

Chapters 5 and 6: Key Terms and People

George Washington

1. Cabinet system – Formation

- a) Function: advise the President on specific matters
- b) Reason for the cabinet's existence: job of president too overwhelming for any single person
- c) Four cabinet departments created – 15 departments now
 1. Department of State
 - i. Specialty: Foreign affairs
 - ii. Headed by the “Secretary of State”
 - iii. **Washington’s 1st Secretary of State: Thomas Jefferson**
 - iv. Current Secretary of State: Hillary Clinton
 2. Department of the Treasury
 - i. Specialty: financial matters
 - ii. Headed by the “Secretary of the Treasury”
 - iii. **Washington’s first Secretary of the Treasury: Alexander Hamilton**
 - iv. Current Secretary of the Treasury: Timothy F. Geithner
 3. Department of War
 1. Specialty: military matters
 2. Headed by the “Secretary of War”
 3. ***Washington’s first Secretary of War: Henry Knox**
 4. Current Secretary of Defense: Leon Panetta
 4. Department of Justice
 - i. Specialty: legal matters
 - ii. Headed by the “Attorney General”
 - iii. Washington’s first Attorney General: Edmund Randolph
 - iv. Current Attorney General: Eric Holder Jr.
- d) The cabinet is not part of the Constitution

1. Washington’s first cabinet members – See above

2. Hamilton’s *Report on the Public Credit* – explained how monetary and fiscal policy should favor the rich so that their good fortune would be spent within the economy and this stimulate domestic growth.

3. Hamilton’s Financial Plan –

- **Get out of debt**
- **Modernize United States Economy**
- **Strengthen the power of the central government**

4. Judiciary Act of 1789 –
 - a. Created a system of Federal Courts
 - b. Set the number of Supreme Court Justices at **6**: Currently 9
 - c. Appointed John Jay of NY as the first Chief Justice of the United States [Currently the Chief Justice is John G. Roberts, Jr.]

5. Federal Reserve –
 1. Hamilton's idea:
 - (a) Not to be a single, but rather a system of banks around the country, like the Federal Reserve today.
 - (b) Not entirely owned by the federal government.
 1. 20% owned by the federal government
 2. 80% owned by private investors.
 - (c) Though it's considerably more complicated than this, one of the **Primary functions: release money into circulation.**

6. Excise tax/sales tax – a fancy name for a sales tax, or a tax placed on a product each time it is sold. Thus, every time the farmers sold a gallon of whiskey, they coughed up 7 cents to the federal government.

Comparison of Federalist and Democratic-Republican Parties

Topic	Federalists	Democratic-Republicans
Leaders	John Adams Alexander Hamilton	Thomas Jefferson James Madison
View of Constitution	<ul style="list-style-type: none"> • Loose interpretation • Strong central government 	<ul style="list-style-type: none"> • Strict interpretation • Weak central government
Foreign Policy	Pro-British	Pro-French
Military Policy	Large peacetime army and navy	Small peacetime army and navy
Domestic Policy	<ul style="list-style-type: none"> • Aid business • National bank • Tariffs 	<ul style="list-style-type: none"> • Favor agriculture • No national bank • Opposed tariffs
Chief Supporters	<ul style="list-style-type: none"> • Northern businessmen • Large landowners 	<ul style="list-style-type: none"> • Skilled workers • Small farmers • Plantation owners

- Federalists – A political party that thought there should be a loose interpretation of the Constitution and a strong central government. See more above.

7. John Jay – on Review Questions

- The British returned the American sailors and ships.
- **We get the British out of the Northwest territory.**
- **Didn't agree to stop impressments**
- (Didn't recognize US neutrality)

Was not as bad as Democratic-Republicans made it out to be. The Federalists (John Jay was) were pro-England (and the Democratic-Republicans were pro-France.

Again, Hamilton's Financial Plan –

- **Get out of debt**
- **Modernize United States Economy**
- **Strengthen the power of the central government**

8. Modern economy – Federalists and Alexander Hamilton's second step in helping the economy, **by creating a National Bank of the United States**

9. Agriculture based economy – what **Democratic-Republicans wanted**

10. International debts – Hamilton – paid off immediately, and restored our foreign credit.

11. National debts – Bond debt was owed to US citizens mostly ex-vets. Hamilton says pay back selectively:

- Rich and powerful get paid back
- 2 Average Joes “tough luck suckers”!

12. Bonds - is a certificate sold by the government that promises to repay the “bearer” the original price plus interest

13. State debts – Alexander Hamilton: federal government should “assume” - **take in state debts**

14. Assumption – **Taking in** - “Assuming” the states' debts would give the federal government power over the states.

The catch: after assumption, all the states would pay higher taxes to the federal government.

- Problems : not all states owed the same amount
 - Most Southern states owed teensy debts.
 - Most of the Northern states owed gigantic debts!
 - Yet the federal taxes for both would be the same!
 - The Southern states, led by Virginia, freaked out & blocked Hamilton's plan!
 - *The solution: "logrolling"*
 - **Here was the deal:**
 - A new capital would be built between MD and VA, on the banks of the Potomac River...
 - ... and the Southern states would give in to paying the tax

15. The District of Columbia – Part of deal, capital put here

16. Potomac River – Capital will be on banks of this

17. Bank of the United States – See federal reserve

18. Strict interpretation - if it is not specifically permitted, you can't do it (Thomas Jefferson and Democratic Republicans).

19. Loose interpretation - the document permitted everything that it did not expressly forbid (Hamilton and Federalists)

20. Trickle down economics – Hamilton

- Give \$\$/assistance/ opportunity to the upper classes, and... " eventually it will make its way down to the middle and lower classes.

21. Whiskey Rebellion -

Angered by an **excise tax imposed on whiskey** in 1791 by the federal government, farmers in the western counties of Pennsylvania engaged in a series of **attacks on excise agents**. The tariff effectively eliminated any profit by the farmers from the sale or barter of an important cash crop, and became the lightning rod for a **wide variety of grievances** by the settlers of the region against the federal government.

The rebel farmers continued their attacks, **rioting in river towns** and **roughing up tax collectors** until the so-called "insurrection" flared into the open in July of 1794 when a **federal marshal was attacked** in Allegheny County, Pennsylvania. Almost at the same time several hundred men

attacked the residence of the regional inspector, burning his home, barn and several outbuildings. Pittsburgh was another scene of disorder by enraged mobs.

On August 7, 1794, President Washington issued a proclamation, **calling out the militia** and ordering the disaffected westerners to return to their homes. Washington's order mobilized an army of approximately 13,000 — as large as the one that had defeated the British — under the command of General Harry Lee, the then-Governor of Virginia and father of Robert E. Lee. Washington himself, in a show of presidential authority, set out at the head of the troops to suppress the uprising.

This was the **first use of the Militia Law of 1792** setting a precedent for the use of the militia to "execute the laws of the union, (and) suppress insurrections," asserting the right of the national government to enforce order in one state with troops raised in other states. Even more importantly, it was the **first test of power of the new federal government**, establishing its primacy in disputes with individual states. In the end, a dozen or so men were arrested, sent to Philadelphia to trial and released after pardons by Washington.

22. Appalachian Mountains – Western farmers were “frontier land” west of these mountains, but still east of the Miss. River.

23. Democratic Republicans - A political party that thought there should be a strict interpretation of the Constitution and a weak central government. See more in the table above.

24. Monticello - a historic estate southeast of Charlottesville, in central Virginia, the home of Thomas Jefferson.

25. James Madison – **DR and didn't support national bank**. He played a major part in the drafting of the U.S. Constitution 1787, and he proposed the Bill of Rights 1791. A Democratic Republican, his presidency saw the U.S. emerge successfully from the War of 1812.

26. Isolationism – Washington said to be this or **neutral**. a policy of remaining apart from the affairs or interests of other groups, esp. the political affairs of other countries.

27. Election of 1796 – John Adams beat Jefferson by 3 electoral votes. Jefferson was VP.
28. Thomas Pickney – Negotiates Pickney Treaty of 1795: **Spain opens up Miss. And NO, Spain gives up land dispute, and Spain fears US/GB alliance**
29. "XYZ Affair" – Review Questions
30. Talleyrand – French Foreign Minister. Adams sends ambassadors to Paris to neg. w/ him but he refuses to meet with them. Sends three low level min. (XYZ) to meet with them who demand a bribe to arrange a meeting with Talleyrand. **Majority of Americans demand with France. Adams avoids full scale war.**
31. Secretary of the Navy – Adams creates a new cabinet post, department of navy (**plays hardball with French**)
32. Marine Corps – **Establishes new branch of armed forces - marines**
33. The Alien Acts –
- raised residency requirement to become citizen of US from 5 to 14 years
 - granted prez power to deport any **alien** at any time for any reason
 - granted president the power to imprison any alien for any reason during wartime.
34. The Sedition Acts – **simply outlawed sedition (speaking out against gov). – made it illegal to give ADAMS AND THE GOVERNMENT FLAK.**
35. Matthew Lyon – Congressman from VT – in 1798 chose to focus reelection campaign on failures of the Federalist gov. – convicted of violation law and \$1000 fin and 4 mos. Jail; during campaign.
36. The Kentucky Resolution – Reject law passed by fed. Gov if more than powers allowed by constitution
37. The Election of 1800 - Review Questions
38. Aaron Burr – Ran in 1800 for president (tie)

39. The 12th Amendment – electors in the Electoral College to specify which ballot was being cast for the office of prez. And which was being cast for office of VP.
40. “The Revolution of 1800” - Review Questions
41. Judiciary Act of 1801 – 16 new judgeships created
42. Whiskey Boys - Review Questions
43. Marbury v Madison - Review Questions
44. John Marshall - Review Questions
45. Judicial review - Review Questions
46. Barbary Coast – seized American ships still – had to pay then war .
47. Louisiana Purchase – **loose constructionist (Jefferson) – from France – land 2nd half of US**
48. Robert Livingston - **As U.S. Minister to France from 1801 to 1804, he negotiated the Louisiana Purchase.** After the signing of the Louisiana Purchase agreement in 1803, Livingston made this memorable statement: "We have lived long but this is the noblest work of our whole lives...The United States take rank this day among the first powers of the world"[4].
49. Essex Junto – small group of radical Federalists – plotted NE state succession from Union.
50. Weehawken - **duel between General Alexander Hamilton**, first Secretary of the Treasury, **and Colonel Aaron Burr**, sitting third Vice President of the United States, which took place on July 11, 1804. **He killed Alexander Hamilton.**
51. Lewis and Clark – All water route Miss. River to Pacific
52. Corps of Discovery - Jefferson selected U.S. Army Captain Meriwether Lewis, his aide and personal friend, to lead the expedition, afterwards known as the Corps of Discovery.

53. Sacagawea - a Shoshone woman who accompanied the Lewis and Clark Expedition, led by Meriwether Lewis and William Clark, in their exploration of the Western United States. She traveled thousands of miles from North Dakota to the Pacific Ocean between 1804 and 1806.
54. Burr Conspiracy – Plan to wrest Mexico from Spaniards and join it with LA territory to create a new country. **Tried for treason but he was freed.**
55. Continental System - The Continental System was the foreign policy of Napoleon I of France in his struggle against the United Kingdom of Great Britain and Ireland during the Napoleonic Wars. It was a large-scale embargo against British trade, inaugurated on 21 November 1806 and ending in 1814, after Napoleon's first abdication.
56. John Quincy Adams - 6th president of the U.S. 1825–29; eldest son of President John Adams. A Massachusetts Democratic-Republican, he served as minister to the Netherlands 1794–96, Germany 1796–1801, St. Petersburg 1809–11, and Great Britain 1815–17. He held a seat in the U.S. Senate 1803–08 and helped negotiate the Treaty of Ghent 1814, which ended the War of 1812. As President Monroe's secretary of state 1817–24, he was the chief architect of the Monroe doctrine. Two of Adams's most impassioned personal causes were the abolition of slavery and the safeguarding of freedom of speech.
57. Impressment - Review Questions
58. The Embargo Act - The Embargo Act of 1807 was a bill that banned trade between the United States of America and other nations. The bill also prevented any ships from leaving American ports thus hindering exploration efforts. It was created at the request of President Thomas Jefferson in an attempt to prevent American involvement in the Napoleonic Wars. The bill proved unpopular and unenforceable and was repealed in 1808.
59. HMS Leopard - In early 1807, a handful of British and American sailors deserted their respective ships, then blockading French ships in Chesapeake Bay, and joined the crew of the USS Chesapeake.
60. In an attempt to recover the British deserters (or possibly to press American sailors into the service of the Royal Navy), Captain Salisbury Pryce Humphreys hailed the USS Chesapeake and requested permission to search her. Commodore James Barron of the Chesapeake refused, and the Leopard opened fire. Caught unprepared, Barron surrendered, and Humphreys sent boarders to search for the deserters. The boarding party seized four deserters from

the Royal Navy — two African Americans, one white American, and one British-born sailor — and took them to Halifax, where the British sailor, Jenkin Ratford, was later hanged.

61. USS Chesapeake - On 22 June 1807, in what has become known as the Chesapeake-Leopard Affair she was fired upon by HMS Leopard for refusing to comply with a search for deserters from the Royal Navy.