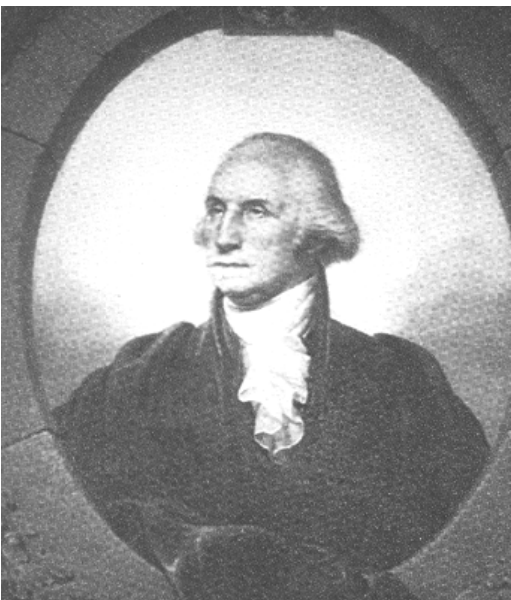


Chapter 1 The New Nation

A Search for Answers

While the Founding Fathers at the Constitutional Convention debated what powers should be given the president, they agreed on who that man should be. Indeed, when the votes for this office were counted, George Washington was the unanimous choice of the electoral college. No other candidate since has won all of the electoral votes.



**The first President of the
United States**

George Washington would rather have stayed at his beloved plantation, Mount Vernon, but his country had once more called on him to lead it. Reluctantly, Washington prepared himself for his trip to the nation's capital:

My movements to the chair of Government will be accompanied by feelings not unlike those of a culprit who is going to his place of execution...so unwilling am I to quit a peaceful (home) for an ocean of difficulties, without the political skill necessary to manage the Helm.¹

George Washington's reluctance to return to public office was completely understandable because he had already devoted most of his adult life to serving his country. As a leader in the Virginia militia, a member of the House of Burgesses, a delegate to the Second Continental Congress, commander of the American army during the Revolution, and President of the Constitutional Convention,

Washington had faced many challenges. His job as President of the United States would require all of the skills needed in his previous positions and more. Both Washington and the new nation would face enormous problems over the next eight years.

Lack of Unity

The population of the United States in 1789 was just under 4,000,000, and the states as well as the people were anything but united. They were divided by climate and geography into northern, middle, and southern states. The stern Puritans fishing for cod off the coast of Massachusetts had little in common with their more easygoing countrymen who held the plantations of the South. Unlike the northern and southern states, the middle states, which served as the nation's breadbasket, were the home of prosperous farmers. Differences between rich and poor, town and country, master and slave, farmer and merchant, and landed and landless, created divisions within each state and the nation as a whole.

¹ Quoted in Marcus Cunliffe, *George Washington, Man and Monument*, (The New American Library: New York, 1984), p. 129.

Political disunity could be expected in a country of such contrasts, but the differences during Washington's term of office were greater than expected. The farmers of Rhode Island so distrusted their countrymen that they had not sent even one delegate to the Constitutional Convention. The suspicious Rhode Islanders were joined by North Carolina in refusing to ratify the new Constitution. Meanwhile, Governor Clinton of New York tried to keep his state out of the union, agreeing to join only when New York City threatened to cut itself off from the rest of the state. In Massachusetts, where debtors still resented the suppression of Shays' Rebellion, John Hancock and Sam Adams opposed the new government. Those opposed to the Constitution feared the government would become an "aristocratic engine," depriving people of their liberties. They predicted a return to a monarchy similar to England's. Others thought the new Constitution, even with all its new powers, was far too weak. Alexander Hamilton called it a "frail and worthless" document. Many in his camp believed that only a King and hereditary nobles could truly rule this country effectively.

The Economy and Foreign Relations

The United States still had not recovered from the American Revolution. Because Great Britain had supplied the colonies with most of their imports and bought the vast majority of their exports, the United States was particularly hard hit by a revolution against this significant trading partner. As George Washington made his way to the nation's capital in New York, ships stood at anchor and goods for trade piled up on overloaded wharves. Sailors stood by idly staring into empty oceans while waiting for a chance to ply their trade.

Because of an unfavorable balance of trade, the United States lacked gold and silver to coin into money. During the Revolution, Congress resorted to printing paper money. By 1781, \$400,000,000 of worthless paper had been printed. This money lost so much of its value that the public willingly exchanged \$40.00 of paper money for \$1.00 in gold. But with a shortage of cash, states continued the practice of printing paper dollars, which also lost most of their value.

In order for trade with Great Britain to begin again, a treaty had to be made and ratified. But the British were not about to make a treaty with their former colonies. They pointed out that the new government was too weak to enforce a treaty and joked that it would be necessary to complete separate agreements with each of the thirteen colonies.

Great Britain also demonstrated its lack of respect for the United States by failing to live up to its own treaty agreements. Despite their pledge to the contrary, the British refused to leave their forts in Ohio, Michigan, and upper New York. The British used the plausible excuse that Americans had failed to return land to Loyalists as agreed to in the Peace of Paris in 1783. In truth, these issues could not be resolved until the new nation was strong enough to compel respect from its former colonial masters, and to enforce the treaties it made with foreign countries.

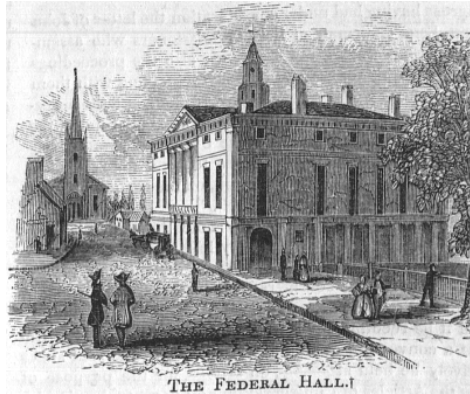
Another danger threatened in the southern part of the nation. Spain, which controlled the city of New Orleans and the lower banks of the Mississippi, closed the river to navigation by Americans. Efforts to negotiate a treaty that would open this valuable route, which carried three-eighths of American exports, found the Spanish unwilling to make concessions.

Money and Credit

During the American Revolution, the U.S. government had not been able to pay its own bills. Indeed, it was only able to continue the war because it issued paper money, sold bonds, received gifts

from France, and borrowed heavily from bankers in Europe. After the fighting stopped, Dutch bankers were generous in providing new loans. Nevertheless, many bills had not been paid.

The main reason for the government's continued financial problems was the states' unwillingness to contribute to the national government. The Articles of Confederation had not given Congress the power to collect taxes; it could only ask for voluntary contributions from the states. Of some \$11,000,000 the states were asked to contribute after the Revolution ended, less than \$2,000,000 was actually paid. Furthermore, the government's credit could hardly have been worse; its bonds sold for about one-fifth of the value that the government promised to repay. Not counting the money owed by the states, the national debt exceeded \$50,000,000, of which \$15,000,000 was unpaid interest, a shattering amount for those days.*



Washington was inaugurated

George Washington Takes Office

George Washington's spirits were lifted as he traveled north from his home in Virginia to the nation's temporary capital in New York City. Everywhere along his route people turned out to wish him luck. Church bells rang their encouragement and cannons roared their support. A wildly enthusiastic crowd, nearly as large as the city itself, greeted Washington in Philadelphia. When his triumphant tour finally brought him to the banks of the Hudson River, a barge specially built for the occasion carried him across. That night the city rocked with fireworks and a chorus singing new words to the old tune of "God Save the King."

Congress had already been in session for several weeks before the President arrived. It had been locked in debate over matters great and small. One hotly debated issue was what to call the president. The Senate was ready to accept Vice-President John Adam's suggestion that the chief executive be addressed as "His Highness, President of the United States and the Protector of their Liberties." More democratic than the Senate, the House of Representatives was shocked with this regal form of address. The final solution to this problem was adopting the simple title, Mr. President, which seemed more suitable for a country proud of its democratic tradition.

The issue of addressing the president was much more important for its symbolic value than its effect on the country's future. Many more important problems faced the nation; these issues, which form the basis of this unit, included:

- In establishing credit and a uniform currency, should the government seek the support of the rich, as argued by Alexander Hamilton, or follow policies intended to help poor and middle-income people, as Thomas Jefferson suggested? (Chapters 3 and 4)
- Should the government seek to establish its authority over the states (Hamilton) or give them as much power in local matters as possible (Jefferson)? (Chapters 3, 4, and 5)
- Would it be more important for the government to make sure the people obey its laws (Hamilton) or to protect the rights of its people (Jefferson)? (Chapters 5 and 7)

* (A comparable amount today – when our nation is nearly 80 times larger and the dollar worth 200 times more - would be around \$8 trillion dollars, nearly 50% more than the 2001 debt.)

- In its relations with other countries, should the government follow a policy of meeting its treaty commitments (Jefferson) or protecting its interests (Hamilton)? (Chapter 6)

Selection of a Cabinet, the Federal Courts and the Bill of Rights

If George Washington had made up his mind on how to address these important issues when he took office, he gave no clue by his choice of personal advisors. However, he set an important precedent in creating four special executive departments, each charged with a different governmental role. These departments were state (foreign affairs), treasury, war, and attorney general. For the head position in the War Department, Washington chose Henry Knox, his capable artillery commander during the Revolution. To serve as the nation's first Attorney General, Washington selected former Virginia governor Edmund Randolph. As Secretary of the Treasury, the new President selected Alexander Hamilton, his former personal secretary and advocate for a stronger national government. Finally, for Secretary of State, Washington selected someone with a political philosophy completely at odds with Hamilton's – Thomas Jefferson.

While Washington was selecting his cabinet, Congress continued its work. During its first session, the Congress debated establishing a system of federal courts under the Supreme Court. Advocates of states' rights argued that there was no need for federal courts other than the Supreme Court. They claimed that all disputes could be handled by state courts. James Madison, however, was able to counter this argument by pointing out that the states could not be trusted to uphold federal laws contrary to their interests. His argument carried the day.

Madison also led the fight to introduce the Bill of Rights as part of the first amendments to the Constitution. Lack of such a bill had been one of the main objections to the Constitution and an effective argument against ratification. Advocates for a bill proposed over 200 amendments, and Madison made sure that they didn't deprive the federal government of the powers it needed to govern effectively. In the process of arguing for a limited bill of rights in Congress, Madison became a champion of limiting the power of the national government by protecting the rights of the governed. Under his leadership, twelve amendments were agreed upon by Congress and sent to the states. Ten of the twelve were ratified, the first eight being our Bill of Rights – protecting the rights of speech, press, assembly, and religion; the right to bear arms; to be free from soldiers stationed in homes; the freedom from unreasonable search and seizure; and numerous rights of the accused including a trial by jury, representation by counsel, being informed of charges against oneself and facing ones accusers, the right against self-incrimination, the right to bail, and freedom from cruel and unusual punishment. Amendment IX stated that the assertion of some rights in the bill did not mean that others, not mentioned, were denied. Amendment X granted the states or the people all powers not given the federal government or specifically denied the states. This Bill of Rights has formed the basis for American's civil liberties, and was one of the crowning achievements of our first Congress.

Student Exercises:

1. How was George Washington qualified to become the nation's first President and why was he reluctant to assume the position?
2. What were the major problems facing the United States at this time?
3. Describe three important accomplishments of the first Congress.