

## **Presidencies of George Washington, Thomas Jefferson and John Adams**

### **The New Government Takes Shape**

The first president of the country under the new government was George Washington. The task ahead of him and Congress was a difficult one. Although the Constitution provided a strong foundation, it was not a detailed blue print for governing. There was no precedent, or prior example of how to make this new government work. That job was left up to the nation's leaders.

One of the first steps Washington and Congress took was to create a judicial system. The Judiciary Act of 1789 established a national court system. This law allowed state court decisions to be appealed to a federal court when constitutional issues were raised.

Washington and Congress also created three executive departments: the Department of State to deal with foreign affairs; the Department of War to handle military measures; and the Department of the Treasury to manage finances. To head these departments Washington selected strong leaders. He chose Thomas Jefferson as Secretary of State. He picked Henry Knox as Secretary of War, and Alexander Hamilton as Secretary of Treasury. Edmund Randolph was selected as the first Attorney General. These department heads soon became the president's chief advisers, or cabinet.

### **Why did Hamilton and Jefferson disagree?**

Secretary of State Thomas Jefferson and Secretary of the Treasury Alexander Hamilton disagreed on the direction the nation should take. Hamilton wanted a strong central government. He also called for an economy that helped trade and industry. Jefferson wanted a weak central government. He also wanted an economy that favored farmers. The industrial North backed Hamilton. The largely agricultural South backed Jefferson.

Hamilton wanted to set up the Bank of the U.S.. The bank would be funded by the federal government and wealthy investors. The bank would issue paper money. It also would handle tax receipts and other government finances. Hamilton believed that if wealthy people invested in the nation's bank, they would become more committed to helping the new government succeed (80 % private investors, 20 % federal government). Hamilton also believed the federal government should assume, or take over, all outstanding state debts. Money states had borrowed from foreign countries like France would become debt belonging to the national government. Hamilton believed this would encourage foreign nations to support the new country's success in hopes of having their debts paid. Thomas Jefferson and James Madison opposed the plan for a national bank. They argued that it would create an alliance between the government and wealthy business interests.

In the end Hamilton convinced Congress to pass his plan for a national bank. He won support from the southern lawmakers by agreeing to build the nation's new capital in the South, in Washington D.C. This was part of the Residence act that proposed to set up an impressive capitol. It created the District of Columbia. This was surveyed by Benjamin Banneker, an African American mathematician.

Another factor that divided Hamilton and Jefferson concerned their interpretation of the U.S. Constitution. Hamilton favored a loose construction and the idea the federal government could stretch the Constitution using implied powers (elastic clause). He used this idea with the creation of the National bank. Jefferson favored a strict construction and the idea the government was limited to powers specifically mentioned in the U.S. Constitution. He used this to argue against the bank.

### **The First Political Parties and Rebellion**

The difference between Hamilton and Jefferson led to the nation's first political parties. Hamilton and supporters of a strong central government were called Federalists. Jefferson and those who believed that state governments should be stronger than the federal government were called Democratic - Republicans. (This party was the ancestor of today's Democratic Party.) These groups served as the basis for the nation's two-party system. Under this system the two main political parties compete for power.

As the nation's two political parties formed Congress passed two important taxes. One was a protective tariff. It placed a tax on goods imported from Europe. This tax brought in a great amount of

revenue for the federal government. But Hamilton wanted more tax money. He pushed through an excise tax, or sales tax, on whiskey. Small frontier farmers (especially in Pennsylvania) produced most of the nation's whiskey. They became so angry about the tax that they attacked the tax collectors. Their actions became known as the Whiskey Rebellion.

Hamilton wanted to show the nation that the federal government could enforce the law on the frontier. As a result, he employed federal troops to put down the Whiskey Rebellion. This showed the power of the Federal government.

### **U.S. Responds to Events in Europe - What were America's earliest foreign policy problems?**

In 1789, the French overthrew their monarchy. Then the French went to war against Britain. Since the revolutionary war the U.S. had a treaty with France. Democratic-Republicans wanted to honor the treaty and support France. Federalists wanted to back the British. Washington decided on neutrality and issued the Proclamation of Neutrality stating the U.S. would not support either side.

In April 1793, the French sent a diplomat, Edmond Genet, to the U.S. to win American support. Genet, however, did not present himself to President Washington. Instead, he tried to get Americans to help the French against Great Britain. Washington was outraged that the French did not respect his country's neutrality and ordered Genet back to France.

Meanwhile, the U.S. and Spain worked to negotiate an agreement over lands west of the Appalachian Mountains. In 1795, U.S. ambassador, Thomas Pinckney negotiated a treaty with Spain. Under the agreement, known as Pinckney's Treaty, Spain gave up its claims to the land east of the Mississippi River to American traffic giving the U.S. use of the river. This treaty paved the way for American expansion west of the Appalachian Mountains.

Even before Pinckney's Treaty in 1795, Americans had been moving west of the Appalachians in search of new lands to settle. One region many Americans streamed into was the Northwest Territory. This area included Ohio, Indiana, Illinois, Michigan, and Wisconsin.

American settlers encountered much trouble in this land, however. First, despite losing the Revolutionary War, the British still maintained forts in the area. In addition, numerous Native Americans also inhabited the region.

As American settlers moved in, Native Americans grew angry. Conflicts eventually broke between the Native Americans and the white settlers. One notable clash occurred in 1790. Under the leadership of Little Turtle, a chieftain of the Miami tribe, Native Americans defeated American troops as they fought for control of what would become Ohio. In 1794, the American general, Anthony Wayne, defeated Native Americans at the Battle of Fallen Timbers. This defeat ended Native American resistance in Ohio with the Treaty of Greenville signing away Native American land.

That same year, U.S. diplomat John Jay negotiated a treaty with Britain. Under the Jay Treaty, the British agreed to give up their forts in the Northwest Territory. Still, the British continued to bother American ships in the Caribbean. Thus, the treaty did not resolve the problem of British harassment and was unpopular because it simply restated the terms of an earlier treaty in 1783. Washington supported the treaty to avoid war with Britain.

Washington chose not to seek a third term in office. In his Farewell Address he warned of three things the new country needed to avoid. He warned against factions (political parties). He urged the nation to stay clear of permanent alliances with other countries and to avoid sectionalism within the country. The future presidents did not heed his advice.

### **Presidency of John Adams**

George Washington retired from the presidency after his two terms. In a close election, Federalist John Adams was elected President in 1796. Back then, the second place finisher became the vice-president. In this case, it was Thomas Jefferson, a Democratic Republican. (This created a President of one party in office while his vice president was another party.)

The election highlighted the dangers of sectionalism - placing the interests of one region over those of the nation as a whole. Almost all the electors from Northern States voted for Adams while most of the electors from the Southern states voted for Jefferson.

Shortly after the election, America faced yet another foreign affairs crisis. France had begun to

interfere with American shipping. During negotiations to resolve the matter, three French officials demanded bribes from the Americans in order to help them. This incident became known as the XYZ Affair. Some Americans felt insulted and called for war against France. But Adams settled the matter through diplomacy. Instead he built up the U.S. navy.

Republicans cheered Adams' handling of the XYZ Affair. However, they criticized him on numerous other issues. As a result, Adams and his party considered Republicans a threat to the nation. The Federalists also viewed immigrants as a threat because many of them were active in the Democratic-Republican Party once gaining citizenship.

Acting on their fears, the Federalists pushed through Congress the Alien and Sedition Acts of 1798. These acts made it harder for immigrants to become U.S. citizens (Alien and Naturalization acts). The Sedition Act was aimed to silence republican criticism and handed out harsh punishments for people who criticized the government.

Democratic-Republicans loudly criticized the law saying it violated civil liberties. Two states, Kentucky and Virginia, passed resolutions refusing to obey the acts. The Kentucky and Virginia Resolves claimed to be acting on the principle of nullification. Under this principle, states could refuse to obey federal laws that they thought were unconstitutional.

### Presidency of Thomas Jefferson

Thomas Jefferson and John Adams faced each other again in the presidential election of 1800. The election was close and bitter. Thomas Jefferson and his followers accused President Adams of making the federal government too powerful. They also claimed he put the people's liberties in danger.

Jefferson defeated Adams by eight electoral votes. However, Jefferson and his running mate, Aaron Burr, received the same number of electoral votes. The House of Representatives had to decide the winner. Alexander Hamilton stepped in. Hamilton, who disliked Burr, persuaded his supporters in the House to vote for Jefferson, giving Jefferson the presidency and Burr the vice presidency.

This controversy revealed a problem with the election system. The nation solved it by passing the Twelfth amendment. This amendment called for electors to vote separately for president and vice president.

Jefferson's inauguration signaled the first time in the nation's history that power was transferred from one political party to another. Jefferson believed that the people should have greater control of the government. He also believed that government should be simple and small. As president, he got a chance to put his beliefs into practice. He took steps to limit the power of the central government. For example he reduced the size of the federal military. He also rolled back Hamilton's economic program by reducing the influence of the National bank.

While they no longer ruled the executive branch, the Federalists remained powerful in the judicial branch. Adams appointed John Marshall, a Federalist, as Chief Justice of the Supreme Court. Just before he left office, President Adams pushed the Judiciary Act of 1801 through Congress. This law increased the number of justices on the Supreme Court to sixteen.

Adams quickly filled the positions with Federalists. These judges were called "midnight judges" because Adams signed their appointments on the last day of his presidency.

Adams' packing of the courts with Federalists angered Jefferson and the Democratic-Republicans. They argued that these appointments were not valid. This debate led to one of the most important Supreme Court decisions of all time. The case revolved around an appointed judge's insistence that he receive his official papers from Congress. The judge claimed that Congress must hand them over under the Judiciary act of 1789. In Marbury v. Madison, however, the Supreme Court ruled that the Judiciary Act was unconstitutional. The court ruled that the Constitution contained no provision for the Supreme Court to issue such orders as the act required. This decision established the principle of judicial review. This principle allows the Supreme Court to declare a law unconstitutional.

During Jefferson's presidency, many more settlers moved west. The population in the western territories grew rapidly. In 1803, Jefferson purchased (for \$15 million) a large amount of western land from France. It was called the Louisiana Purchase. It stretched from the Mississippi River to the Rocky Mountains. With the Louisiana Purchase, the U.S. doubled in size and gave control of the Mississippi River to the U.S. President Jefferson was very concerned about his power to make such a purchase mainly because it went against his belief of a strict interpretation of the Constitution. He was convinced it was for the good of the

Nation by none other than Alexander Hamilton.

Jefferson sent Meriwether Lewis and William Clark to explore the new land. Lewis and Clark led a team of soldiers and adventurers. This group later included Sacajawea, a Native American (Shoshone) woman who was a guide and interpreter. The team traveled for more than two years from St. Louis to present day Oregon and back. Lewis and Clark kept a journal of their explorations. The Lewis and Clark expedition showed that people could travel across the continent. It paved the way for even greater settlement of the West.

During Jefferson's second term in office he faced a problem once again with Britain and France. U.S. shipping was not safe on the open seas because of the war that existed between the two countries. The British practice of impressment, the kidnapping of sailors, was causing tension with the US. After the Chesapeake - Leopard Incident, in which the U.S. ship the Chesapeake was attacked by the British, Jefferson pushed through Congress the Embargo Act of 1807 prohibiting trade between the U.S. and foreign countries. Jefferson reasoned that if American ships stayed home they could not be seized. Unfortunately for Jefferson, the Embargo Act did not have the desired effect. It greatly damaged the American economy while only slightly hurting Britain and France. The act was repealed and replaced but Jefferson's presidency ended on a sour note.