

Washington retired in 1797, firmly declining to serve for more than eight years as the nation's head. His vice president, John Adams of Massachusetts, was elected the new president. Even before he entered the presidency, Adams had quarreled with Alexander Hamilton -- and thus was handicapped by a divided party.

These domestic difficulties were compounded by international complications: France, angered by Jay's recent treaty with Britain, used the British argument that food supplies, naval stores and war materiel bound for enemy ports were subject to seizure by the French navy. By 1797 France had seized 300 American ships and had broken off diplomatic relations with the United States. When Adams sent three other commissioners to Paris to negotiate, agents of Foreign Minister Charles Maurice de Talleyrand (whom Adams labeled X, Y and Z in his report to Congress) informed the Americans that negotiations could only begin if the United States loaned France \$12 million and bribed officials of the French government. American hostility to France rose to an excited pitch. The so-called XYZ Affair led to the enlistment of troops and the strengthening of the fledgling U.S. Navy.

In 1799, after a series of sea battles with the French, war seemed inevitable. In this crisis, Adams thrust aside the guidance of Hamilton, who wanted war, and sent three new commissioners to France. Napoleon, who had just come to power, received them cordially, and the danger of conflict subsided with the negotiation of the Convention of 1800, which formally released the United States from its 1778 defense alliance with France. However, reflecting American weakness, France refused to pay \$20 million in compensation for American ships taken by the French navy.

Hostility to France led Congress to pass the Alien and Sedition Acts, which had severe repercussions for American civil liberties. The Naturalization Act, which changed the requirement for citizenship from five to 14 years, was targeted at Irish and French immigrants suspected of supporting the Republicans. The Alien Act, operative for two years only, gave the president the power to expel or imprison aliens in time of war. The Sedition Act proscribed writing, speaking or publishing anything of "a false, scandalous and malicious" nature against the president or Congress. The few convictions won under the Sedition Act only created martyrs to the cause of civil liberties and aroused support for the Republicans.

The acts met with resistance. Jefferson and Madison sponsored the passage of the Kentucky and Virginia Resolutions by the legislatures of the two states in November and December 1798. According to the resolutions, states could "interpose" their views on federal actions and "nullify" them. The doctrine of nullification would be used later for the Southern states' defense of their interests vis-a-vis the North on the question of the tariff, and, more ominously, slavery.

By 1800 the American people were ready for a change. Under Washington and Adams, the Federalists had established a strong government, but sometimes failing to honor the principle that the American government must be responsive to the will of the people, they had followed policies that alienated large groups. For example, in 1798 they had enacted a tax on houses, land and slaves, affecting every property owner in the country.

Jefferson had steadily gathered behind him a great mass of small farmers, shopkeepers and other workers, and they asserted themselves in the election of 1800. Jefferson enjoyed extraordinary favor because of his appeal to American idealism. In his inaugural address, the first such speech in the new capital of [Washington, DC](#), he promised "a wise and frugal government" to preserve order among the inhabitants but would "leave them otherwise free to regulate their own pursuits of industry, and improvement."

Jefferson's mere presence in The White House encouraged democratic procedures. He taught his subordinates to regard themselves merely as trustees of the people. He encouraged agriculture and westward expansion. Believing America to be a haven for the oppressed, he urged a liberal naturalization law. By the end of his second term, his far-sighted secretary of the treasury, Albert Gallatin, had reduced the national debt to less than \$560 million. As a wave of Jeffersonian fervor swept the nation, state after state abolished property qualifications for the ballot and passed more humane laws for debtors and criminals.

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