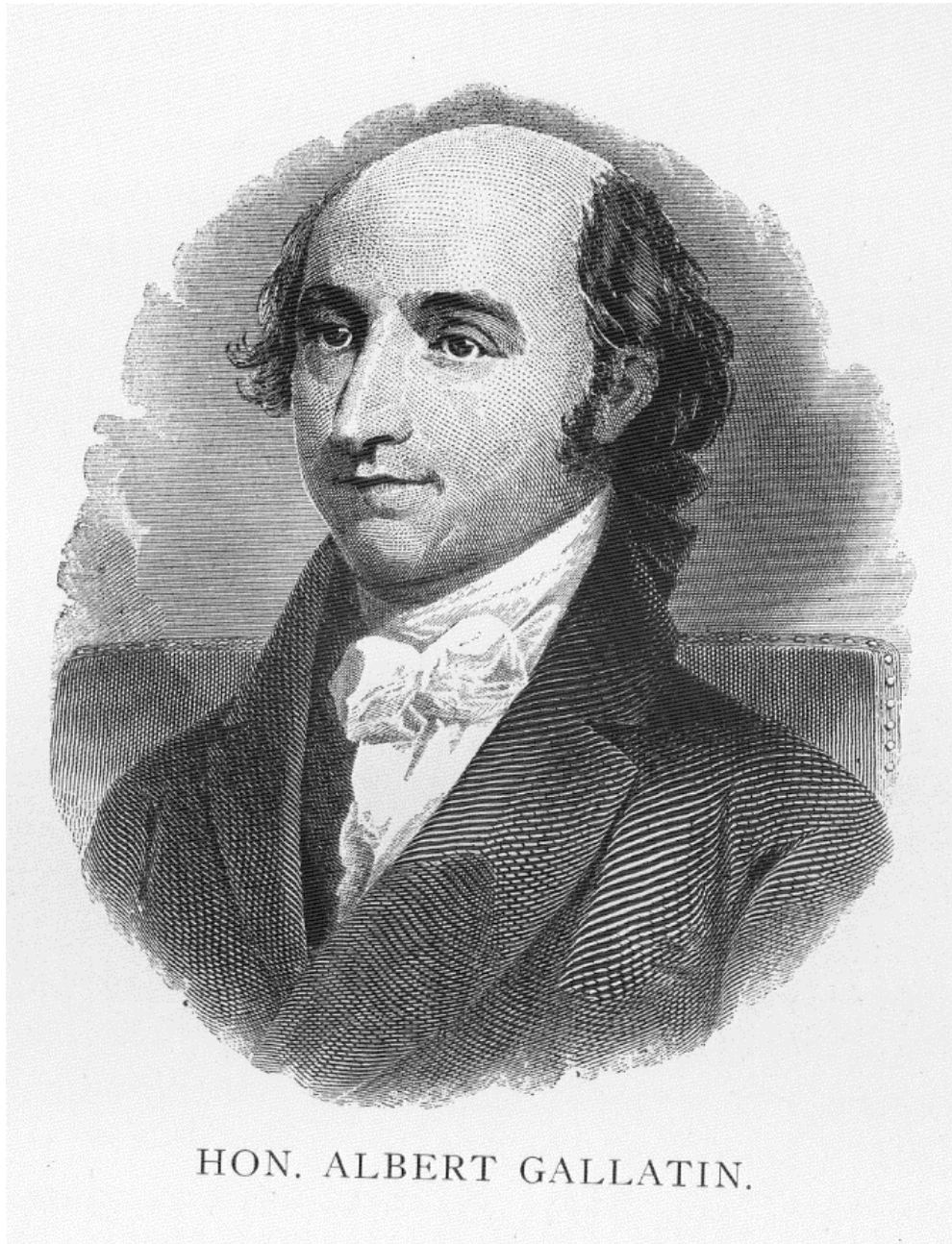


Albert Gallatin: A Most Astonishing Man

Friendship Hill National Historic Site

Teacher's Guide



Lesson: Gallatin as Secretary of the Treasury

Teacher Instructions

Gallatin moved into the political spotlight when he became Secretary of the Treasury. Students will read about this part of Gallatin's career. Then using an activity sheet the students will have to make some tough choices to develop the United States budget.

GUIDING QUESTION:

What were Gallatin's struggles and accomplishments as Secretary of the Treasury?

OBJECTIVES:

By the end of this lesson the students will be able to:

- Define the term national debt
- State Gallatin's view on the national debt
- List three important items the US spent money on during the time Gallatin was Secretary of the Treasury

MATERIALS

- Copies of the handouts

PROCEDURES:

1. Read the teacher background information on Albert Gallatin
2. Introduce the guiding question to students.
3. Hand out copies of the student reading and the activity sheet.
4. Have the students complete the sheets.
5. Review the guiding question.

STANDARDS

- Pennsylvania Standard Area - 8.1: Historical Analysis and Skills Development
 - Standard - 8.1.5.A, 8.1.6.A, 8.1.7.A, 8.1.8.A
- Pennsylvania Standard Area - 8.3: United States History
 - Standard - 8.2.5.A, 8.2.6.C, 8.2.7.D, 8.2.8.D
 - Standard - 8.3.5.C, 8.3.6.C, 8.3.7.C, 8.3.8.C
 - Standard - 8.3.5.D, 8.3.6.D, 8.3.7.D, 8.3.8.D

SUPPORT FOR STRUGGLING LEARNERS

You can read the material out loud to the students or go over the material as a class.

ENRICHMENT ACTIVITIES

1. Throughout his 68 years of public service Gallatin became friends with many influential people. Research one or more of the people listed below. Make a multi-media report on the person and their connection to Albert Gallatin.

Patrick Henry

James Madison

John Quincy Adams

John Jacob Astor

Thomas Jefferson

James Monroe

Marquis de LaFayette

Meriwether Lewis

George Washington

Henry Clay

John Marshall

William Clark

ASSESSMENT

Check to see if the students have added correctly to get the total budget.

There are no correct answers for going into debt or not, however, the student will need to provide a valid explanation for why they acted the way they chose.

There is not a correct answer to whether the students found it difficult to create a budget.

Lesson: Gallatin as Secretary of the Treasury

Student Reading

Albert Gallatin moved into the spotlight when he became Secretary of the Treasury; first under President Jefferson and then under President Madison. It was a post he would hold for nearly 13 years.

As Secretary of the Treasury he was responsible for all the federal government's finances. The government would raise money by collecting taxes on imported goods, the sale of government land and by selling bonds. The government spent money on running the government and funding legislation passed by Congress. If they took in more money than they spent they would have a **surplus**. If they spent more money than they took in the government would have a **debt**. When Gallatin took office the federal government had a debt of \$83 million. It was mostly from fighting the American Revolution. This debt was called the national debt. Gallatin thought that the reduction of the national debt was the main thing he should work on. It was difficult, since there were so many things the new nation could use. By 1812 he had reduced it to \$45 million.

As a member of President Jefferson's **cabinet**, or circle of close advisors, the president often ask his opinion on a wide range of subjects and policies. He wrote reports, including one where he supported improving and expanding roads and canals and another where he suggested having a fund to help develop manufacturing. Despite his dislike of debt he enthusiastically supported the purchase of the Louisiana Territory.

President Madison asked Gallatin to serve as an American minister to negotiate the end of the War of 1812, and with that Gallatin ended his time as Secretary of the Treasury and began a new career as an American diplomat.



Student Handout: Gallatin as Secretary of the Treasury

Activity Worksheet

Directions: Pretend the Congress of the United States has given you \$25 million to run the country for a year. You have to choose from the items below to create a budget. Gallatin wanted to decrease the national debt. If you spend more than \$25 million you will increase the debt. The pro and con statements may help you choose wisely.

Salaries for federal government workers

- Pro: These workers run the government offices and collect money for the government.
- Con: Less work, or no work, would get done and less, or no money may get collected.

\$4 million

Construct lighthouses

- Pro: Lighthouses help boats navigate safely, which means fewer shipwrecks.
- Con: The money should come from a lighthouse tax on foreign ships.

\$3 million

Louisiana purchase (530 million acres of land)

- Pro: It would double the size of the US and provide land and natural resources.
- Con: It would cost a lot of money to buy.

\$15 million

Ransom money to the Barbary pirates

- Pro: The US ships will be safe from pirate attacks and it is less expensive than a war.
- Con: What they are doing is illegal and paying them just encourages them.

\$1 million

Create a military academy

- Pro: The military would be properly educated and not as dependent on foreign officers.
- Con: The US had done fine so far without an academy.

\$1 million

Military appropriations

- Pro: Having a large, well-funded military would make the US ready in case of attack.
- Con: A big military would encourage getting into wars.

\$4 million

Build a National Road and canal system (every year for 10 years)

- Pro: It would encourage the expansion of business and settlement.
- Con: The states should pay for the projects, since individual states would benefit.

\$2 million

Construct coastal fortifications

- Pro: Coastal fortifications will keep the coast safe from enemies.
- Con: The US hasn't needed the fortifications

\$5 million

Construct frontier fortifications

- Pro: The forts would help prevent American Indian attacks on settlers.
- Con: The area is so large it would be difficult to build enough forts.

\$2 million

Finish new government buildings in Washington DC

- Pro: The employees need places to work and the buildings will impress visitors.
- Con: Fancy buildings are an unnecessary expense.

\$3 million

Three new battle frigates (warships) for the navy

- Pro: The US could defend itself better including protecting merchant ships.
- Con: The US just built six new frigates in the 1790s.

\$4 million

Pay off part of the national debt

- Pro: It is the best policy to pay off the national debt so it doesn't cost more over time.
- Con: There are so many other important needs.

\$4 million

YOUR TOTAL BUDGET

Add up all the money you spent

Did you spend more than \$25 million and go into debt? Write and explain of why you chose to go into debt or not.

Did you find it difficult to make decisions Gallatin had to make as Secretary of the Treasury?