these crises?
  - The Genet Affair
  - The Whiskey Rebellion
  - Jay's Treaty
- e. During the presidency of John Adams, the nation faced two major crises-- an undeclared war with France and political partisanship at home. How did his administration handle these **two** issues?
  - Quasi War with France (XYZ Affair)
  - The Alien and Sedition Acts

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