Washington Heads the New Government

BEFORE YOU READ
In the last section, you learned how the country ratified the Constitution.

In this section, you will see how the nation’s leaders organized the new government.

AS YOU READ
Use this chart to take notes on the differences between Hamilton’s and Jefferson’s approach to government.

<table>
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<th>HAMILTON</th>
<th>JEFFERSON</th>
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<td>believed in a strong central government</td>
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The New Government Takes Shape

What steps did Washington and Congress take?

The first president of the country under the new government was George Washington. The task ahead of him and Congress was a difficult one. Although the Constitution provided a strong foundation, it was not a detailed blueprint for governing. There was no precedent, or prior example, of how to make this new government work. That job was left up to the nation’s leaders.

One of the first steps Washington and Congress took was to create a judicial system. The **Judiciary Act of 1789** established a national court system. This law allowed state court decisions to be appealed to a federal court when constitutional issues were raised.

Washington and Congress also created three...
executive departments: the Department of State to deal with foreign affairs; the Department of War to handle military matters; and the Department of Treasury to manage finances. To head these departments, Washington chose strong leaders. He chose Thomas Jefferson as secretary of state. He picked Henry Knox as secretary of war, and Alexander Hamilton as secretary of the treasury. These department heads soon became the president’s chief advisers, or Cabinet.

1. Why was the task of governing such a difficult one for Washington and Congress?

2. How did Hamilton and Jefferson’s views of government and the economy differ?

The First Political Parties and Rebellion (pages 186–187)

Who led the first political parties?

The differences between Hamilton and Jefferson led to the nation’s first political parties. Hamilton and supporters of a strong central government were called Federalists. Jefferson and those who believed that state governments should be stronger than the federal government were called Republicans. They later referred to themselves as Democratic-Republicans. (This party was the ancestor of today’s Democratic party.) These groups served as the basis for the nation’s two-party system. Under this system, two main political parties compete for power.

As the nation’s two political parties formed, Congress passed two important taxes. One was a protective tariff. It placed a tax on goods imported from Europe. This tax brought in a great amount of revenue for the federal government. But Hamilton wanted more tax money. He pushed through an excise tax, or sales tax, on whiskey. Small frontier farmers produced most of the nation’s whiskey. They became so angry about the tax that they attacked the tax collectors. Their actions became known as the Whiskey Rebellion.

In the end, Hamilton convinced Congress to pass his plan for a national bank. He won support from the Southern lawmakers by agreeing to build the nation’s new capital in the South, in Washington, D.C.

3. What action did Congress take that it had been unable to do under the Articles of Confederation?