If YOU were there...
You are a newspaper editor in Virginia in 1798. You’ve joined Jefferson’s political party, which opposes the new president. In fact, your paper has printed many articles that criticize him, calling him greedy and foolish. You believe that’s your right in a free country. But now Congress has passed a law that makes it illegal to criticize the government. You could be arrested for your articles!

Would you stop criticizing the government? Why?

The Election of 1796
The election of 1796 began a new era in U.S. politics. For the first time, more than one candidate ran for president. Political parties, groups that help elect people and shape policies, had begun to form during Washington’s presidency. Despite Washington’s warnings about political parties, the rivalry between two parties dominated the 1796 election.

Alexander Hamilton helped found the Federalist Party, which wanted a strong federal government and supported industry and trade. The Federalists chose John Adams and Thomas Pinckney as candidates. Adams knew he was not well liked in the South or the West, but he hoped people would support him after they thought about his years of loyal public service.

Thomas Jefferson and James Madison founded the Democratic-Republican Party. Its members, called Republicans, wanted to limit the federal government’s power. (This party is not related to today’s Republican Party.) They chose Thomas Jefferson and Aaron Burr as their candidates.
President Adams and the XYZ Affair

John Adams had the challenging task of following Washington as president. The people had adored Washington. Adams would have to work hard to win the people’s trust.

A New President

At first glance, John Adams did not appear well suited for the presidency. Although Adams had been a leading Patriot during the American Revolution and had later served as a foreign diplomat, he lacked Washington’s dignity, and most people saw him as a cold and distant person. Still, many people—even those who opposed him—respected Adams. They recognized his hard work, honesty, and intelligence.
One of Adams’s first goals as president was to improve the relationship between the United States and France. You may remember that the French had once tried to hire American privateers to help them fight Great Britain, a practice Washington frowned upon. Adams sent U.S. diplomats to Paris to smooth over the conflict and to negotiate a treaty to protect U.S. shipping.

When the diplomats arrived in France, they learned that French foreign minister Talleyrand would not speak to them. Instead, they had a strange and secret visit from three French agents. Shockingly, the agents said that Talleyrand would discuss a treaty only in exchange for a $250,000 bribe. The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

The French government also wanted a loan of $12 million. The amazed diplomats refused these demands.

In March 1798 President Adams told Congress that the peace-seeking mission had failed. He described the French terms, substituting the letters X, Y, and Z for the names of the French agents. Upon hearing the disgraceful news, Federalists in Congress called for war with France.

The XYZ affair, as the French demand for a bribe came to be called, outraged the American public. “Millions for defense, but not one cent for tribute!” became the rallying cry of the American people.

Preparations for War

Fearing war, Adams asked Congress to expand the navy to a fleet of more than 30 ships. He thought war with France might be unavoidable. He also decided the United States should keep a peacetime army. Congress approved both measures.

Although Adams had asked Congress for military support, he did not want to go to war with France. He was worried about its cost. And he remembered Washington’s warning to remain neutral. So he did not ask Congress to declare war. Instead, he tried to reopen peace talks with France.

Peace Efforts

Adams’s decision not to declare war stunned Federalists. Despite intense pressure from members of his own party, Adams refused to change his mind.

American and French ships, however, began fighting each other in the Caribbean. Adams sent a representative to France to engage in talks to try to end the fighting. The United States and France eventually signed a treaty. Adams then forced two members of his cabinet to resign for trying to block his peace efforts.

Reading Check Identifying Points of View

What did Americans mean when they said “Millions for defense, but not one cent for tribute”? 
The Alien and Sedition Acts

Many Democratic-Republicans continued to sympathize with France. Federalists, angered by their stand, called them “democrats, mobocrats, and all other kinds of rats.”

In 1798 the Federalist-controlled Congress passed four laws known together as the **Alien and Sedition Acts**. These laws were said to protect the United States, but the Federalists intended them to crush opposition to war. The most controversial was the Sedition Act, which forbade anyone from publishing or voicing criticism of the federal government. In effect, this cancelled basic protections of freedom of speech and freedom of the press.

The two main Democratic-Republican leaders, Thomas Jefferson and James Madison, viewed these acts as a misuse of the government’s power. Attacking the problem at the state level, they wrote resolutions passed by the Kentucky legislature in 1798 and in Virginia in 1799. Known as the **Kentucky and Virginia Resolutions**, these documents argued that the Alien and Sedition Acts were unconstitutional. They stated that the federal government could not pass these acts because they interfered with state government. Madison and Jefferson pressured Congress to repeal the Alien and Sedition Acts. Congress did not, although it allowed the acts to expire within a few years.

The Kentucky and Virginia Resolutions did not have the force of national law, but they supported the idea that states could challenge the federal government. This idea would grow to have a tremendous impact on American history later in the 1800s.

**Reading Check**

*Analyzing* How did the Kentucky and Virginia Resolutions support the rights of states?

**Summary and Preview**

Political parties formed to reflect different viewpoints. In the next chapter you will read about Thomas Jefferson’s presidency.

---

**Section 4 Assessment**

**Reviewing Ideas, Terms, and People**

1. **Recall** What two political parties emerged before the election of 1796? Who were the founders of each party? How did their views differ?
   - **Analyze** What effect did political parties have on the election of 1796?
   - **Elaborate** Do you think it was difficult for Adams and Jefferson to serve together as president and vice president? Explain your answer.

2. **Recall** What was one of Adams’s first goals as president?
   - **Make Inferences** Why were Federalists shocked by Adams’s decision to resume peace talks with the French?

3. **Identify** Identify the foreign policy of John Adams. What did the **Alien and Sedition Acts** state?
   - **Explain** What idea regarding states’ rights did the **Kentucky and Virginia Resolutions** support?
   - **Elaborate** Would you have supported the Alien and Sedition Acts? Explain your answer.

**Critical Thinking**

4. **Contrasting** Review your notes on the election of 1796 and the formation of political parties. Then create a chart like this one identifying how each of the terms listed below reflected party disagreements.

<table>
<thead>
<tr>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>XYZ Affair</td>
</tr>
<tr>
<td>Alien and Sedition Acts</td>
</tr>
<tr>
<td>Kentucky and Virginia Resolutions</td>
</tr>
</tbody>
</table>

**Focus on Writing**

5. **Gathering Information about John Adams**

   Take some notes about John Adams’s contributions that would support his nomination for the Nobel Prize. Then begin to compare and contrast all four leaders you have studied in this chapter. Which one will you nominate?