The Rise and Fall of the Federalist Party

The Federalist Party was one of the first political parties in the United States. After the US was established, different big names in government had different ideas of where the country was going. Men such as John Adams, Alexander Hamilton, John Marshall, and Charles Cotesworth Pinckney all were men in government who were labeled as Federalists. Men such as Thomas Jefferson and James Madison opposed the federalists, and were known as the Democratic-Republicans (The Federalists). These government figures had once worked together to gain independence, but had now realized that they had very different opinions on their new country.

Originally, the main idea behind Federalism was strong national power as opposed to the power of states by themselves. Its strongest support came from Americans in the Northeast, along with North Carolina, Virginia, and Charleston, South Carolina (The Federalists). During that time, cities contained tradesmen who were at an advantage when they were closer to other people. They would sell their goods to others or put them on ships to be sold to Britain. The New England region and cities supported strong national power because those regions relied on trade and commerce from state to state (First Bank).

The Federalist Party always struggled to get support from plantation owners and farmers. The more powerful farmers in the states lived far from others and controlled large parts of their areas. They were not making money from day to day by trading in a large city or from state to state, so they did not care for national strength like Federalist supporters did.
Men in those occupations usually held the majority of the power in their states, so if states were considered stronger individually than the nation, farmers and plantation owners benefitted.

Technically, George Washington was “against parties or factions” (Federalist Party). He appointed both Federalists like Hamilton, the Treasury Secretary, and John Adams, his Vice President, to his cabinet as well as Democratic-Republicans such as Madison, who was the leader of the House of Representatives, and Jefferson, the Secretary of State. When it came down to voting for or against laws that were proposed to him, he agreed with mostly Federalist ideas. Big Federalist-backed moves in government during George Washington’s presidency included the first national bank, proposed by Alexander Hamilton, and Jay’s Treaty.

The first national bank was by far the most polarizing issue of George Washington’s presidency. Every large political figure of the time either strongly supported or was strongly opposed to the idea (Hamilton’s Bank). It was first introduced to congress in 1790 and immediately was opposed by Democratic Republicans, led by James Madison and Thomas Jefferson. Alexander Hamilton, who was Washington’s treasury secretary, thought that the United States needed to establish credit for itself as a nation and for its citizens. He also thought that the debt that the country had built up during war could be used as a base for establishing the worth of currency in the country. A strong national bank, to Hamilton, would mean prosperity for the fiscal well-being of the United States as a country and the American economy (first bank, Federalist Party). The opposition felt that the bank was not only unconstitutional, but favored merchants and investors, but did not help a large majority of the population. Jefferson and
Madison stated that they felt power was being pulled away from local banks and given to the
new central bank that was going to be in Philadelphia. The idea of America lending money to the
bank just so the country could borrow against it did not sit well will Jefferson:

“This bill neither borrows money, nor insures the borrowing of it. The proprietors of the
bank will be just as free as any other money-holders, to lend, or not to lend, their money
to the public: the operation proposed in the bill, first to lend them two millions, and then
borrow them back again, cannot change the nature of the latter act, which will still be a
payment, and not a loan, call it by whatever name you please.” (Hamilton’s Bank)

Madison had similar ideas, feeling that this new bank was similar to that of Britain, who
already had a national bank a good amount of debt and many financial speculators (Biography of
James Madison). After receiving the written opinions on the bank from both Jefferson and
Madison, George Washington received one last opinion from Hamilton, which took a week to be
drafted. In a large Federalist victory, Washington decided that his nation would charter a national
bank for twenty years. Alexander Hamilton is now received by historians, and bank commercials
alike, as “the father of modern banking.”

Federalists split the country once again when they began negotiating with Britain over
international trade rights and peace between the two nations. The New England region had been
importing many British goods in through their ports, but had not been able to export many goods
because of British tariffs and trade restrictions. Hamilton and John Jay felt that talks with their
former enemy would benefit American traders and its citizens in general. Democratic-Republicans, who supported France in its war efforts against The Crown at the time, were not happy when Washington sent John Jay to negotiate peace and trade talks with the British in 1793. Jay threatened that the United States would begin resisting the British policy of seizure by force of arms, but Hamilton quickly told The Crown that his fellow Federalist was bluffing. The United States ended up agreeing to the terms of the treaty with the British in 1794 without gaining much in terms of trade. They could still have ships seized if they were carrying goods between the United States and France, but were granted the “most favored nation” title by the British, which was the important part to Washington. The bill was extremely unpopular in the United States, but passed through the senate at barely two thirds of the vote, twenty votes to ten, and was signed by Washington in June of 1795 (The Federalist Party).

Toward the end of his second term, Washington was feeling old and was nervous about the splitting of the nation due to political parties. The white house’s website says that, in his farewell address, “he urged his countrymen to forswear excessive party spirit and geographical distinctions.” (Biography of George Washington) Washington retired in 1797, after two terms in office.

Federalist John Adams, who was Washington’s vice president, kept a similar cabinet and the same ideas as Washington as he entered office in 1797. The beginning of Adams’s term started well, when he refused to pay France just to negotiate. Adams went back to congress and stated that it was an insult that the French wanted the United States to pay just to sit at the same negotiating table with them. Citizens of the United States cheered the president when he referred
to France as “X, Y, and Z”. During that time, the Federalist Party was the most popular that it had ever been due to the president standing up against France’s ridiculous demands. That time was the climax of the Federalist Party, and it was the highest point of popularity that the party would ever achieve (Biography of John Adams).

Due to the failure of setting up peace talks, a quasi-war with France eventually broke out, but mostly at sea. The United States did win a few naval battles, but eventually negotiated peace with France because the French “had no stomach for war and would receive an envoy with respect (Biography of John Adams).”

During the talks with France, Federalists, who now controlled a majority of congress, passed the Alien and Sedition Acts, which took away basic freedoms of speech of American citizens and made it tough to live in America if you were not born there. Republican newspapers were no longer legally able to criticize decisions that Adams made as president and many editors and writers of anti-Federalist newspapers were thrown in jail because of their articles. Federalists felt that these writers were being disloyal to the country when they criticized the president. Their other fear was that European immigrants would feel sympathy for the French if they did end up at war with America, so the president was officially authorized to deport aliens and not allow any immigration into the country. This was a huge misstep for the Federalists and was extremely unpopular with the voting public in the United States (Alien and Sedition Acts).

Later on, Adams was questioned by other Federalists, like Hamilton, on his military policy. Hamilton and his supporters were not happy with the long peace talks that Adams participated in with the French, as they had already openly supported the British against France
only a few years prior during the war between those two powers. Adams strengthened America’s relationship with France, but also split the Federalist Party. As the election of 1800 approached, Democratic-Republicans had the momentum because they trumped the Federalists when it came to organizational skills. The Federalist Party was totally split, and when the election came, Democratic-Republicans swept elections in both houses of congress and the presidency (Election of 1800). Jefferson, who won the election, ended the Federalist reign over the presidency forever. Adams was the last Federalist to be sitting president.

After John Adams four years in office, Federalism was strong in only a few places, such as Delaware, Massachusetts, and Connecticut. Due to unpopular decisions made during Adams’s term, Federalists supporters were splitting into smaller groups or leaving the party and joining Democratic-Republicans or other small political parties. The remaining Federalists continued to lose support when they openly opposed Jefferson making the Louisiana Purchase, which doubled the size of the country. By Jefferson’s second election in 1804, the party only carried the three aforementioned states.

In 1808, due to consistent Democratic-Republican mistakes, the Federalist Party had worked back into other parts of America, and ran Charles C. Pinckney. The Federalists had regained support from all of New England and parts of other states (Election of 1816). Pinckney eventually lost to James Madison and the Federalist Party continued to diminish.

Federalists were highly opposed to the War of 1812, seeing as the country was friendly with the British during the second term of Washington and Adams’s term in office. They talked
of succession during the war, but not enough to convey any change in American government (The Federalists). They did, however, talk about succession enough to make the Federalist Party basically toxic when the dust from the war of 1812 settled. In the election of 1816, The Federalists’ Rufus King lost by an enormous margin to James Monroe, the Democratic-Republican at the tail-end of the powerful Virginia Dynasty.

By 1828, the Federalist Party, once the most powerful and popular political parties in the United States, was dead. Its demise was one that was drawn out over years of bad decisions and poor organization. In history terms, however, the party was one of extreme ups and downs that had such a promising start and eventually fizzled out quickly compared to its opposition, the Democratic-Republicans. Though the party did not last like its creators had hoped it to, many Federalist ideas shaped the United States and still live on in with this country today.

Bibliography


