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# The Federalist Period (1789 – 1800)

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# Issues Facing the New Nation

- The new American nation created under the Constitution had two important orders of business facing it
    - Draft the Bill of Rights that had been promised under ratification
    - Elect a president
  - There were also other issues at hand
    - Create a court system (esp. the Supreme Court)
    - Get the American economy on track
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# The Bill of Rights

- The first ten amendments of the Constitution
  - Meant to protect the people from possible abuses of government
  - The Bill of Rights
    - 1<sup>st</sup> Amendment: freedoms of speech, press, assembly, religion, and petition; also separated church and state
    - 2<sup>nd</sup> Amendment: the right to own firearms
    - 3<sup>rd</sup> Amendment: soldiers do not have to be quartered during peace times
    - 4<sup>th</sup> Amendment: no illegal searches and seizures
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# The Bill of Rights

- The Bill of Rights (cont'd)
    - 5<sup>th</sup> Amendment: the right of due process, do not have to testify against themselves, and do not have to face double jeopardy
    - 6<sup>th</sup> Amendment: the right to a speedy and fair trial and the right to call witnesses
    - 7<sup>th</sup> Amendment: the right to trial by jury
    - 8<sup>th</sup> Amendment: no excessive bails or fines; no cruel and unusual punishment
    - 9<sup>th</sup> Amendment: all natural and civil rights are protected against the government
    - 10<sup>th</sup> Amendment: powers not given to the federal government are guaranteed to the state governments
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# The First President

- It was widely believed as the first Congress convened and the first electoral college met that Washington would be chosen as the first president... this is exactly what happened
  - Washington was unanimously elected president and he took the first oath of office in April 1789
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# President Washington

- Washington was well aware that his actions as the first president would influence all later presidents
  - Washington did not want the president to become an absolute ruler over the US government
  - One of his first actions as president was establishing a cabinet of advisors
    - Secretary of State: Thomas Jefferson
    - Secretary of the Treasury: Alexander Hamilton
    - Secretary of War: Henry Knox
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# Creating a Court System

- The Constitution only mentioned a Supreme Court, but it did not establish a national system of courts
  - Congress passed the Judiciary Act of 1789
    - It established a Supreme Court that would rule on the constitutionality of state court decisions
    - It also created a federal court system
      - There would be 13 district courts and 3 circuit courts of appeals
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# The Struggling American Economy

- Hamilton was given the task of rebuilding the American economy that had suffered under the Articles
    - Hamilton's programs would create a very powerful federal government
    - Washington would support all of Hamilton's programs, while Jefferson would oppose them all
    - The Hamilton-Jefferson debate would consume American politics for the next decade
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# Hamilton's Programs

- The first financial issue faced by Hamilton was the matter of debt
    - Hamilton wanted the US to pay off its own debts (\$54 million) at face value
      - This would ensure that the US would be looked at by domestic and foreign investors as ok to lend money to
    - Hamilton also believed that the US should assume all of the remaining debts of the states (another \$22 million)
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# More Compromises

- The plan for the US to assume the debt of its states was a volatile issue
    - Virginia had already paid off its war debts, yet some states, like its rival Massachusetts, still had large amounts of debt
    - In order to Virginia to agree to the plan it was decided that the nation's capital would be built in that state (what would become Washington DC)
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# Effects of the State-Debt Program

- Knowing that the federal government was in talks to pay off all of its debts at face value, wealthy businessmen from the North bought up all Revolutionary war bonds from the Southerners and the frontiersmen
    - These bonds had heavily depreciated following the war after the states could not honor them
    - The wealthy were able to buy the notes very cheaply and then make a great profit when the nation assumed all debts and paid them off at face value
    - This created great distrust between Southern and frontier farmers and the Northern businessmen
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# Hamilton's Programs

- To begin raising money Hamilton had a small tariff (only 8%) passed
  - He also had a tax placed on whiskey
    - It was considerably large (7 cents per gallon)
    - Again, frontier people and farmers felt that they were being taken advantage of because they were the heaviest drinkers and also because whiskey was common form of currency in the frontier regions
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# Hamilton's Programs

- The cornerstone of Hamilton's programs for American economic recovery was a national bank
    - Hamilton wanted a national treasury to be created
      - It would be a private institution, but the US government would be the largest stockholder
      - It would use cash to promote growth of the economy
      - It would hold the government's excess money
      - It would have the right to print and regulate paper money
  - Jefferson believed that the bank would put the wealth of the nation into the hands of the wealthy
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# The Bank Debate

- **Loose Construction:** the idea that the Constitution was meant to be used for interpretation, what was not forbidden was allowed (a.k.a. the Elastic Clause)
    - Hamilton believed that since the Constitution did not say that they could not be a bank, this meant that Congress could make one
  - **Strict Construction:** the idea that the Constitution had to be followed exactly as it was worded
    - Jefferson believed that since the Constitution did not create a national bank then there could not be one
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# Hamilton's Successes

- Hamilton was successfully in gaining nearly all that the he asked for
    - Washington was a strong supporter of his
    - The US assumed all debts, including those of the states
    - His tariffs and taxes were passed
    - The National Bank was chartered for 20 years
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# Two Political Parties

- The waging debate between Hamilton and Jefferson would grow into the birth of two political parties
    - The Federalists: grew from Hamilton's supporters (the Hamiltonians)
      - Believed in a powerful federal government
    - The Democrat-Republicans: grew for those who followed Jefferson (the Jeffersonians)
      - Believed in a limited federal government and in strong states
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# The Federalists

- Mainly found in the New England colonies; strongly supported by the merchant class and large landowners
  - Believed in loose construction (Constitution)
  - Favored Hamilton's economic programs
  - Favored a powerful national army and navy
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# The Democrat-Republicans

- Also known simply as Republicans
  - Heavily supported in the South and the frontiers
  - Believed in strict construction (Constitution)
  - Favored a weak central government; favored strong states' rights
  - Desired an agrarian economy; opposed tariffs and the national bank
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# The Whiskey Rebellion

- Feeling that they were being taken advantage of, in 1794 a group of farmers in Pennsylvania rebelled against the whiskey tax
    - They attacked the tax agents and destroyed court houses
  - Washington authorized the use of 15,000 soldiers to crush the rebellion
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# The Whiskey Rebellion

- Many praised the fact that this government could defend the nation from rebellion
    - The Articles had failed to stop Shays' Rebellion
    - Anti-Federalists instead feared the growing power of the central government
  - Federalists supported Washington's actions, Republicans condemned the federal government's actions
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# The French Question

- During Washington's first term (1788-1792) the French monarchy was overthrown in the French peoples' attempt to establish their own republic
  - During the Revolution the US had formed an alliance with the French monarchy
    - This alliance stated the US would have to come to the aid of France if it was needed
  - The British attempted to take advantage of the situation and war once again began with France
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# The French Question

- Republicans pushed for the US government to honor the French-American alliance and to come to the aid of the French
  - The Federalists stated that since the alliance had been formed with the French monarchy and it no longer existed, then the alliance no longer existed
    - They actually openly supported the British as they did not want to support the bloody and violent revolution taking place in France
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# Neutrality

- Instead of siding with either nation  
Washington issued the Proclamation of Neutrality
    - He did not believe that the US was strong enough to become involved in a foreign war
    - The proclamation stated the US would support neither in the war and that it wanted to remain neutral
    - Washington himself urged the American people to remain neutral as well
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# Citizen Genet

- Citizen Edmond Genet was sent to the US by France as its diplomat
  - He was cheered throughout the states by Republicans
    - He wrongfully believed that all American people supported France
  - He began outfitting privateers to raid British ships and British Florida and Canada
  - After Genet threatened President Washington he was kicked out of the country and sent back to France
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# Problems on the Frontier

- The British still occupied forts in the frontier area
    - They refused to abandon them after the US government refused to return land that had been seized from Loyalists during the Revolution
  - The British were using these forts to supply Native Americans with weapons that they used in conflicts with Americans
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# Gaining More Lands

- The American military, under General Anthony Wayne, destroyed a Native American alliance at the Battle of Fallen Timbers in 1795
  - The Treaty of Greenville was signed
    - All the lands of the Ohio River Valley were given to the American government
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# More Troubles with Britain

- During Washington's second term in office (1792-1796) Britain began widespread seizure of American merchant ships (mainly those headed to France)
    - After the ship and its cargo was seized the sailors would be taken as well and put into service for the British navy (this was called impressment)
    - Republicans, and many Americans in general, began calling for war with the British
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# Jay's Treaty

- In order to avoid war with the British Washington sent John Jay to England to negotiate a new treaty
    - Jay was instructed to
      - Have the British abandon forts on American lands
      - Have the British pay for damages to American shipping
      - Have the British abandon its practice of seizing American shipping and impressing American sailors
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# Jay's Treaty

- What Jay achieved was far short of American expectations → Jay's Treaty
    - The British agreed to abandon the forts, BUT did not say when
    - The British agreed to pay for some of the American shipping losses
    - BUT it said the Americans would have to pay the British debts owed to them from the Revolution
    - BUT it said nothing about further seizures of US cargoes and impressment of American sailors
  - Americans were infuriated by the treaty and it was very narrowly passed by Congress
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# Pinckney's Treaty

- Since the British were negotiating with the Americans the Spanish decided to as well
  - Thomas Pinckney negotiated the successful Pinckney's Treaty (1795)
    - The US was now allowed to use the Mississippi River and the port of New Orleans for shipping
    - Spain agreed that the border of Florida should be lowered to the 31<sup>st</sup> parallel (increased the size of Georgia)
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# Washington's Farewell Address

- Washington stepped down after two terms as president
    - Every American president would follow this two-term example until FDR during the Depression
  - In his Farewell Address (speech) Washington...
    - Warned the US not to get involved in foreign wars
    - Told the US not to make alliances with foreign powers that would force them to become involved in foreign affairs
    - Warned against the dangers of political parties
    - Warned that the country's sectional conflicts (i.e. Northern businessmen vs. Southern farmers) would divide the nation
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# The Election of 1796

- Hamilton was actually the favorite of many to become president
    - The biggest problem was that many opposed his financial programs
  - John Adams would be the victor in the electoral college
    - He defeated Thomas Jefferson by a very narrow margin
      - Policy at the time stated that the runner-up in the electoral vote would be vice-president
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# Adams as President

- Adams had many issues facing him as he became president
    - Hamilton and Jefferson were both working for their own interests and against Adams
    - The British were still seizing American ships
    - The French were pushing for the US to join them against the British
      - The French were furious at the US for signing a treaty with England; they said that this violated the Alliance of 1778
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# Problems with France

- The Citizen Genet Affair had already hurt the relationship with the French
  - Angered by Jay's Treaty, France began seizing American shipping as well
  - In order to secure peace with France Adams sent three diplomats to negotiate a new treaty with that nation as well
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# The XYZ Affair

- Upon arriving the diplomats were not allowed to meet Prime Minister Talleyrand
    - Instead they were told that they would have to give a 'gift' (bribe) of \$250,000 just to meet Talleyrand
    - They would also have to have the American government make a later payment of 32 million florins
    - The diplomats refused to agree to the bribes and were cheered as heroes
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# Problems with France

- Americans were furious over the XYZ Affair and called for war with France
  - Adams was able to resist the calls for war and instead further demanded neutrality
  - However, a silent war would take place on the seas as each nation seized each others shipping and naval ships
  - In 1800 Adams was able to secure a new peace with the French Emperor Napoleon, but it cost him a second term as president
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# The Alien and Sedition Acts

- The Federalists were able to gain enough seats in the 1798 Congressional elections to pass the Alien and Sedition Acts
    - The Naturalization Act increased the length of years for an immigrant to become a citizen (most immigrants favored the Republican party)
    - The Alien Act allowed the president to deport any alien considered dangerous
    - The Sedition Act made it illegal for newspaper to print any material that criticized the president or Congress
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# The Kentucky and Virginia Resolutions

- The Supreme Court had not yet begun its review of laws as constitutional
  - Infuriated by the laws, some states began their own review of the acts and decided to nullify the laws
  - The Kentucky and Virginia Resolutions stated that since the Constitution was a 'pact' between the states and the federal government, if the government did something to break that 'pact' (the Alien and Sedition Acts) the states could decide that those laws were void in their state (this was called nullification)
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# The End of the Federalist Era

- Jefferson would win the election of 1800 and bring an end to the Federalist Era and bring in the Jeffersonian Era
  - Though their time in power was a brief twelve years, the Federalist party did achieve much
    - They strengthened the national government
    - They established a sound financial system
    - American industry began to grow under them
    - They avoided war with both Britain and France
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