Chapter 8: The New Nation, 1786–1800

Chapter Review

I. AMERICAN COMMUNITIES A Rural Massachusetts Community Rises in Defense of Liberty

In 1786 the county was suffering from an economic depression that hit farmers particularly hard. Rising property taxes and farmer discontent in Massachusetts culminated in Shays’ Rebellion, named for Daniel Shays. The rebellion was seen by many conservatives, including George Washington, as a class conflict between rich and poor. The rebellion was put down by private troops financed by wealthy merchants in January 1787. Perhaps the most important outcome of Shays’ Rebellion was the attention it drew to the inadequacies of the Articles of Confederation. The rebellion also caused elites to debate the virtues of popular participation in government.

II. THE CRISIS OF THE 1780s

The depression of the 1780s and the political protests it spawned assisted in the development of a strong nationalist sentiment. These sentiments congealed into a political movement to strengthen the national government.

a. Economic Crisis

The economic rebellion that gave rise to Shays’ rebellion had its origins in the Revolutionary War. A shortage of goods and a flood of paper money combined to create the worst inflation in American history. As the war ended, inflation gave way to depression. The new United States continued to supply raw materials to Britain and to purchase manufactured goods from Britain. The ensuing trade deficit drew money out of American accounts and into British hands. To make matters worse, the state and national governments were still trying to pay off debts incurred during the Revolutionary War. The Confederation Congress, unable to raise taxes on its own, requested funds from the states, which in turn passed the cost on to their citizens.

b. State Remedies

At the state level, radicals called for regulation of the economy. Citizens advocated for laws that would force creditors to accept a state’s paper money at face value. Seven states enacted such legal tender laws with moderate success. Rhode Island, under the control of a rural political party, enacted a more radical currency law which forced creditors to accept inflated state currency at face value. Conservatives pointed to “Rogue Island” as proof of the perils of popular participation in government. Other states enacted high tariffs to protect state industries. It became clear, that to be effective, commercial regulations must be national in scope.

c. Toward a New National Government
In 1786, the state of Virginia invited all of the states to appoint delegates to a convention for the purpose of remedying the economic crisis. Only 12 delegates from five states attended the meeting in Annapolis, Maryland. The Annapolis convention passed a resolution requesting that the Confederation Congress convene a national convention. Congress voted to endorse such a convention, to be held in Philadelphia in May 1787. Propertied conservatives who favored strong national government welcomed the convention, leading some to suspect that class interest alone motivated them.

III. THE NEW CONSTITUTION

In May 1787, delegates to the convention from every state save Rhode Island assembled at the Pennsylvania State House in Philadelphia. There were no farmers or artisans present and women, African Americans, and Indians were also excluded. The new constitution would be framed by America’s economic elite, who were committed to the ideals of republicanism but not complete democracy.

MHL document: *The United States Constitution (1789)* at www.myhistorylab.com

a. The Constitutional Convention

At the Constitutional Convention, Madison and his fellow Virginians drafted the Virginia Plan, which proposed scrapping the Articles of Confederation for a more centralized government with the powers to tax and to enforce laws directly. The plan also purposed a bicameral legislature apportioned by population. Small states objected to the Virginia Plan and supported the New Jersey Plan, which retained a unicameral legislature with equal representation for all of the states. The delegates finally agreed on the “Great Compromise” which provided proportional representation of the states in the House of Representatives and equal representation of each state in the Senate, agreed to count five slaves as the equivalent of three men, the “three-fifths rule,” in exchange for agreeing to a commerce clause which allowed the new national government to regulate foreign trade, and prohibited the outlaw of the slave trade for 20 years. The delegates also designed a president, chosen by an electoral college, with veto power to check the legislature. The delegates approved the document on September 17, 1787, agreeing that it would become the new government once it had been ratified by nine of the 13 states.

MHL document: *James Madison, The Virginia (or Randolph) Plan (1787)* at www.myhistorylab.com

MHL video: *Slavery and the Constitution* at www.myhistorylab.com

b. Ratifying the New Constitution

Supporters of the new Constitution called themselves Federalists. The prevailing thought in Europe throughout the eighteenth century dictated that republican government could only work properly in small nations. James Madison, Alexander Hamilton, and John Jay responded to such doubts through an eloquent series of essay known as the *Federalist Papers*. Opponents to the new Constitution were known as Anti-Federalists. On June 21,
1788, New Hampshire became the ninth state to ratify and the Constitution became law. Four holdouts—Virginia, New York, North Carolina and Rhode Island—reluctantly voted to ratify amidst demands for a Bill of Rights to protect their citizens from federal power.


c. The Bill of Rights

Anti-Federalists worried that a strong national government without proper restraints might infringe on the rights of the people and had proposed some 200 amendments to the Constitution in the state conventions. At the direction of James Madison, Congress approved 12 amendments and sent them to the states for ratification. Ten were ratified by the states and became known as the Bill of Rights, with guarantees of freedom of expression and religion and protections against abuses in legal proceedings. Although Federalists wrote the Constitution, Anti-Federalists left their mark on it with the Bill of Rights.

MHL document: The Bill of Rights (1789 at www.myhistorylab.com

IV. THE FIRST FEDERAL ADMINISTRATION

After elections in the fall of 1788, in the spring of 1789 the new federal government assumed power. The inauguration of George Washington, the first president of the United States, took place on April 30, 1789.

a. The Washington Presidency

George Washington chose to preserve many of the trappings of royalty in his administration including the use of a six-horse grand carriage for travel around Washington. Washington appointed Thomas Jefferson as Secretary of State, Alexander Hamilton as Secretary of the Treasury, Henry Knox as Secretary of War, and Edmund Randolph as Attorney General. This group of secretaries would come to be known in future administrations as the president’s cabinet. Understanding the importance of national unity, Washington sought to balance sectional and political interests, intentions sorely tested during his administration.

b. The Federal Judiciary

The Judiciary Act of 1789, which implemented the judicial clause of the Constitution, was the most important piece of legislation to emerge from the first session of Congress, establishing district and circuit courts. Washington appointed, with Senate confirmation, six Supreme Court justices, including John Jay as the first Chief Justice of the United States. While disputes over the Supreme Court’s authority led to limiting the Eleventh Amendment, the Court established itself as the final authority on the law and the Constitution.
c. Hamilton’s Fiscal Program

With the nation all but bankrupt, Alexander Hamilton, Secretary of the Treasury, set out to reorganize finances. Hamilton proposed that the federal government assume responsibility for the state debts incurred as a result of the Revolutionary War. Despite opposition to the plan, a compromise was reached and Hamilton’s credit plan was adopted and, in return for their support, southerners saw the capital moved to the Potomac. Hamilton also proposed the creation of a strong Bank of the United States. Over Madison and Jefferson’s opposition, Washington signed the bank bill and it went into operation in 1791. Although Hamilton’s sweeping Report on Manufactures was not adopted in full, it did influence protective tariff provisions. While Hamilton’s plans were greatly responsible for restoring the financial health of the nation, there continued to be disagreements between Hamilton, who represented the interests of Northern capitalists, and Jefferson, who represented the interests of Southern farmers and agriculturalists.


d. American Foreign Policy

In the 1790s, the French Revolution emphasized the need for America to form a coherent foreign policy. Despite disagreement between Hamilton and Jefferson on the wisdom of friendship with Britain or France, Washington’s cabinet agreed on the necessity of American neutrality in the face of the French Revolution, despite the Franco-American alliance of 1778. Neutrality in European conflicts would mean enormous profits for American industries that could continue selling to both the British and the French. A violent turn in French affairs and the political meddling of French ambassador “Citizen” Genêt led Washington to issue a proclamation of neutrality on April 22, 1793, pleasing Hamilton but provoking Jefferson’s resignation.

e. The United States and the Indian Peoples

Western expansion was a pressing issue for the Washington administration. The Northwest Ordinance of 1787 outlined an inconsistent policy for westward expansion. The Intercourse Act, passed by Congress in 1790, declared that a formal treaty between the United States and Indians was the only legal way to obtain Indian land. Military support for new Western settlers led to conflict and a disastrous defeat of forces under Anthony St. Clair in November 1791, revealing the contradictions of Indian policy.

f. Spanish Florida and British Canada

In the 1780s, Spain had reasserted itself as a power in North America by acquiring Louisiana. Spain pursued an anti-American policy in the West that included closing the Mississippi River to American shipping and blocking American settlement in Louisiana and Florida. Thousands of British Loyalists had fled north of the Ohio River and settled north of lakes Ontario and Erie and were likewise hostile to the new American republic.
The British Parliament passed the Canada Act, creating the province of Upper Canada and allowing the Loyalists limited self-government. To protect this province, British troops remained in Detroit and other posts on American territory.

g. The Crisis of 1794

In 1794, the combination of the government’s inability to subdue Indians in the West, to remove the British from the northern fur trade, or to persuade the Spanish to open the Mississippi to American shipping led to the most serious crisis of Washington’s administration. Additionally, rebellion broke out among Pennsylvania farmers protesting the excise tax Congress placed on the distillation of whiskey. To subdue the “Whiskey Rebellion,” Washington called up 13,000 troops and ordered the occupation of western Pennsylvania. After Anthony Wayne’s victory at Fallen Timbers, western Indians signed the Treaty of Greenville in 1795, ceding a huge portion of their territories in the Northwest.

MHL document: George Washington, Proclamation Regarding the Whiskey Rebellion (1794) at www.myhistorylab.com

h. Settling Disputes with Britain and Spain

The strengthened American position in the West encouraged the British to settle longstanding disputes. In November 1794, Jay’s Treaty was signed, providing for British withdrawal from American territory by 1796, for “favored-nation” status in trade, and for limited American trade with the British colonies. Although highly unpopular, Jay’s Treaty proved beneficial to a nation in no position to wage war. In part because of fear of American threats to Spanish territory, 1795 Thomas Pinckney negotiated a treaty with Spain opening the Mississippi to American shipping and establishing the international boundary at the 31st parallel. These two important treaties helped the United States establish its sovereignty over land west of the Appalachian Mountains, but the resultant political turmoil persuaded Washington to reject a third term and retire to private life.

i. Washington's Farewell Address

Washington published a formal “Farewell Address” to the nation. In it he praised the virtues of the federal government and encouraged the fledgling nation to continue its pursuit of neutrality in all European affairs while deploring the political factionalism that had poisoned his second term.

V. FEDERALISTS AND DEMOCRATIC-REPUBLICANS

During Washington’s presidency, the precursor to the two-party political system could already be seen as James Madison organized opposition to Washington’s policies. Although the framers had not anticipated the advent of organized political parties, in the 12 years between the Constitution’s ratification and the election of 1800, political parties had become an important facet of the American system.
a. The Rise of Political Parties

By the time of the 1796 election, the different political factions had taken names for themselves. Alexander Hamilton’s supporters continued to be called Federalists but Jefferson’s supporters named themselves (Democratic) Republicans. In 1796, John Adams, a Federalist, won. Thomas Jefferson, a Republican came in second and was thus named vice president. The new administration was divided politically from the start.

b. The Adams Presidency

Angered by Jay’s Treaty with the British, the French suspended diplomatic relations with the United States during Adams presidency. When the French began seizing American ships and cargo in spite of American neutrality, Adams sent American diplomats to France. When word returned that before negotiations could begin the French demanded bribes, the “XYZ Affair” (as it became known) sparked anti-French sentiment throughout the United States.

c. The Alien and Sedition Acts

The Republicans contested Federalist war measures taken during the “Quasi-War” with France. The Federalist majority in Congress, with the approval of President Adams, passed four acts that severely limited free speech and free press in an attempt to quell Republican political dissent. The Naturalization Act increased the residency requirement for citizenship from 5 years to 14 years while the Alien Act and Alien Enemies Act empowered the president to imprison or deport suspected aliens during wartime. The Sedition Act created large fines and possible imprisonment for anyone convicted of speaking, publishing, or writing anything “malicious” about the government or its elected officials. Madison and Jefferson denounced the acts in their Virginia and Kentucky Resolutions, raising the specter of nullification.


d. The Revolution of 1800

Although Adams negotiated an end to the Quasi-War, his policies were opposed by the Hamiltonians. The election of 1800 was the first to be contested by two well-formed and organized political parties. The candidates were John Adams and Charles Cotesworth Pinckney for the Federalists, and Thomas Jefferson and Aaron Burr for the Republicans. By casting all of their votes for both Jefferson and Burr, the Republican electors unthinkingly created a tie in the race for president. A crisis was averted and Jefferson prevailed in a contentious House vote only after Federalists had flirted with supporting Burr, who nevertheless was elected vice president by the Senate. After the election, the Twelfth Amendment was ratified creating separate ballots for president and vice president.
e. Democratic Political Culture

During the political controversies of the decade, a tradition of popular celebration developed. By 1800, the Fourth of July had become the nation’s most important holiday. These celebrations corresponded to an increase in suffrage. Pressure from the public resulted in universal white male suffrage in four states by 1800 and a reduction of property requirements for voting in other states. As suffrage increased, so, too, did voter turnout and the growth of popular interest in politics.

VI. “THE RISING GLORY OF AMERICA”

Up to this point in history, American contributions to the arts and sciences were arguably slim. However, Americans were optimistic about what the future would bring.

a. The Liberty of the Press

By 1789, there were more newspapers in the United States, relative to population, than in any other country in the world. This was in part due to the remarkably high literacy rate of Americans, upwards of 90 percent of the population in New England. During Adams’ presidency, the Sedition Act threatened to curtail this growing industry, but with Jefferson’s election, the Alien and Sedition acts were repealed.

b. Books, Books, Books

The post-Revolutionary years saw an incredible increase in the numbers of books published in the new nation. Some of the most interesting books of this period, including *Letters from an American Farmer*, examined the newly developing national character. Other important works included Mason Lock Weem’s *Life of Washington*.

c. Women on the Intellectual Scene

Although women’s literacy rates were generally lower than men’s, they did rise steadily. The first admitted feminist in American history, Judith Sargent Murray, advocated for women’s independence and self-sufficiency. Such views horrified Federalists. There was, however, agreement that women needed to be better educated, in large part because of their vital roles as republican mothers, charged with the responsibility of instilling virtue and civic-mindedness in her children at home.

VII. CONCLUSION

With a new Constitution, new problems and political tensions faced the American people. In the new century it was unclear whether the energies of an expanding people could be controlled.
Learning Objectives

Students should be able to answer the following questions after studying Chapter 8:

1. What were the tensions and conflicts between local and national authorities in the decades after the American Revolution?
2. How did Americans differ in their views of the new Constitution, and how were those differences reflected in the struggle to achieve ratification?
3. What were the essential structures of national government under the Constitution?
4. How did American political parties first begin?
5. What were the first stirrings of an authentic American national culture?

Discussion Suggestions and Possible Answers

1. What were the conflicting ideals of local and national authority in the debate over the Constitution?

   **Answer:** Those who supported the quest for national authority saw it as a necessary function of whether the nation were to be able to act decisively and protect itself. Furthermore, they felt that the size of the nation and its population would prevent any one faction from ruling arbitrarily. The proponents of local authority thought that the government would be too distant from the people and not be able to respond properly to the individual needs of communities and regions. They feared being overwhelmed by the majority.

2. What were the major crises faced by the Washington and Adams administrations?

   **Answer:** Both Washington and Adams faced direct challenges to federal authority from American citizens as well as foreign policy challenges from nations who thought that they could exploit a weak United States. They also confronted the challenges of emerging political parties, which were a-constitutional.

3. Describe the roles of Madison and Hamilton in the formation of the first American political parties.

   **Answer:** Both men gathered like-minded individuals into their camps as they sought to identify domestic and foreign policies with their preferred candidate and also put forth ideas that built upon or rejected the concept of national authority. Both men wanted to define the nation according to their individual versions of the ideal—the agrarian ideal for Madison and the industrialized ideal for Hamilton.

4. What did Jefferson mean when he talked of “the Revolution of 1800”?

   **Answer:** It was the first time in the nation’s history, albeit a brief history, that the reins of political power were transferred between men of starkly competing ideas (soon to be the focal point of political parties).
5. Discuss the contributions of the Revolutionary generation to the construction of a national culture.

**Answer:** The nationalism that emerged from a collective identity that was forged in opposition to the British rule and military conduct of the war helped to give the people a sense of themselves as a united people. This identity worked its way into the public realm through education, the arts, literature, and even the development of newspapers with nationalist leanings.

**Lecture Outline**

American Communities: A Rural Massachusetts Community Rises in Defense of Liberty
The Crisis of the 1780s
  - The Economic Crisis
  - State Remedies
  - Shays’ Rebellion
  - Toward a New National Government

The New Constitution
  - The Constitutional Convention
  - Ratifying the New Constitution
  - Federalists and Anti-Federalists
  - The Bill of Rights

The First Federal Administration
  - The Washington Presidency
  - Federal Judiciary Act of 1789
  - Hamilton’s Fiscal Plan
  - American Foreign Policy
  - Citizen Genêt
  - American Indians
  - The Crisis of 1794
  - The Whiskey Rebellion
  - Jay and Pinckney’s Treaties
  - Washington’s Farewell Address

Federalists versus Republicans
  - The Rise of Political Parties
  - XYZ Affair
  - The Alien and Sedition Acts
  - Election of 1800
  - Democratic Political Culture

“The Rising Glory of America”
  - Arts, Literature, and the Press
  - Women on the Intellectual Scene
Resources (Web, Films/Video)

Web
The Avalon Project at Yale Law School: Documents in Law, History and Diplomacy: http://www.yale.edu/lawweb/avalon/avalon.htm has compiled digital transcripts of important documents in the fields of American law, history, economics, politics, diplomacy, and government. It also has extensive links to supporting documents.

A Century of Lawmaking for a New Nation: US Congressional Documents and Debates, 1774–1875: http://memory.loc.gov/ammem/amem/amlaw/lawhome.html compiles all of the records of the debates, journals, letters, registers, and bills from the period prior to the Constitution to the post-Civil War.

Charters of Freedom: http://www.archives.gov/national-archives-experience/charters/constitution.html details the making of our nation’s major charters as well as their subsequent impact and interpretations, with an essay “A More Perfect Union” and extensive coverage of the Bill of Rights and all subsequent amendments.

Alexander Hamilton: http://www.alexanderhamiltonexhibition.org provides details about Hamilton’s life and influence on the policies and development of the United States.

Films/Video

Founding Brothers (200 minutes). A&E Home Video, 2002. Examines the role that many of the nation’s leading men played in the development of the government, but also the role that less-well-known events played, such as a dinner conversation, a duel, and the backroom deals that led to the formation of political parties.


MY HISTORY LAB CONNECTIONS

Reinforce what you learned in this chapter by studying the many documents, images, maps, review tools, and videos available at www.myhistorylab.com.

Read and Review

Read the Documents
The United States Constitution (1789)
James Madison, The Virginia (or Randolph) Plan (1787)
The Debates in the Federal Convention of 1787
While the Constitutional era is mostly discussed and studied in terms of the events that led to the formation of the nation’s political structures, the common people were not inactive. What role did everyday Americans play in defining the character and direction of the nation? How were they both involved and distant from the grand narrative taking place in the halls of power?