

# **Chapter 5**

## **ESTABLISHING THE REPUBLIC**

### **LEARNING OBJECTIVES**

**After studying Chapter 5, you should be able to:**

1. Describe the federal system of government created in the Constitution.
2. Explain the major accomplishments of the Confederation Period.
3. Summarize the major compromises reached at the Constitutional Convention.
4. Explain the philosophy of the Constitution.
5. Understand the major differences in social and political ideas between southern and northern states.
6. Differentiate between the political philosophies of Federalism and Antifederalism.
7. Describe the major differences between Hamiltonianism and Jeffersonianism.
8. Explain the Indian policy of the American government from 1781 to 1800.
9. Discuss the major foreign policy issues that effected the Washington and Adams administrations.
10. Understand the significance of the 1800 election.

## KEY TERMS

**Explain the historical significance of the following items:**

Loyalists	<i>The Federalist</i>
Federalism	Ratification
Articles of Confederation	Bill of Rights
Northwest Ordinances of 1785 and 1787	Hamiltonian system of Finance
Daniel Shays	The Bank of the United States
Federalism	The Whiskey Rebellion
Checks-and-balances	Indian “removal”
Separation-of-powers	Jay’s Treaty
Virginia Plan	Pinckney’s Treaty
New Jersey Plan	Democratic—Republicans
Great Compromise	XYZ Affair
The Electoral College	Alien and Sedition Acts
Three-fifths compromise	Virginia and Kentucky Resolutions
Antifederalists	

## OUTLINE

### I. Establishing the Republic

#### A. Completing the Work of Independence

#### B. The King's Friends (Loyalists)

1. Treaty of Paris called for restoration of property.
2. Loyalists given a year to return home without persecution
3. States did not fulfill these clauses.
4. Loyalists faced tar and featherings, beatings.
  - a. Many did not return.
  - b. Around 60,000 left the U.S.
5. Faced difficulties and neglect in England
6. Those going to Canada did better.
7. Helped shape Canadian society

#### C. Balancing federal and local authority

1. Federalism: the division of power between states and the national (federal) government
2. Articles of Confederation sent to states for ratification November 15, 1777
  - a. Created an assembly of equal states
  - b. Each state had a equal vote in Congress.
  - c. Congress had power to: declare war, make peace, conclude treaties, raise and maintain an army and a navy, create a postal system regulate Indian affairs, borrow money, issue bills of credit, and coin money.
  - d. Required ratification by nine of thirteen states needed to pass
  - e. Enforcement depended on cooperation of states; no executive to enforce laws and no national court system
  - f. Congress could not collect taxes nor regulate commerce.
3. State governments
  - a. Connecticut and Rhode Island adopted their colonial charters.
  - b. New constitutions in ten states
  - c. Power given to legislature
  - d. Legislators terms of office kept brief (from six months to one or two years)

- e. Governors and courts given few powers
- f. Bills of Rights protected individual freedoms (speech, religion), trial by jury and right of habeas corpus.
- g. Property ownership necessary for voting—most white males met this requirement
- h. State governments very weak—people feared granting too much power to the government

## II. Shaping the Republic: The Confederation Period (1783–1789)

### A. Establishing a Western Lands Policy

#### 1. Northwest Land Ordinance of 1785

- a. Created townships of thirty-six square miles
- b. Townships split into thirty-six one square mile sections (640 acres each).
- c. Sections split into quarter sections.
- d. One section set aside for public schools.
- e. Four sections reserved for army veterans.
- f. Land could be bought in minimum lots of 640 acres.

#### 2. Northwest Ordinance of 1787

- a. Outlined path to statehood
- b. Congress appointed a governor, secretary, and three judges.
- c. When population reached 5,000 free adult males, a two-house legislature would be established.
- d. When population reached 60,000 free people, voters would adopt a constitution and enter the Union on equal terms with all states.
- e. Slavery was forbidden in the Northwest Territory.

### B. Relations with Europe

- 1. Each state could conduct its own foreign affairs.
- 2. Spain closed New Orleans to American trade in 1784.
- 3. Difficulties of trade
  - a. Cutthroat competition with Britain, the Dutch, and France for world markets
  - b. States refused to give Congress power to negotiate.
  - c. States imposed tariffs on each other.

4. Frenzied finances
  - a. States not always responsive to Congress' requests for money.
  - b. Many states had war debts.
  - c. No sound currency
  - d. Postwar depression began 1783; lowest point in 1786; hurt farmers
  - e. Seven states issued paper money in larger quantities
  - f. "Stay laws" prevented foreclosure on mortgages.
5. Daniel Shays' Rebellion - western Massachusetts
  - a. Attacked arsenal in Springfield, Mass to get guns
  - b. Governor James Bowdoin sent militia.
  - c. Shays' attack failed.
  - d. Shays' sentenced to death but was pardoned by new governor John Hancock.
  - e. Revolt scared many; such actions could happen in any state, "a deluded multitude" could grab power

### III. Framing a new Constitution

- A. Drift toward a new government: Annapolis Convention
  1. Called by Virginia in 1786
  2. Purpose: discuss interstate commerce
  3. Five states attended.
- B. Philadelphia Convention
  1. Alexander Hamilton got New York legislature to issue a call for a meeting in May 1787.
  2. Confederation Congress supported call.
  3. Convention opened May 25, 1787.
  4. Purpose: improve the Articles by revising them and address the question of Federalism
  5. Anti-federalists wanted power to survive at the local level. (Sam Adams, Patrick Henry, New York Governor George Clinton)
  6. Fifty-five delegates, most were in their thirties and forties; Ben Franklin was 84.
  7. Federalists supported strong central government.
    - a. They were nationalists.
    - b. Decried "legislative tyranny" in the states
    - c. Believed survival as a nation demanded stronger central government

### C. Philosophy of the Constitution

1. Central government must enforce its own laws and treaties, collect taxes, and regulate commerce.
2. Government power must be checked.
  - a. Human nature not perfect.
  - b. Those with power tend to abuse it.
3. ‘Separation of powers’ and “checks and balances” would allow limits and checks on power.
  - a. Legislative branch—pass laws
  - b. Executive branch—enforce laws
  - c. Judicial—interpret laws
4. Federalism: states must retain some powers—but how should these be divided with central government?

### D. Convention at work

1. Virginia Plan drafted by James Madison.
  - a. A national chief executive and judiciary
  - b. A two-house legislature- Lower House elected by voters and Upper House chosen by lower house
  - c. Virginia Plan, as amended, adopted after four months of debate
2. New Jersey Plan proposed by William Paterson of New Jersey - little different from Articles and never seriously discussed

### E. Opposition came from small states

1. Under Articles, each state had one vote in Congress.
2. New system based on population in lower house
  - a. Small states would be outvoted.
  - b. Issues raised: Should government represent people or geography? Is a government for men or for imaginary beings called states?
3. Large states gave in - after small states threatened to walk out.
  - a. Upper House (Senate) had equal representation for all states
  - b. This “Great Compromise” provided no concession for large states
  - c. House - One representative for each 40,000 people in Lower House chosen by voters.
  - d. Senators chosen by state legislators.

4. Choosing the President—The Electoral College
  - a. President elected by electors from each state.
  - b. States had number of electors equal to the number of representatives and senators of that state.
  - c. Electors could be chosen by state legislatures or by popular vote – state’s choice.
  - d. President elected by a majority of electors.
  - e. If no one got a majority, the House would vote in special election for one of the three top candidates in the Electoral College.
  - f. Electoral College: one vote per state with the process aimed at reducing influence of the public
5. North (7 states) versus South (6 states)
  - a. South: opposed any economic regulation, wanted to protect slavery, feared Northern dominance because of the South’s smaller population
  - b. North: supported protective tariffs - to keep out foreign goods and protect its industries - and condemned slavery
  - c. Counting slaves an issue
    - (1) Should slaves be counted as part of population when apportioning taxes?
    - (2) Should the slaves be counted when apportioning representation (even though they were property not persons?)
  - d. Another compromise
    - (1) Taxes on exports were banned which helped South that exported cotton and tobacco.
    - (2) Two-thirds vote to ratify treaties - helped South because it could block any trade treaties unfavorable to it.
    - (3) North got prohibition of slave trade after 1808.
    - (4) Three-fifths compromise counted five slaves equal to three free persons, reducing Southern representation in House

6. Referral to the States
  - a. September 17, 1787 twelve states approved final draft (Rhode Island did not participate in Convention.)
  - b. Three delegates opposed because it lacked a Bill of Rights
  - c. Submitted to states
    - (1) Each would hold a special state ratifying convention.
    - (2) Elected by voters
    - (3) It would be adopted officially after nine states approved.
7. Federalists and Anti-federalists
  - a. Federalists supported Constitution (business men and men of property).
  - b. Anti-federalists worked against ratification (Small farmers, laborers, and debtors).
  - c. Anti-federalists also feared creation of a corrupt monarchy and aristocracy - Liberty would be endangered.
  - d. *The Federalist* provided detailed analysis of the Constitution by Alexander Hamilton, James Madison, and John Jay
8. Ratification of the Constitution
  - a. Smaller states voted quickly in favor of it.
  - b. New Hampshire, the ninth state to approve it
  - c. Virginia and New York narrowly approved it.
  - d. North Carolina and Rhode Island refused to ratify it without a Bill of Rights.
9. The Bill of Rights
  - a. Ten amendments proposed by two-thirds of Congress in 1789
  - b. Ratified by three-fourths of states in 1791
  - c. First Amendment protected freedom of speech, the press, and religion.
  - d. Fifth established right of “due process.”
  - e. Sixth and Seventh established trial by jury.
  - f. Tenth protected rights of the states.

#### IV. Launching the government

##### A. Washington and Federalist rule

1. Unanimously chosen by electors with John Adams as Vice President)
2. Inaugurated first president in New York City
3. Three executive departments
  - a. State—T. Jefferson
  - b. Treasury—A. Hamilton
  - c. War—Henry Knox
4. Congress passed a tariff and the Judiciary Act of 1789.
  - a. Created office of Attorney General
  - b. Courts inferior to the Supreme Court (created by Constitution) established
5. Federalist finance
  - a. Hamilton supported active role for government in the economy.
  - b. Issued various reports supporting strong federal authority
  - c. If the new government was to last, it needed the support of the wealthy.
6. Hamiltonian System
  - a. Federal government should take over unpaid state debts.
  - b. Bonds sold to raise money to buy these debts. (\$74 million)
  - c. State bonds held by wealthy men who had purchased them cheaply from owners after states defaulted.
  - d. Federal government would buy these at their original price.
  - e. This would ensure support from the wealthy classes for the new government.
  - f. Southern states opposed plan - many had paid off their debts.
    - (1) Supported plan after Hamilton's forces agree to build the new capital in the South
    - (2) Jefferson accepted this compromise.
  - g. Central Bank
    - (1) Would hold federal monies, issue paper money, and issue credit and loans
    - (2) Four-fifths of funds would come from private sources.

- (3) Would they control government banking policies?
  - (4) Was it Constitutional? (Constitution did not authorize Congress to create a bank.)
  - (5) Hamilton argued it was “necessary and proper” to do so because it promoted the good of the nation - “Implied powers” allowed Congress to act for common good and “general welfare”
    - h. Congress created Bank of the United States, 1791
  - 2. The Whiskey Rebellion - 1794
    - a. Tax on whiskey imposed in 1791.
    - b. Whiskey makers vowed to march on Pittsburgh.
    - c. Hamilton marched with 15,000 men.
    - d. Rebels scattered
    - e. Hamilton wanted to execute them, but Washington pardoned them.
- B. Developing an Indian Policy
- 1. White perception of Indians
    - a. Noble Red Man or Barbaric Savage
    - b. Image influenced policy.
      - (1) Washington believed in assimilation - sympathized with Indians
      - (2) Others believed in “removal” of “savages”
  - 2. Assimilation or Removal
    - a. 1783–1789: Indian affairs in hands of states
    - b. All Indian lands belonged to the U.S.
    - c. Policy was to move Indians off lands whites wanted; this was costly and required military force.
  - 3. Northwest Ordinance of 1787: Indian lands should not be taken without their consent.
  - 4. Indians could be civilized through education and religious training.
  - 5. Western expansion would bring “higher” social order to a “lower” group.
  - 6. Clashes on the Frontier
    - a. 1794: “Mad Anthony” Wayne defeated Indians at Battle of Fallen Timbers.

- b. Treaty of Greenville in 1795 ceded Ohio country to U.S.

C. The Perils of Neutrality

- 1. The French Revolution
  - a. Began in 1789
  - b. By 1793 became more radical - King was beheaded; a “Reign of Terror” led to the deaths of thousands; France declared war against England, and most of the rest of Europe
- 2. 1793: Washington issued a proclamation guaranteeing “impartial” conduct - believed U.S. should avoid European wars
- 3. Congress passed Neutrality Act in 1794.

D. Jay’s Treaty

- 1. British Navy blockaded France; any trade with France would be stopped.
  - a. American sailors “impressed” into British Navy.
  - b. Great profits could be made by trading with France.
- 2. Congress passed Embargo Act in 1794.
  - a. Hurt American economy
  - b. Lasted two months
- 3. Chief Justice John Jay sent to London to negotiate a treaty.
  - a. British agreed to remove troops from US territory.
  - b. Allowed American ships to trade in British West Indies
  - c. Began discussion of pre-Revolutionary War debts and settlement of boundary dispute
  - d. Refused to discuss impressments and Indian affairs
- 4. Senate ratified treaty by one vote more than the two-thirds required.
- 5. Washington severely criticized by pro-French Americans.

E. Pinckney’s Treaty with Spain (1795)—Treaty of San Lorenzo

- 1. Spain recognized southern boundary of U.S.
- 2. Opened Mississippi River to American navigation

V. Early political parties

A. Hamilton v. Jefferson

1. Hamiltonian Democracy—Federalist Party
    - a. People unreliable, self-interested, swayed by emotions
    - b. Government should be in hands of rich and well-born.
  2. Jefferson: Majority could govern—Anti-federalists
    - a. Individual more important than the state.
    - b. People did not need strong government.
    - c. They could rule themselves.
    - d. Too much control made people corrupt.
    - e. Opposed creation of a small, rich, privileged class
- B. The Elections of 1792 and 1796
1. Washington and Adams reelected in 1792 with little opposition.
  2. Washington had established a tone of dignity, efficiency, and administrative skill.
    - a. Farewell Address warned against danger of political parties.
    - b. Avoid alliances with other nations; remain neutral
  3. Election of 1796
    - a. Jefferson v. John Adams
    - b. Jefferson now called his party: “Democratic-Republicans”
    - c. Adams defeated Jefferson 71 to 68 in electoral vote.

## VI. The Trials of John Adams, 1797-1801

- A. Jefferson became Vice President.
- B. Adams wanted to avoid European war and any “entangling alliances.”
- C. Adams split with Hamilton over policy towards France; this divided Federalists.
- D. The XYZ Affair
  1. Adams sent diplomatic delegation (John Marshall, C.C. Pinckney, and Elbridge Gerry) to France to negotiate a treaty similar to Jay’s.
  2. Before negotiations began, three French agents demanded a bribe (Mr. X, Y, and Z).
  3. U.S. refused to pay; Congress voted more money for military.

4. Hamilton demanded war; Hamilton called Adams “a coward” when Adams refused.
- E. The Treaty of 1800
1. Congress created a Department of the Navy.
  2. Expanded army to 10,000
  3. Adams did not want war - neither did the French.
  4. A peace treaty negotiated in Paris
- F. The Alien and Sedition Acts
1. Federalists in Congress feared too many French radicals were coming into US and spreading radical propaganda.
  2. Alien Law made it more difficult to become an American citizen (14 years instead of 5) and non-citizens that criticized American government could be deported.
  3. Sedition Act made it illegal for anyone to criticize the US government.
  4. Adams never tried to enforce these laws.
- G. Jeffersonian Response
1. Jeffersonians attacked these laws.
  2. Resolutions issued by the states of Virginia and Kentucky: defense of states rights
  3. States could refuse to enforce laws that were unconstitutional, but who would decide what was unconstitutional?
  4. Jefferson and Madison wrote these resolutions.
- H. Election of 1800
1. John Adams v. Thomas Jefferson
  2. Hamilton refused to support Adams.
  3. Tie in Electoral College between Jefferson and Aaron Burr (VP candidate); Adams was 3rd
  4. The House voted to break the tie; one vote per state
    - a. Federalists still in control.
    - b. Many hated Jefferson and preferred Burr.
    - c. Hamilton threw his support to Jefferson even though he also despised Jefferson.
  5. After a long debate, Jefferson was elected.
- I. Historic election: the first time the ruling party lost and turned over power to its enemies

## TESTING YOUR UNDERSTANDING

### Multiple Choice

1. How many Loyalists left the United States after the Revolution?
  - a. 100,000
  - b. 60,000
  - c. 80,000
  - d. None
2. When were the Articles of Confederation ratified?
  - a. 1776
  - b. 1783
  - c. 1787
  - d. 1777
3. How many votes did each state have in the Confederation Congress?
  - a. One
  - b. Two
  - c. It depended on the state's population.
  - d. Four
4. Most state constitutions gave most power to the
  - a. Governor
  - b. Courts
  - c. Legislature
  - d. Local townships
5. Only those who owned \_\_\_\_\_ could vote in many states.
  - a. Slaves
  - b. Farms
  - c. Property
  - d. Businesses
6. The Northwest Land Ordinance of 1785 created
  - a. Counties
  - b. Five new states
  - c. Trial by jury
  - d. Townships

7. A square mile section contained how many acres?
  - a. 36
  - b. 640
  - c. 12
  - d. 460
  
8. One section in each township was set aside for a
  - a. School
  - b. Church
  - c. Cemetery
  - d. Courthouse
  
9. A territory could apply for statehood after its population had reached
  - a. 5,000 males
  - b. 60,000 free people
  - c. 640 free adults
  - d. 80,000 free males
  
10. A postwar depression began in
  - a. 1786
  - b. 1783
  - c. 1787
  - d. 1784
  
11. How many states attended the Annapolis Convention in 1786?
  - a. Seven
  - b. Thirteen
  - c. Four
  - d. Five
  
12. Shays' Rebellion took place in which state?
  - a. Massachusetts
  - b. New York
  - c. South Carolina
  - d. Virginia
  
13. The New Jersey Plan favored
  - a. Slave states
  - b. Small states
  - c. Large states
  - d. The North

14. Which branch of government was created to enforce laws?
  - a. The judiciary
  - b. The legislature
  - c. The states
  - d. The executive
  
15. The “Great Compromise” involved the question of
  - a. Federalism
  - b. Representation
  - c. Slavery
  - d. Election of the president
  
16. The number of electors for each state is equal to the number of representatives it has in the House. T F
  
17. Taxes on imports were banned by the Constitution. T F
  
18. Ratification of treaties required a two-thirds vote in the Senate. T F
  
19. Anti-federalists opposed the Constitution. T F
  
20. Washington’s first Secretary of the Treasury was Thomas Jefferson.  
T F

### **Completion**

21. The \_\_\_\_\_ System ensured that the rich would support the new government.
  
22. Hamilton argued that a central bank was constitutional because it was allowed by the \_\_\_\_\_ doctrine, which allowed Congress to act for the \_\_\_\_\_ of citizens.
  
23. The victor at the Battle of Fallen Timbers was \_\_\_\_\_.
  
24. According to Jeffersonians, Jay’s Treaty favored \_\_\_\_\_ in the European War.
  
25. In the election of 1796, \_\_\_\_\_ faced \_\_\_\_\_.

### **Essay and Discussion Questions**

26. Discuss the significance of the Great Compromise. Which section of the country benefited most from it? Why?
27. Who benefited most from the federal system of government? Big states? Small states? The North? Or the South? How and why?
28. Explain the goals of the Indian policy of the American government from 1781 to 1800?
29. Compare and contrast the economic philosophies of Alexander Hamilton and Thomas Jefferson.
30. What were the major accomplishments of the Confederation Period, 1781-1787?

### **Answers to Multiple Choice and Completion Questions**

- |      |       |  |
|------|-------|--|
| 1. b | 10. b | 19. T                                  |
| 2. d | 11. d | 20. F                                  |
| 3. a | 12. a | 21. Hamiltonian                        |
| 4. c | 13. b | 22. implied powers,<br>general welfare |
| 5. c | 14. d | 23. the United States                  |
| 6. d | 15. b | 24. England                            |
| 7. b | 16. F | 25. John Adams,<br>Thomas Jefferson    |
| 8. a | 17. F |  |
| 9. b | 18. T |  |

