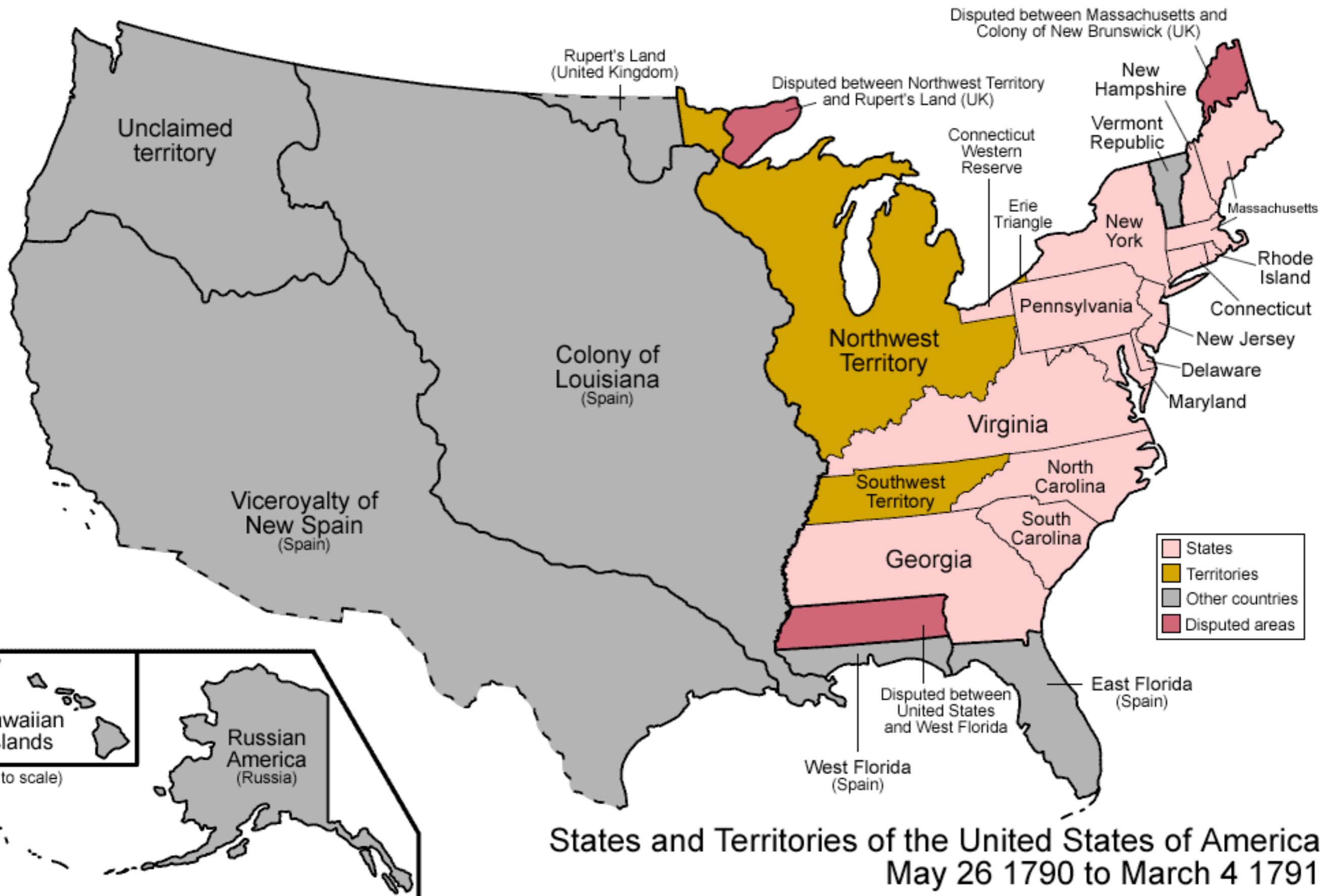


THE NEW GOVERNMENT

1789 - 1800





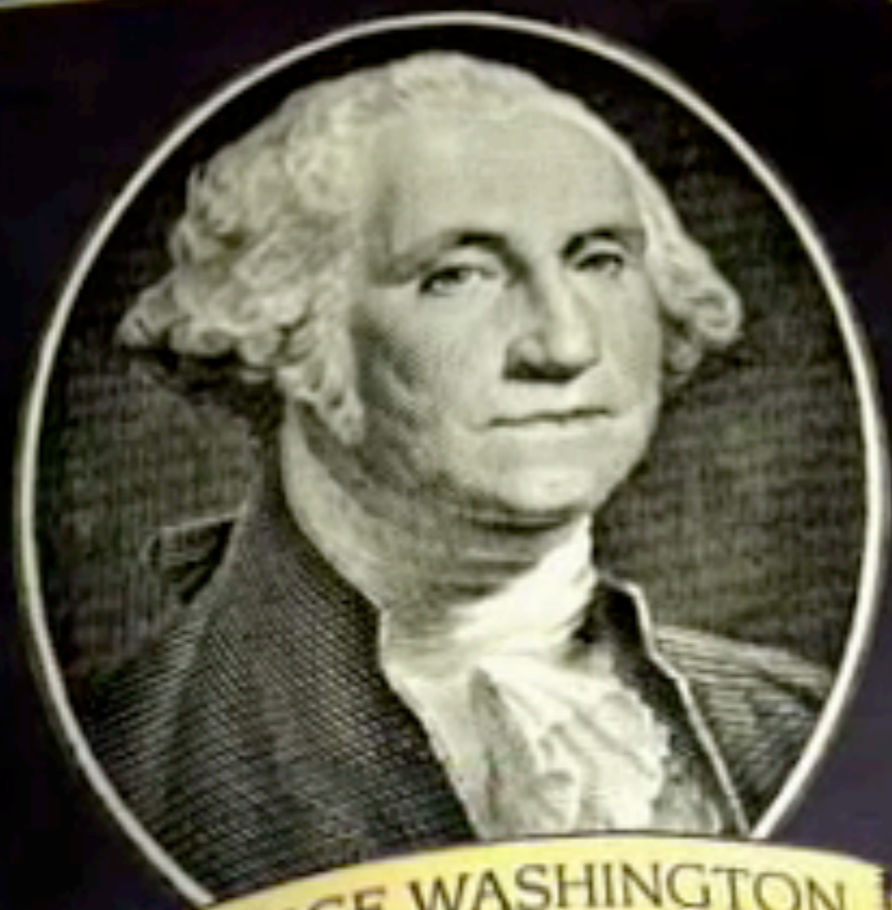
States and Territories of the United States of America
 May 26 1790 to March 4 1791

WASHINGTON'S CABINET

☼ Alexander Hamilton: Secretary of the Treasury

☼ Thomas Jefferson: Secretary of State

☼ Henry Knox: Secretary of War



GEORGE WASHINGTON

1

★ wife Martha -
no children

★ action hero

★ wouldn't shake
hands

★ great dancer

★ excellent delegator

HAMILTON'S ECONOMIC PLAN

1. Assumption of all state debts

(a) Establish a federal line of credit

(b) Put gov't 75 million dollars in debt

HAMILTON'S ECONOMIC PLAN

2. Institute a tariff (tax on imported goods)

(a) Protect American manufacturing

(b) Revenue into the gov't

HAMILTON'S ECONOMIC PLAN

3. Establish an excise tax

(a) Tax on whiskey (used as currency)

(b) Bring revenue into gov't

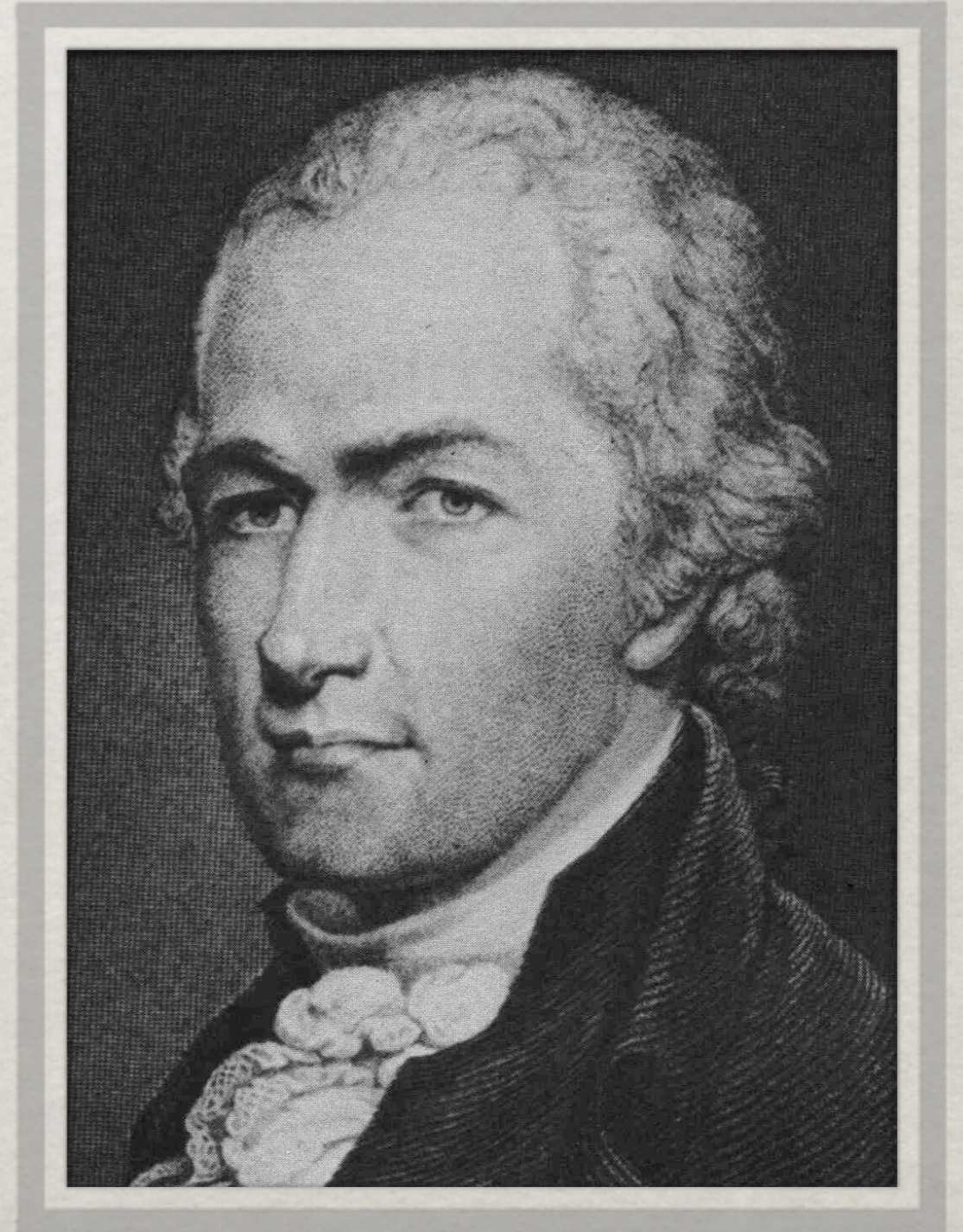
BANK OF THE UNITED STATES

- ✻ Proposal for gov't run bank

- ✻ Collect revenue

- ✻ invest in economy

- ✻ Manage national economy

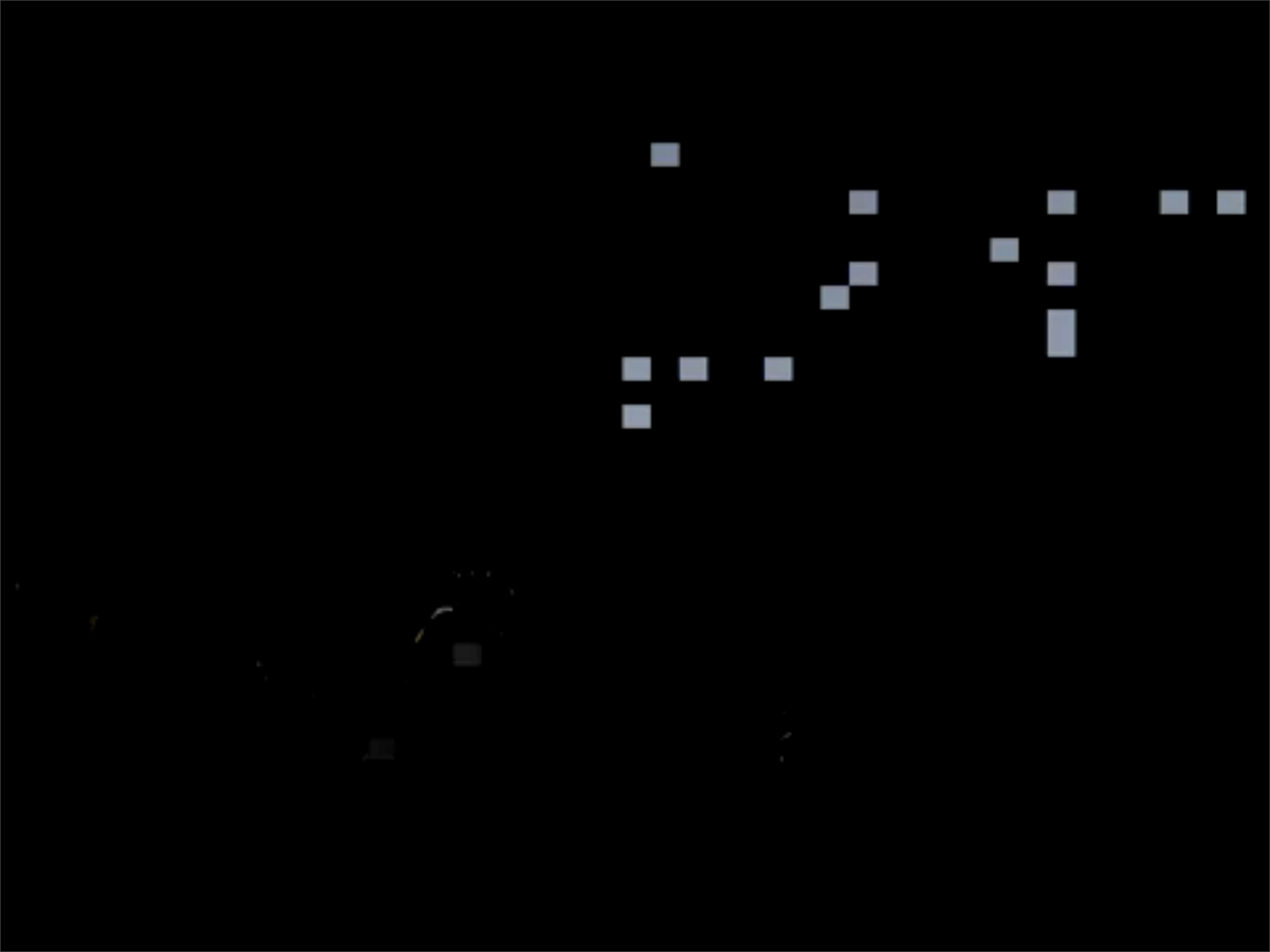




HAMILTON VS. JEFFERSON

BANK BATTLE

- ✻ Jefferson rejects Bank of U.S.
 - ✻ Considers it unconstitutional, harmful to South
 - ✻ Strict view of the Constitution
- ✻ Hamilton: Loose interpretation of Constitution
 - ✻ Const. does not forbid it
 - ✻ Implied powers



I consider the foundation of the Constitution as laid on this ground--that all powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states, or to the people (12th [10th] amend.).

To take a single step beyond the boundaries thus specifically drawn around the powers of Congress is to take possession of a boundless field of power, no longer susceptible of any definition.

The incorporation of a bank, and the powers assumed by this bill, has not, in my opinion, been delegated to the United States by the Constitution

--Thomas Jefferson, Feb 1791

All communities divide themselves into the few and the many. The first are the rich and well born; the other, the mass of the people. The voice of the people has been said to be the voice of God; and however generally this maxim has been quoted and believed, it is not true in fact.

The people are turbulent and changing; they seldom judge or determine right. Give therefore to the first class a distinct, permanent share in the government. They will check the unsteadiness of the second; and as they cannot receive any advantage by a change, they therefore will ever maintain good government.

--Alexander Hamilton

WASHINGTON BACKS HAMILTON

- ✻ Bank of the United States chartered
 - ✻ 20 years
- ✻ U.S. gov't assumes all state debt
 - ✻ Virginia given nation's capital
- ✻ Tax on imports and domestic whiskey



THE WHISKEY REBELLION

WHISKEY REBELLION

- ✻ Rural citizens fight tax on whiskey
 - ✻ Attack tax collectors
- ✻ Washington marches 12,000 troops into Penn.
 - ✻ Exhibits strength of the federal government

FOREIGN POLICY

- ✻ Jefferson supports French Revolution

- ✻ Hamilton favors neutrality

 - ✻ Pro-British

- ✻ Washington sides with Hamilton

JAY'S TREATY (1794)

- ✻ Jefferson demands war with England
 - ✻ British forts in U.S., attacking U.S. ships
- ✻ Washington averts war, increases trade
- ✻ Jeffersonians outraged



WASHINGTON LEAVES (1797)

Washington's Farewell Address

THE ADDRESS OF
To the People
ON HIS DECLINING
OF
UNITED



GEN. WASHINGTON
of America,
THE PRESIDENCY
THE
STATES.

Friends and Fellow-Citizens,

THE period for the new election of a citizen to administer the Executive Government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous

fortunate than his competitors, turns this disposition to the purposes of his own elevation, on the ruins of Public Liberty.

Without looking forward to an extremity of this kind (which nevertheless ought not to be entirely out of sight), the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill-founded jealousies and false alarms; kindles the animosity of one party against another; foment occasionally riot and insurrection. It opens the door to foreign influence and corruption, which find a facilitated access to government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and the will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This, within certain limits, is probably true; and in governments of a monarchical cast patriotism may look with indulgence, if not with favour, upon the spirit of party; but, in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched,

It is our true policy to steer clear of permanent alliances with any portion of the foreign world, so far, I mean, as we are now at liberty to do it. For let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than to private affairs that honesty is always the best policy.

I repeat, therefore, let those engagements be observed in their genuine sense. But in my opinion it is unnecessary and would be unwise to extend them

-- Washington's Farewell Address

1796

ELECTION OF 1796

