Privately Funded and Built U.S. Warships in the Quasi-War of 1797–1801

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Public goods are conventionally defined as both nonexcludable and nonrivalrous. These attributes create an incentive for consumers to act as "free riders," and therefore, according to mainstream neoclassical economics, production of such goods will prove unprofitable and their supply will be suboptimal, evincing a "market failure." The usual conclusion of this line of reasoning is that in order to ensure that a sufficient quantity of this good will be provided, the government must take responsibility for supplying it, using tax revenues to cover the expenses of doing so.

National defense has long served as the paradigmatic example of a public good. As I have suggested in my research on privateering (Sechrest 2003), however, government need not monopolize the provision of defense services, at least in regard to naval warfare. For seven centuries, privateers—private warships—constituted an effective, reliable, and highly profitable means of crippling the maritime trade of an enemy nation. So effective were the privateers' techniques that they appear to have been emulated during both world wars by the commerce raiders—both surface ships and submarines—that the Germans sent to sea (Garitee 1977, xv–xvii; Hough 1983, 172–74).

Skeptics might accept the overwhelming evidence of the privateers' effectiveness yet still question their overall value on two grounds. First, they might insist that privateers would have little value unless the enemy depends to a significant extent on

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maritime transportation of goods because privateers profit mainly by selling the enemy ships and cargoes they capture.[1] Of course, if the issue is naval warfare, then damage to commercial shipping will indeed be important. The principal motive for having a navy is to protect the nation's commercial shipping. Indeed, as long as a war is truly defensive, such protection would seem to be its only motive. Naval powers are always nations with significant maritime trade.

Second, skeptics might claim that the deciding factor in a naval war is always the defeat of the enemy's warships in battle, not the destruction or capture of commercial ships. Privateers were seldom designed to engage in combat with naval vessels. They were usually small, fast, highly maneuverable craft that could readily capture merchant ships, but were usually too lightly armed with cannon to engage powerful ships of war. Therefore, the skeptics might conclude that privateering does not obviate the need for a public navy.

Granting, for the sake of argument, the need for a public navy, must such an organization necessarily be funded by taxation?[2] Public-goods theory certainly indicates that it must be, especially for the largest expense of all, that of the ships themselves. But what if there were historical precedent for voluntary funding of such capital projects? Surely that evidence would call into question the applicability of public-goods theory. I show in this article that such a precedent may exist.

The Initiatives of 1798

In April 1796, the United States ratified a treaty with England, negotiated by John Jay, which aligned the new nation with England against its former ally France. French privateers and naval vessels soon began to seize any U.S. merchant ships sailing to British ports or carrying British-owned cargoes. In addition, at least one French vessel violated American territoriality: the privateer *Fortitude* attacked and burned an English ship in the harbor of Charleston, South Carolina, on October 17, 1797.[3] In belated response to the accelerating French depredations, President Adams signed a law on June 13, 1798, ordering U.S. vessels not to sail toward any port under French control, which included a number of lucrative destinations in the West Indies. The penalty for doing so would be confiscation and sale of the ship and its cargo by the U.S. government, with half the value going to the government and half to the informant.[4]

1. In some cases, privateers also received a bounty for each person they captured.

2. For a discussion of the redistributive problems that stem from tax funding of certain defensive services, see Sechrest 1999.

3. See President John Adams's letter to Congress, February 5, 1798, available at http://www.yale.edu/lawweb/avalon/quasi.htm.

4. See http://www.yale.edu/lawweb/avalon/quasi.htm. It is ironic that part of the official method of coping with the French confiscation of private U.S. vessels was to threaten American shipowners with confiscation by their own government.

Early in the Quasi-War with France (1797–1801), citizens in a number of American cities reacted in a fashion radically different from that of Congress and Adams. Instead of banning intercourse with France and its territories, they decided to retaliate. They initiated subscriptions for private funding to construct warships that would protect American property at sea. Their motivation was simultaneously patriotic and self-serving. Many of the subscribers were merchants, shippers, or shipowners whose incomes were being adversely affected by the French attacks.

A review of the situation reveals why these individuals decided to take action. From October 1796 to June 1797, the French captured 316 U.S. vessels—more than 6 percent of the nation's merchant ships—causing their owners losses of $12 million to $15 million. Newburyport, Massachusetts, alone claimed to have lost 77 ships and their cargoes worth $682,000 from 1797 to 1799. Philadelphia merchants claimed to have lost $2 million because of the French actions. Moreover, during 1797, general marine insurance rates rose from 6 percent to 30 percent of the value of the cargo being transported; insurance rates on cargoes going to the West Indies increased to seven times their previous level (all data here from Swan 2000, 2–3, 5). In the face of such conditions, fewer voyages were being attempted. One of the more damaging effects experienced during 1797 and 1798 was a reversal of the previously rapid growth in both exports and imports, as the data in table 1 show. This diminution of international trade affected all Americans, not only those in the maritime industries.

To provide protection from enemies such as the French had become was obviously the U.S. Navy's mission, but the navy at that time scarcely existed as a real fighting force. In June 1785, the last surviving Continental Navy vessel, the frigate *Alliance,* was sold (Sweetman 1984, 15). No new ships were authorized to be built or purchased until 1794, when Congress authorized the construction of six large frigates. By the fall of 1797, three of them had been launched, *United States, Constellation,* and *Constitution*. However, none of these ships was ready for active service until the summer of 1798—*Constellation* on June 26, *United States* on July 11, and *Constitution* on July 22 (Canney 2001, 29, 35, 42). In other words, when the

Table 1
U.S. Exports and Imports of Merchandise, 1794–98

Year	Merchandise Exports	Merchandise Imports
1794	$36 M	$36 M
1795	$48 M	$73 M
1796	$67 M	$84 M
1797	$57 M	$77 M
1798	$62 M	$72 M

Source: U.S. Bureau of the Census 1975, 866, Series U 1-25.

subscription drives began, during May and June 1798, the U.S. Navy had exactly *zero* operational warships. Swan aptly concludes that "America's merchant vessels suffered terribly from French attacks and urgently needed greater naval protection than the national government could provide" (2000, 3).

The private subscribers sought to build the vessels so desperately needed and then give them to the U.S. Navy. Some commentators have suggested that the ships were merely lent to the navy (Swan 2000, 7), but Leiner disputes that contention and insists that the ships, once completed, "became government property" (2000, 27). If the vessels were merely lent to the government, then surely the ones that survived the rigors of war would have been returned eventually to the local groups that financed their construction. Yet, in an exhaustive ship-by-ship history of this era, Donald L. Canney never mentions such action by the U.S. Navy with regard to any of the subscription-built vessels (2001, 50–57, 115–17).

Moreover, these projects seem to have been true private initiatives: "The private American citizens who conceived of these ships put up the money, arranged for the designs, selected the timber and materials, laid the keels and planked up the hulls, selected the officers, and sent the ships off to war. Into each ship they put their experience, belief in their country, and their confidence in the future. The subscription warships were a compelling expression of that society's projection of itself" (Leiner 2000, 2).

Some historians have concluded that this outpouring of intense "civic spirit" represented only a response to an incentive created by national officials and therefore was not truly spontaneous. They have reached this conclusion, however, by focusing on the Act of June 30, 1798, which authorized the government to accept any armed vessels offered to it by private citizens and to compensate the donors with government "certificates" that yielded 6 percent interest (Leiner 2000, 26–27). In other words, the federal government offered to exchange interest-bearing securities for the completed warships. From this account, the subscriptions appear to have been induced by government action, but this interpretation has been strongly challenged on the grounds that "the statute merely reflected what American citizens were doing on their own" (24). "In diverse parts of the United States," Leiner explains, "thousands of dollars were being raised by citizens without government sanction or direction. The Senate bill did not pass before subscriptions in Newburyport [Massachusetts], Philadelphia, and New York were well under way, and the Senate bill was not printed in newspapers until Baltimore had begun its list. The House did not take up the bill before Norfolk, Richmond, and Petersburg, Virginia, had also entered the subscription frenzy" (25).

The sequence of events is critical to a proper assessment of the subscriptions. Frederick C. Leiner traces out the key dates. The members of the first subscription group, in Newburyport, met initially on May 23, 1798 (2000, 20). Within a week, the project's details were set, and by June 4, according to a June 8, 1798, article in the Newburyport *Herald and Country Gazette,* many of the contracts for building their

ship (the sloop-of-war *Merrimack*) had already been signed (32).[5] On June 1, the group sent a letter to their congressman, Bailey Bartlett, declaring that they were undertaking the building of the *Merrimack* and that they would accept as compensation "an interest of six per cent per annum on the net cost of the ship . . . and a final reimbursement, at the convenience of the government, of the said net cost" (qtd. on 21). This letter, says Leiner, "could scarcely have arrived in Philadelphia, the nation's capital, before 5 or 6 June" (25). The Act of June 30, 1798, was first read in the Senate on June 6, emerged from committee on June 13, and was passed on June 14 (24).

Was this subscription merely a means by which influential businessmen in Newburyport disingenuously contrived to funnel public funds into their own hands? One must answer in the negative, in part because these men executed the building contracts *before* their letter to their congressman had even reached him in Philadelphia. They were legally committed to undertake the building of the *Merrimack* by June 4, regardless of whether the federal government ever compensated them for their efforts and expenditures, which hardly seems to be how rent-seeking "political entrepreneurs" would have proceeded. Might they have decided to commit their funds to the project based on the *expectation* that their letter would bring them government compensation? Such action seems unlikely. Why would presumably risk-averse businessmen commit themselves contractually to a costly project on the mere chance that the government *might* elect to grant them a modest 6 percent return on their investment? Such an action seems especially problematic in light of research by Lawrence H. Officer, who found that long-term market rates of interest were either 7.56 percent or 9.13 percent in the United States in 1798, depending on the data series one uses.[6]

If the merchants in the various subscription cities had been driven primarily by purely monetary concerns, why would they have gone to all the trouble of building warships in exchange for a 6 percent return when they could, with less effort, simply invest their funds in alternative, ordinary ways and gain a much higher return? The explanation seems unavoidable: they were not simply seeking an easy means of making a profit by responding to some tantalizing offer extended by the federal government. They were deeply and genuinely outraged by the French attacks on the high seas, and they perceived the existing U.S. naval forces as inadequate to the task of defending U.S. commerce. They therefore decided to supply warships at their own expense. If the government was willing to compensate them at a below-market rate of return, so

5. Contracts were required with many suppliers, not only with the shipbuilder who provided the completed hull, masts, and spars. Other craftsmen supplied the cannon, sails, miscellaneous iron fittings, rope rigging, anchors and chains, lifeboats, and so forth. The first contract would have to be with the shipbuilder, however, because without knowing the vessel's specifications, armament, and rig, the other suppliers probably could not make bids for the components and equipment they were to produce. As an example of the construction sequence, note that the hull of the Continental Navy frigate *Hancock* was launched in 1776, but her "guns, ironwork, rigging, sails, ammunition and stores" were added in 1777 (Chapelle 1935, 63–64).

6. He found no data for short-term rates; see http://eh.net/hmit/interest_rate/.

much the better, but whether such compensation was forthcoming or not, they intended to do what they could to defend their property rights on the seas. They may not have been able to fight the French personally, but they could provide the ships essential to maritime defense.

Naval historian Donald L. Canney, whose research is based on documents provided by the National Archives, the Library of Congress, and the U.S. Navy, agrees that the causal chain in this case flows from the private sector to the public sector. He states categorically that "the initiative for the subscription ships was *not* the U.S. Congress. In fact, by the time the bill [providing for 6 percent 'stock' shares in exchange for privately built warships] was introduced, the subscriptions were already under way in several cities, led by the merchants and citizens of little Newburyport, Massachusetts" (2001, 49, emphasis in original). Citizens in Newburyport had already met on May 23, 1798, "and determined to raise money to build a proposed 20-gun warship in 90 days and present it to the federal government" (49).

Andrew M. Swan concurs with this assessment. "Where previous historians have assumed that Congress took the initiative in applying the colonial concept of public subscription to the expansion of the navy, close examination of local histories proves that the reverse is true. . . . [I]t would be more appropriate to say that Congress rose to the occasion presented by the merchants. . . . The tendency to attribute the initiative for naval defense to political leaders is noteworthy because it belies the assumptions by some historians of this era that political influence and responsibility rested only with elites" (2000, 8).

Generating the Funds

Not surprisingly, the cities involved were almost all seaports. Besides those already mentioned earlier, they included Salem and Boston, Massachusetts; Providence, Rhode Island; Charleston, South Carolina; and Norwich, Connecticut.[7] Remarkably large sums of money were raised quickly in the summer of 1798. For example, Bostonians raised $115,000 in two days and $136,000 altogether; Philadelphians contributed $101,000 in one week; in Baltimore, $100,000 was raised, most of it in less than two weeks (Canney 2001, 56, 116). Salem brought in $75,000 and Richmond $32,000 (Leiner 2000, 192, 194). To gauge the meaning of these monetary magnitudes, one must convert them into present-day terms. Consumer prices are now estimated to be approximately twelve times higher than they were in 1800.[8] Therefore, for example, Boston's $136,000 was roughly equivalent to $1.63 million today;

7. Citizens in Beaufort, South Carolina, also considered building a warship, but they wanted it to be used to protect only their region. When the secretary of the navy informed them that such a stipulation was unacceptable, they withdrew their proposal, probably because they "did not have enough wealth to afford to give ships to the government" (Swan 2000, 10).

8. Data available at http://minneapolisfed.org/research/data/us/calc/hist1800.cfm.

Baltimore's $100,000 to $1.2 million today; and Salem's $75,000 to $900,000 today.

In addition, we should note that the populations of these cities were still quite small at the end of the eighteenth century. By today's standards, none of them was more than a large town. In 1800, New York City's population was 60,515; Philadelphia's 41,220; Baltimore's 26,514; Boston's 24,937; Charleston's 18,824; Salem's 9,457; Providence's 7,614; Newburyport's 5,946; and Richmond's 5,737.[9] Therefore, in today's monetary terms these subscription efforts brought in approximately $65 from each man, woman, and child in Boston, $95 in Salem, $45 in Baltimore, $67 in Richmond, and $29 in Philadelphia. The mean amounts per subscriber are nothing less than amazing (Leiner 2000, 185–94). In current dollars, the subscribers in Richmond contributed $2,349 each; in Philadelphia, $6,915 each; in Salem, $8,929 each; and in Boston, $15,879 each.[10] "In an era when a skilled ship carpenter earned a dollar and a half per day in wages and a common laborer a mere dollar," Leiner comments, "the sums raised practically overnight to build warships for the navy were extraordinary" (2000, 25).

Not only did these subscribers commit themselves to bear significant costs, but "once completed and handed over to the federal government to prosecute the Quasi-War against the French navy and privateers, the benefits from a given city's ship would not accrue to that city alone [much less to the individual contributor] but to America generally. Despite modern economic theory, Americans voluntarily contributed warships for the national good, highly suggestive of an earlier concept of citizenship" (Leiner 2000, 3).

One might have expected such dramatically patriotic efforts to become a standard part of any history of the U.S. Navy, but they have not received such notice. For example, one modern book, described in its preface as "a chronology of significant events in the history of the United States Navy and Marine Corps from their foundation to the present day," reviews the period 1797–1801 without ever mentioning the private funding of warships (Sweetman 1984, 17–19). The widely read book *The United States Navy: A 200-Year History* exhibits precisely the same disregard (Beach 1986, 35–42). In these naval historians' estimation, the subscription drives of 1798 clearly did not constitute a significant event. Such treatment may be understandable. If one begins with the premise that national defense is ineluctably a classic public good, then it is easy to dismiss the initiatives of 1798 as an aberration that deserves no attention. If, however, one questions the conventional view of national defense, then one can view the initiatives of 1798 as the prototype for an alternative paradigm that might have enormously important implications for history, politics, and economics.

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9. Data available at http://www.census.gov/population/documentation/twps0027/tab03.txt.

10. Information on the number of individual subscribers exists for only a few cities (Leiner 2000, 185).

Additions to the Fleet

One may grant that substantial sums were collected, yet still question the efficiency of such voluntary funding. Were the funds used to build vessels that constituted substantial additions to the U.S. Navy's firepower? Were the vessels well designed, solidly constructed, and speedy, or were they the defective products of inspired but inept amateurs? In short, was the money wasted? Would these funds have served the nation better if they had been tax revenues funneled directly into the hands of navy officials?

To gauge the impact of these ships, we must review the types of warships used at the time and examine the U.S. Navy's size and composition. The largest fighting ships were known as ships-of-the-line.[11] They carried 64–120 guns, were up to 200 feet long, measured 2,000 tons or more, had crews of 500–800 men, and were, in World War II terms, the battleships of their day. Comparable in stature to today's aircraft carriers, they were "capital" ships—expected to bear the brunt of the fighting whenever fleets met in battle. The U.S. Navy possessed no ships-of-the-line until after the War of 1812 (Chapelle 1949, 312–16).

Next in size and power were the frigates.[12] They carried 24–60 guns, were up to 175 feet long, displaced up to 1,600 tons, though many displaced less than 1,000 tons (Chapelle 1949, 40, 42, 55, 62, 127–28, 132–33), had crews of 200–450 men, and were comparable to the cruisers of World War II. With rare exceptions, no frigate could survive one-on-one combat with a ship-of-the-line. However, because frigates were faster than ships-of-the-line, they could usually escape from those more powerful vessels. Owing to their combination of speed and significant firepower, frigates often served as scouts for the battle fleet, as escorts for convoys of merchant ships, or as commerce raiders acting independently. In 1800, the most powerful warships of the U.S. Navy were the 44-gun frigates *United States, Constitution,* and *President.*

Ranking next below the frigates were the sloops-of-war, sometimes called "corvettes" or "ship sloops." The latter designation indicates that, like frigates and ships-of-the-line, they were normally "ship rigged," having three masts with "square" sails on all three. They were as much as 125 feet long, displaced 300–600 tons, carried 18–28 guns, and had crews of 150–200 men. In firepower, a large sloop-of-war was roughly the equal of a small frigate. Sloops-of-war in the 1775–1825 period, however, were often among the fastest vessels in any navy, so they typically could outrun most frigates. Sloops-of-war performed many of the same functions as frigates. Their principal advantage over frigates was that they were less expensive to build, man, and maintain.

All of the ships actually built through the private initiatives begun in 1798 were

11. For example, HMS *Victory,* launched in 1765 and currently preserved as a museum ship at Portsmouth, England, is a 100-gun ship-of-the-line.

12. For example, USS *Constitution,* launched in 1797 and currently preserved as a museum ship at Boston, Massachusetts, is a 44-gun frigate.

frigates or sloops-of-war.[13] There were five frigates, the *Essex, Boston, Philadelphia, John Adams,* and *New York,* carrying 32, 32, 44 (later reduced to 36), 28, and 36 guns, respectively. And there were four sloops-of-war, the *Merrimack, Maryland, Patapsco,* and *Trumbull,* carrying 28, 26, 24, and 18 guns, respectively. As of 1800, the U.S. Navy had eight other frigates: *Constitution, President, United States, Constellation, Congress, Chesapeake, General Greene,* and *Adams* (a different vessel from the *John Adams,* though, confusingly, also a frigate of 28 guns). The first six of these other frigates had been authorized by Congress as early as 1794, and most had been commissioned by 1799. The latter two were privately designed and built, then purchased by the navy.

The privately funded frigates represented a 62.5 percent increase in the number of warships of the largest type the United States possessed. The four sloops-of-war represented a 100 percent increase in vessels of their type.[14] It is likely that many Americans believed that the size of the U.S. fleet was suboptimal—too small to counter the French threat effectively. If so, then neoclassical public-goods thinking is misleading with regard to the events of 1798: in truth, the government-supplied naval forces were inadequate, and the solution lay in the spontaneous actions of private citizens rather than in coercive government action.

Of the nine privately funded warships, four were small- to medium-size frigates, and four were sloops-of-war. Only one ship, the *Philadelphia,* was a large frigate. Does this size distribution suggest that the contributors did not understand naval strategy? Why did they not build "super" frigates comparable to the existing *Constitution, United States,* and *President* or at least 36-gun frigates like the *Constellation, Congress,* and *Chesapeake,* which themselves were "far larger than ships of similar rates abroad" (Chapelle 1949, 128)?[15] One reason is that those six big vessels were expensive to build, although admittedly impressive. Perhaps more important, the conflict with France may have called for a different naval response. Many of the losses of U.S. ships were to French privateers—typically fast, maneuverable craft of modest size and not heavily armed. Large, 44-gun frigates were not the ideal weapon against such an enemy. Smaller frigates and sloops-of-war possessed more than enough firepower as well as the requisite speed to defeat the French privateers. As Secretary of the Navy Benjamin Stoddert stated, "[O]nly fast vessels could be effective against the French" (qtd. in Footner 1998, 84). Moreover, the hypothesis that nimble, speedy ships were crucial to success in the Quasi-War with France is bolstered by the fact that all of the nine privately built ships seem to have been designed to be uncommonly fast. A current naval historian concurs with this train of thought: "Given the character of the

13. One smaller vessel, an 18-gun brig, was planned but never completed (Canney 2001, 49).

14. The other four were merchant vessels that had been converted into warships: *George Washington, Herald, Delaware,* and *Ganges* (Chapelle 1949, 142–43).

15. The 44-gun ships "were very large for their rates. . . . [Their] dimensions were huge for a frigate at the time the ships were designed" (Chapelle 1949, 127).

conflict at hand, it seems obvious that the smaller ships were of much more utility in dealing with the French privateers and in handling commerce-protection tasks" (Canney 2001, 116).

Design and Construction

Public-spirited citizens may raise significant funds on their own, but can they cope with the highly technical problems of naval architecture and ship construction? We might be tempted today to answer in the negative. Some of us might assume that these warships suffered from inferior materials and workmanship or that outmoded, second-rate designs were used. Evidence on the subscription warships of 1798 offers compelling counterevidence, however.

In assessing the quality of the privately built ships, we might well take note of the thriving seaports at which they were built. The frigates *Philadelphia, Boston,* and *New York* were constructed at their namesake cities; the frigates *Essex* and *John Adams* at Salem, Massachusetts, and Charleston, South Carolina, respectively. The sloops-of-war *Maryland* and *Patapsco* were the products of Fells Point, Maryland, near Baltimore. The *Merrimack* was built at Newburyport, Massachusetts, and the *Trumbull* at Norwich, Connecticut.

Far from being the flawed creations of well-meaning amateurs, these nine vessels proved on the whole to be very useful additions to the U.S. Navy. Some of them were deemed superior to many of the tax-funded ships already in service: "Though most of the large ships built by subscription were completed too late to be of any real service in the trouble with the French republicans of the Directorate, they were excellent additions to the Navy and were of value in the events that followed the quasi war with France. . . . [T]he *Philadelphia, New York, Essex, Boston,* and *John Adams* . . . were well-built ships on what were then considered very good models." Moreover, "[t]he construction of all the new ships was intended to be very strong, with the hope of producing vessels of a very long life. The problem of finding a species of American shipbuilding timber comparable to English oak was thought to be solved by the use of southern live oak, and this timber was therefore used very extensively in the new ships" (Chapelle 1949, 161, 168).

The critical task of designing and building these vessels was entrusted to some of the outstanding men in their field. For example, the sloop-of-war *Maryland* was designed and built by William Price, who was renowned for the fast privateers he produced, including later his "great . . . schooners of 1812, *Von Hollen*, *Revenge, Price,* and *Sabine*" (Footner 1998, 9, 14, 103). "His name is prominent in association with the development of the Baltimore clipper" (Canney 2001, 116). Although best known for his smaller vessels, such as brigs and schooners, Price also built large merchant ships, such as the famous 800-ton *Hannibal* of 1811: "The superior quality of a Price vessel was attested to by the demand for his vessels in Baltimore and in foreign ports over a forty-year span" (Ahrens 1998, 86–87, 105). The "skilled James

Hackett" designed the 32-gun *Essex,* and he built, though he did not design, the taxpayer-funded 36-gun *Congress* (Chapelle 1935, 92, 94). Noted shipwright Josiah Fox, who had designed and was building the frigate *Chesapeake* for the government, designed the 28-gun *John Adams* for Charleston, South Carolina, and the 36-gun *Philadelphia* (Chapelle 1935, 93). The sloop-of-war *Merrimack* was designed by the respected William Hackett, and the frigate *New York* by Samuel Humphreys, the son of Joshua Humphreys, designer of *Constitution, United States,* and *President* (Chapelle 1935, 94). These designers were not constrained by government specifications or oversight. "[T]he navy had little control over the pertinent paperwork and [architectural] plans. . . . [It] had no direct control over the builders" (Canney 2001, 115, 118). Therefore, these men were free to innovate as they saw fit.

Performance and Service

In making their innovations, the designers seem to have been concerned primarily with speed. The *Philadelphia* "was considered a fast and beautiful frigate," although it was "not on the same model as the earlier 44's and 38's," such as *Constitution, Constellation,* and *President* (Chapelle 1949, 163–64). *Philadelphia* began service on the West Indies station and "quickly gained a reputation for speed"; it was "an ornament to the service" and "possessed great potential" (Canney 2001, 53).[16] The 32-gun *Essex* also departed from the existing designs, yet she was "a very fast frigate" (Chapelle 1949, 165–66). Indeed, a contemporary report stated that "she beat every vessel she has ever had a Tryal [*sic*] with" (Canney 2001, 50). Sadly, "by the time the War of 1812 began the changes made by her various commanders and by navy yard commandants had spoiled her sailing [abilities]" (Chapelle 1949, 166). Nevertheless, during that war *Essex* did enormous damage to the British whaling fleet in the Pacific before being defeated by two ships of the Royal Navy (Canney 2001, 51).

The first commanding officer of the frigate *Boston* reported that she "exceeded even the most sanguine expectations of Bostonians in sailing." This vessel had considerable success during the Quasi-War, capturing eight enemy vessels, including the French frigate *Le Berceau* (Canney 2001, 55). The sloop-of-war *Maryland* quickly established a definite reputation for speed. One of her officers claimed that she outsailed other vessels "shamefully" and that only one ship in the U.S. Navy could equal her in swiftness, the captured frigate *Insurgent,* which was formerly the French frigate *L'Insurgente*. Indeed, the only complaint lodged against the *Maryland* seems to have been that the quest for speed so dominated her design that certain fighting capacities had been sacrificed (Canney 2001, 117, 116). She was described at one point as being "a charming little ship, exceedingly well fitted with the best materials I ever saw" (qtd.

16. Unfortunately, *Philadelphia* ran aground at Tripoli in 1803 while in use against the Barbary pirates, and the Americans, in a daring action led by Stephen Decatur, burned her to prevent her use against themselves (Canney 2001, 53).

in Ahrens 1998, 75). The *Patapsco* appears to have been comparable in design and performance to the *Maryland*.

The sloop-of-war contributed by Newburyport, Massachusetts, the *Merrimack*, "was immediately assigned to convoy duty and gained some reputation for swiftness" (Canney 2001, 115). Moreover, *Merrimack* captured four French vessels and recaptured several American and British vessels that the French had taken previously. The frigate *New York* had an uneventful career, remaining out of active service from 1804 until she was burned at the Washington Navy Yard in 1814 to prevent her capture by the invading British. She was described, however, as a "satisfactory sailer" (Chapelle 1949, 164), though few details are known. The only one of the subscription warships that did not live up to expectations was the 28-gun frigate *John Adams*. Probably because of an error committed during her construction, she was never more than a mediocre sailer. Nevertheless, she was well built and lasted longer than any of the other 1798 ships. After serving in three wars, she was finally dismantled in 1829–30 and replaced with a sloop-of-war also named *John Adams* (Canney 2001, 56, 57).[17]

Conclusion

In 1798, the United States faced an undeclared naval war with France. The existing tax-funded vessels of the U.S. Navy consisted principally of three large frigates—not the ideal weapons for coping with the French threat on the seas. Therefore, a number of self-interested citizens undertook to provide nine additional fighting ships. These privately funded frigates and sloops-of-war served with distinction. Most of them were considered outstanding examples of naval architecture. Some saw action only against France. Others lasted through the Barbary Wars and even the War of 1812.

The lesson to be drawn from this little-known episode in U.S. history seems clear. Effective naval fighting forces can be financed and constructed largely if not entirely by means of voluntary contributions. National governments need not direct the process, and taxes need not be used to fund the projects. Public-goods arguments to the contrary should be reconsidered.

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17. Like the other subscription ships, *John Adams* was never returned to the citizens who funded and built her, as one would expect if these vessels had been merely lent to the government for the duration of the Quasi-War with France.

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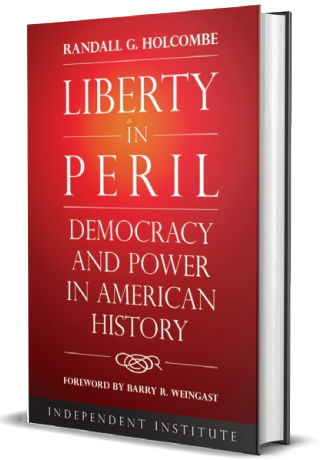

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