

Era of Good Feelings

1816 –Republican James Monroe easily defeats Federalist Rufus King of New York in the presidential election. This showed how seriously the Federalist Party had declined in popularity because many Federalists broke from the party and voted for Monroe.

James Monroe – the last Revolutionary War officer to become President. Almost 60 years old. He was majorly out of fashion – still followed the fashions of the late 1700s including the powdered wig and breeches with stockings when other men wore their hair loose and long trousers.

Americans liked his old fashioned ways. In 1817, he took a “goodwill tour” of the country. Even in Boston (a Federalist stronghold) crowds cheered enthusiastically. He created a sense of national unity that is now known as the “Era of Good Feelings.” When he ran again in 1820, no candidate opposed him – and the Federalist Party had disappeared.

However, as the political parties disappeared, sectionalism developed between the regions (see back).

Tariff of 1816

Despite the “good feelings” the economy was facing serious problems due to the lack of a national bank. The charter had run out in 1811 and there was no one to lend money and regulate the nation’s money supply.

Protection from Foreign Competition – Mainly Britain. The Embargo Act had kept most British goods out of the United States, and American industry had developed their own mills. This helped American industry grow until 1815.

A Flood of British Goods – At the end of the War of 1812, British goods flooded the American economy. They could sell their goods cheaper than Americans could (why?). British manufacturers hoped to put American rivals out of business and then raise prices.

Congress Passes a Protective Tariff – This caused dozens of New England businesses to fail. Congress passed the Tariff of 1816 which greatly increased tariffs on imports – making them much more expensive. This led to angry protests among Southerners who did not have the factories that existed in the North and therefore they did not benefit from the tariff.

Clay’s American System

Sectionalism – loyalty to one’s state or section rather than to the nation as a whole

American’s identified themselves as southerners, westerners, or northerners. Henry Clay wanted to promote economic growth for all sections – known as the **American System**. (1) Supported the effort for a new National Bank. (2) Called for high tariffs on imports (to help northern factories and reduce dependency on foreign goods). (3) Urged Congress to use the money to build roads, bridges, and canals (to make it easier for farmers in the West and South to ship goods to city markets).

Never fully went into effect. Congress spent little on **internal improvements**. Southerners really liked his plan.