Partisan Divide

“The Country is too much uninformed, and too inert to speak for itself,” said James Madison.

What did Madison mean by this? Does you agree with this today?

George Washington probably should have known better. In 1789, just after taking office, he faced a choice that would turn out to shape his two terms as president. The Constitution had been drafted nearly a year and half earlier. After a bruising battle over its ratification, in which many people objected to what they saw as the Constitution’s centralization of authority, Washington had been unanimously elected as the nation’s first president. The moment was delicate. Everyone trusted in Washington as a leader, but not everyone trusted in the government created by the Constitution.

As Washington assumed the seat that many thought had been made for him, he needed to reassure concerned citizens that all was well. So he used his first inaugural to smooth over anxiety about the new government. It would be a force for national prosperity and national good, he promised. He would not allow the government to become despotic or to aid one section of the country over another. **“No local prejudices or attachments, no separate views nor party animosities, will misdirect the comprehensive and equal eye which ought to watch over this great assemblage of communities and interests,”** he pledged to the nation’s citizenry.

What does Washington mean by this?

But he also needed to use the new national powers of the government to confront the various and multiple problems that the nation faced. And he needed to appoint people to his cabinet who would use these new powers in a vigorous but politically circumspect manner. They would have to wield the new executive authority provided to the government without antagonizing those who had objected to the Constitution.

In that quest he did not hesitate, at least initially, to think big. His first appointment was Alexander Hamilton, for Treasury. The United States faced a number of economic problems that had been around since the end of the Revolutionary War. Under the Articles of Confederation—the wartime government that the Constitution replaced—the United States had been unable to coordinate the economic activity of the states. The nation, as a result, had no coherent program of economic development. And it struggled under debt from fighting the Revolution. If the United States was going to be successful as a nation, it would need to address its large debt, establish its credit in the eyes of other nations, and raise the capital to engage in still necessary national improvements.

Hamilton was perfect for that task. He was one of the most brilliant minds of the new nation, and he had a clear conception of the economic problems. But he also had a particularly clear vision of national power that was bound to antagonize those who feared a strong central government. More than anyone else among the founding generation, Hamilton believed that the new constitution provided, in his words, “streams of national power” that needed to be channeled to specific ends. Power was, for Hamilton, was a good thing. Those who worried about strong government power, according to Hamilton, missed the more dangerous problems that arose out of a lack of governmental power. As he explained in the *Federalist Papers,* a series of newspaper articles written with James Madison and John Jay to support constitutional ratification, under a weak government “we are apt to rest satisfied that all is safe because nothing improper will be likely to be done.” But this view was, he believed, shortsighted. “We forget how much good may be prevented,” he pointed out, “and how much ill may be produced, by the power of hindering the doing what may be necessary, and of keeping affairs in the same unfavorable posture in which they may happen to stand at particular periods.”

**Summarize Alexander Hamilton’s views on the role of government.**

Such a view was at total odds with Washington’s choice for secretary of state, Thomas Jefferson. It was here that Washington made his first mistake. State was also a vital cabinet position. Following the Revolution, several aspects of foreign relations needed attention. And because many future treaties would deal with commercial relations, some overlap in Hamilton’s and Jefferson’s respective portfolios was inevitable. The overlap would not have been a problem had they been in general philosophical agreement. But because Jefferson and Hamilton could not disagree more vehemently on any number of issues, conflict was also inevitable.

Jefferson had, in fact, long been uncomfortable with the Constitution. Though he did not have a hand in drafting it—he was away in Paris during the entire debate—when he first heard the plan he complained to his friend James Madison, “Prima facie I do not like it. It fails in an essential character, that the hole and the patch should be commensurate. But this proposes to mend a small hole by covering the whole garment.” Jefferson would have preferred to live under the Articles with perhaps a few amendments. “I own I am not a friend to a very energetic government,” he acknowledged. And though he eventually made peace with the Constitution, he did not abandon his belief that energetic government was always a threat to liberty.”

**Summarize Thomas Jefferson’s views on the role of government.**

So [Washington] filled out his cabinet without regard to political inclination or orientation, and laid the seeds for bitter conflict in the future. Hamilton, a partisan of power, went to Treasury, Jefferson, a partisan of liberty, went to State. Edmund Randolph—one of three people who had stayed through the entire Constitutional Convention and then declined to sign the document—because attorney general, the chief law enforcement officer of the new government. And Henry Knox, Washington’s successor as commander of the army after the Revolution and a secretary of war under the Articles of Confederation, stayed on as the secretary of war under the new government. Given the quality of the people he selected, and ignoring their obvious political differences, Washington looked forward to the future. His administration, he predicted, would shine in “the tranquil deliberations and voluntary consent” characteristic of a republican form of government. But in this, Washington would be sadly disappointed. And it is out of that conflict that we find the origins of our contemporary debate.

The problem began almost immediately. Hamilton led the way. In keeping with his views of power, he entered office determined to aggressively use his command of the Treasury to set the nation on what he considered a proper economic path. His goal was the creation of a new American political economy. Faced with the treat of insolvency and neocolonial dependency after the Revolutionary War, Hamilton thought the national government should foster markets, prompt investment and entrepreneurship, and create a coherent national financial policy that protected public credit. To that end, he put forward a series of economic reports in which he recommended an expansion of government that would in occur in three steps. First, he proposed, the federal government should assume the debts of the states to create a large and consolidated national debt. Then it should repay those debts at face value, rather than downgrading the debt and hurting the nation’s credit rating. Once those first two commitments were in place, he proposed that the government create a national bank that could collect new national taxes and use the subsequent capital flows to offer loans to the private sector in order to develop the economy. The net effect would be a powerful and centralized institutional control over American economic life.

**According to the Preamble, which section justifies Hamilton’s plans? Explain.**

But Hamilton’s proposal was controversial. His promotion of a national bank, in particular, made it clear that he wanted to use the government to favor the merchants of the North, who could aid in the economic development of the nation while simultaneously enriching themselves. To agriculturalists, particularly in the South, it seemed as though Hamilton was using his office to pick winners and losers in the new economy. Or, to put it another way, he was using the power of the government to endanger the agriculturalists’ liberty.

Jefferson and Madison, who both came from the agricultural state of Virginia, were upset. In the process of debate both emerged as Hamilton’s opponents, Madison in particular used his immense prestige as the architect of the Constitution to call into question the constitutionality both of the bank and of Hamilton’s entire economic system. He did so by arguing that the Constitution granted only limited powers to the Congress in section 8 of Article I. Because chartering a bank was not among those powers, Congress could not do it. This position became known as strict constructionism.