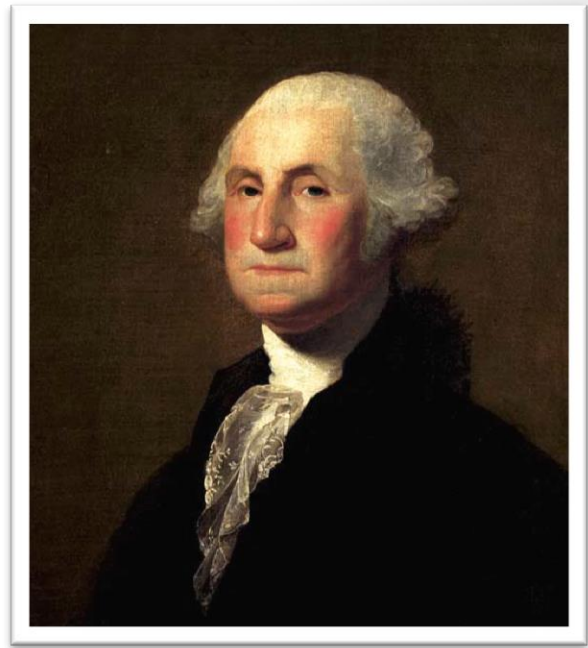


# Launching a New Nation

1789 - 1800

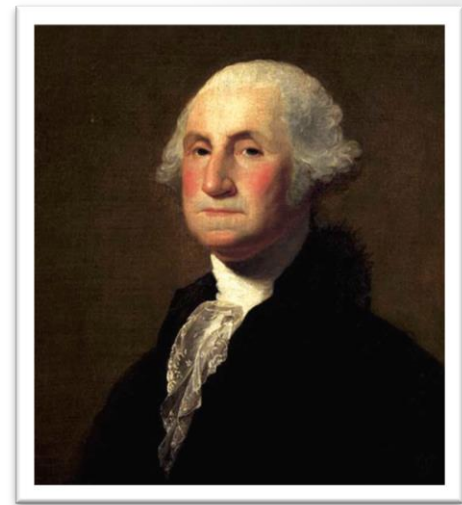
# George Washington



- George Washington

<https://www.youtube.com/watch?v=Zm5uPqucnHk>

# George Washington



- April 1789
- 57 years old
- Inauguration – People lined the street to see Washington pass on his way from Virginia to New York City (8 days)
- Received ALL the votes
- 2<sup>nd</sup> Place – John Adams (Vice President)
- Capital – New York City
- Established the Presidency – An example to be followed by others in the future
- <https://www.youtube.com/watch?v=JgCQDZdIMdc>

# First President

- First job of President & Congress – build a working government
- Washington sets up his departments. Choose 4 well known men - Mixing Federalists & Antifederalists
  - **Secretary of Treasury – Alexander Hamilton** (Federalist)
  - **Secretary of State – Thomas Jefferson** (Antifederalist)
    - Already an ambassador to France
  - **Secretary of War – Henry Knox**
    - One of Washington's generals in the Revolution
  - **Attorney General – Edmund Randolph** (Antifederalist)
    - A prominent Virginia trained in law

# PROBLEMS

DEBT – Revolution created \$54 million debt

- BONDS – a certificate issued by a government
  - Government borrowed money from people
    - Investment opportunity
  - Gov't promises to pay back
  - Can't pay back
- TWO ISSUES –
  - Who should get paid back?
  - Should national government pay state debts (25 million)?
- Paper money worthless / Can't get foreign credit

# Hamilton's Financial Plan

Financial Plan had Three Parts

- 1. U.S. gov't will fully pay back (assume) all U.S. *and* State war debts**
- 2. Will start a National Bank for gov't funds**
- 3. Place a high tax on imported goods**
  - **TARIFFS** - raised money for federal government
  - Protected U.S. manufactures by making foreign goods more expensive
  - **Problem** - Southerners pay as they export then import, but Northern businesses did not experience this problem
  
  - Hamilton – Federalist
  - Jefferson – Anti-federalist – Opposes Plan
  - (Jefferson Democratic Republicans)
  
  - <https://www.youtube.com/watch?v=notJuFGXQ9w>