

Democrats of the Old School in the Era of Good Feelings

THE COMMANDING figures of Thomas Jefferson and Andrew Jackson are eternally fascinating to historians, for each man uniquely symbolized the beliefs and hopes of his generation. To understand what these towering leaders meant to their contemporaries, who loved or hated them with such intensity, is to know much about the whole society of the early republic. Each was the spokesman for a dominant political party claiming to represent the industrious classes of farmers and mechanics, "the real people," against a usurping elite pursuing wealth through special privilege. The intellectual and emotional similarity of their appeal is implicit in the idealistic rhetoric of the two movements. But our understanding of the links between the parties of Jefferson and of Jackson has been frustrated by lack of knowledge about those strange intervening years known as the Era of Good Feelings.¹

Modern historians agree that the descriptive label traditionally attached to James Monroe's administration is an ironic misnomer. The superficial harmony of the years following 1815, when two presidential elections went uncontested and all men were called Republican, masked a breakdown of political parties bordering on chaos. The relatively clear-cut party distinctions which had allowed men a means to express their convictions had been gradually eroded and finally obliterated by the wartime disgrace and disappearance of the Federalist Party. But the Republican ascendancy was doomed from the moment it became complete. The party name, once richly suggestive of the lofty principles of Jefferson, dwindled in significance into a largely meaningless title covering all shades of opinion, however conflicting. Politics in most places declined into a competition among rival personalities and petty factions. As a result, scholars

¹ Marvin Meyers, *The Jacksonian Persuasion, Politics and Belief* (Stanford, 1957), brilliantly evokes the spirit which links the Jeffersonian and Jacksonian eras.

have found it difficult to identify significant trends or establish political patterns which might make sense out of the confusion.

Pennsylvania in these years shared the experience of disintegration that was typical nationally. Since 1800 the state had been dominated by a powerful Republican majority which had made her the indispensable "keystone" in the triumphant party structure. But internal stresses began to accumulate which could not be ignored or disguised indefinitely, and after 1817 it became evident that "Old Pennsylvania Democracy" was "going the way of all the earth." The state's politics after that period have been wryly and aptly described as "a game without rules." Yet it is possible to discern some order amidst the chaos. And the case of Pennsylvania may help to illuminate the forces at work elsewhere which were simultaneously producing division and struggling toward a new integration in politics based on agreement upon fundamental issues.²

The focal point for dissent in Pennsylvania throughout the Era of Good Feelings was the caucus system of nominations. The tradition that authorized incumbent officeholders to select the future candidates for office became intolerable to Federalists, of course, when their party ceased to compete in state or national elections, and they were thereby deprived of any political choice. They sought to break the stranglehold of one-party politics by endorsing the anticaucus principle of open nominations. But the majority of anticaucus men were formerly orthodox Democratic Republicans who had rejected the not always benevolent dictatorship of their party leaders. Behind their wish to tamper with the mechanisms of party machinery was a more significant desire for economic reform in Pennsylvania and in the nation.

Postwar inflation created flush times around the country and a spirit of optimism in the majority that was not shared by the anticaucus dissidents of Pennsylvania. They not only anticipated that distress and depression would follow, but condemned the boom itself for its socially divisive tendencies. President Monroe infuriated them by blandly ignoring the signs of trouble. The panic of 1819 confirmed their predictions, and the following year Pennsylvania's

² William H. Crawford to Albert Gallatin, July 24, 1819, Henry Adams, ed., *The Writings of Albert Gallatin* (Philadelphia, 1879), II, 117; Sanford W. Higginbotham, *The Keystone in the Democratic Arch: Pennsylvania Politics, 1800-1816* (Harrisburg, 1952); Philip S. Klein, *Pennsylvania Politics, 1817-1832: A Game Without Rules* (Harrisburg, 1945).

voters for the first time since 1800 broke their attachment to the Republican label and elected the gubernatorial candidate of the anticaucus party. Unfortunately, the cautious new Governor, Joseph Hiester, was temperamentally not suited to direct the kind of reform effort which his supporters had envisioned.

By 1822 the anticaucus movement appeared hopelessly frustrated by lack of leadership. Then the Tennessee legislature nominated the Hero of New Orleans for the presidency and suddenly revived the opportunity for meaningful political action by Pennsylvanians. For the anticaucus men who adopted and promoted his candidacy, Jackson's emergence in national politics was not a beginning but the culmination of years of effort to bring significant political and social issues before the public.

To understand the reasons for discontent and the nature of reform sentiment in Pennsylvania it is necessary to survey a decade or more of the state's political history. This account will concentrate upon the experience of Philadelphia. The city was the most precocious area of the state economically, and, during the years when international commerce was stifled by the Embargo and the war with Great Britain, it developed industrially into the nation's chief manufacturing center. These rapid economic changes generated social tensions within the community which contributed to an early and permanent breakdown of Republican unity in Philadelphia.³

The city's mechanic classes generally were overwhelmingly Jeffersonian in loyalty, but the growing social disparities among them soon began to affect their political outlook. As enterprising masters expanded and prospered, less fortunate journeymen felt themselves correspondingly degraded in status and limited in opportunity. Politically they condemned this New School of entrepreneurial Democrats for allowing private ambitions to pervert the republican ideal. Two craftsmen, for example, once "estimable for simplicity and probity" had become "the reverse" since "They have acquired fortune by industry, and it has ruined them as *men*." Vigilance in defense of the spirit of egalitarianism was fundamental to those who proudly called themselves Democrats of the Old School.⁴

³ For an extensive discussion of the political effects of economic change in Philadelphia during this period see Kim Tousley Phillips, "William Duane, Revolutionary Editor" (unpublished doctoral dissertation, University of California, Berkeley, 1968), chapter VII.

⁴ William Duane to Thomas Jefferson, Jan. 25, 1811, Thomas Jefferson Papers, Library of Congress (TJ-LC).

The sudden appearance of new banking facilities offering investment credit to favored mechanics was a major source of these mutual jealousies. Before 1809 only three banks were incorporated in Pennsylvania, all serving the needs of merchants exclusively. But the Embargo abruptly halted most commercial transactions and capital was "chiefly withdrawn from the ocean," creating "such a want of employment for money, as rendered it difficult for the Banks to loan out the funds they had at command." In consequence, credit was made temporarily available to a wider range of Philadelphians. But by 1810 the "pressure" in the money market was again "considerable," and "Bank offals" and "money hawks" desperately sought endorsers for the renewal of their loans. The response was a demand for new banks which would not cater to merchants. The Farmers' and Mechanics' Bank, organized in 1807, received a charter from the legislature, and in February, 1810, the public sale of stocks in a Mechanics' Bank for the western wards of Philadelphia brought on a melee which left hundreds of would-be purchasers disappointed. For months the mania raged as new schemes were generated and two more banks organized and prepared to apply for incorporation.⁵

The subject broke into open controversy between the emerging Democratic factions in the city elections that autumn. Spokesmen for the Old School blamed the New School men for encouraging the infatuation with banking and accused them of promoting their legislative candidates with the promise of votes for bank charters. The moral result would be that the "useful industry and frugal habits" of the people of Pennsylvania would rapidly sink "into the *den of sordid speculation*." Indeed "*paper*, which has worked so many wonders, will be so plenty presently," the *Aurora* predicted, "that no man, but one who feels qualms of conscience, or 'that damn'd starving quality called *honesty*,' need be without an estate." The New School achieved a major upset in the northern district of the county with the result that "The Bank of Northern Liberties

⁵ William J. Duane, *Letters Addressed to the People of Pennsylvania Respecting the Internal Improvement of the Commonwealth; by Means of Roads and Canals* (Philadelphia, 1811), 25; Mathew Carey, *Letters to Dr. Adam Seybert, Representative in Congress for the City of Philadelphia, on the Subject of the Renewal of the Charter of the Bank of the United States* (Philadelphia, 1811), 17; *The Tickler* (Philadelphia), Aug. 9, 1809; *Aurora* (Philadelphia), Feb. 7, 1810; *Pennsylvania Democrat* (Philadelphia), Feb. 9, 1810. See also *The Tickler*, Feb. 14, 28, Mar. 28, Apr. 18, 1810.

is sure of a charter." The election trend suggested that "Banks are now to swarm upon us like locusts did over the face of Egypt," and men of the Old School believed that "our substance is to be eaten out by them, and beggary is to become a fashionable thing."⁶

Elsewhere in the state the effects of the banking mania were not fully experienced until after 1815, and consequently the Democratic Republicans generally found the city's political dissension baffling. They remained united in loyalty to Simon Snyder throughout his three terms as Governor from 1808 to 1817 and were angered by the Old School's early defection from the popular German. Ignoring the evidence that their New School allies in the city were a different breed from the country Democrats, the Snyderites chose to believe that the disaffection was motivated solely by the personal ambitions of the principal Old School leaders. Certainly, political rivalry and misunderstanding hastened the schism, but the Democratic harmony ultimately was doomed by conflicts of economic interest. When the city's experience was repeated nearly a decade later throughout Pennsylvania, the country Democrats began to understand and to share the social and political tensions of Philadelphia.⁷

The key figure in the Old School was William Duane, editor of the Philadelphia *Aurora* for twenty-four years from the death of Benjamin Franklin Bache in 1798 until his retirement in 1822. His newspaper was indispensable to the Old School organization, and Duane's thinking so dominated the party intellectually that it was sometimes difficult to distinguish the members' sentiments from his personal views and eccentricities. But on crucial issues the emotional rhetoric in supplementary party newspapers and letters to the *Aurora* revealed deeply shared feelings among Old School men, especially against the inflation created by paper money banking.

The controversial Duane was a stubborn, independent-minded editor who "after writing for nearly a quarter of a century" had the reputation of "squabbling with almost everybody." Albert Gallatin, James Madison, James Monroe and most other Republican leaders eventually felt the sting of Duane's caustic journalism and vengefully sought to undermine his considerable influence within the

⁶ *Aurora*, Feb. 7, 1810; *Evening Star* (Philadelphia), Oct. 16, 1810.

⁷ On the development of Democratic factionalism within Philadelphia see Phillips, chapter VI and *passim*. Higginbotham is highly useful on statewide political events.

party. An exception was Thomas Jefferson, who maintained his "sentiments of friendship and respect" for Duane and thought that "We should be ungrateful to desert him," for the *Aurora* "was our comfort in the gloomiest days" of the struggle with Federalism and "has been the rallying point for the Orthodox of the whole Union." In Jefferson's opinion the maverick paper was "still performing the office of a watchful Sentinel."⁸

Duane's decisive break with the regular party leaders came in 1811 as a consequence of the fight against rechartering the first Bank of the United States. The Pennsylvanian Albert Gallatin as Secretary of the Treasury had frustrated Jefferson's sentiments against using the monopoly and in Madison's cabinet he became a powerful advocate of renewing or enlarging Hamilton's hated institution. Gallatin's quasi-Federalist position on this issue was typical of his moderate version of Republicanism, and he and the radical editor of the *Aurora* had quarreled and broken very early. Duane thereafter blamed Gallatin for all evidence of compromise with the tenets of Federalism, and his intensive editorial campaign against recharter included so much abusive commentary on the Secretary from Pennsylvania that it inadvertently led to a crisis in Madison's cabinet just following the Bank's defeat in the Senate. Gallatin mistakenly blamed Secretary of State Robert Smith for the newspaper stories and forced the President to remove his cabinet rival by threatening his own resignation. At that point many Republicans who were hostile to Gallatin felt obliged to retreat from their position to avoid criticizing President Madison. Duane alone chose to stand upon his conviction that the evident power of the Secretary of the Treasury threatened "the safety of the national liberties" and that if he were "not removed . . . he will drag down Mr. Madison with him."⁹

⁸ *Franklin Gazette* (Philadelphia), Jan. 1, 1822; Jefferson to Duane, July 25, 1811, TJ-LC; Jefferson to William Wirt, Mar. 30, 1811, William Wirt Papers, Maryland Historical Society.

⁹ Duane to D. B. Warden, Apr. 6, 1811, David Baille Warden Papers, LC. On Gallatin's persuasive role in the cabinet as a defender of the Bank see *Aurora*, letter from New York, Apr. 4, 1811. On his break with Duane see Duane to Gallatin, Aug. 12, 1802, Albert Gallatin Papers, New-York Historical Society (NYHS); Gallatin to John Badollet, Oct. 25, 1805, *ibid.*; Duane to Caesar A. Rodney, July 1, 1808, Rodney Papers, Delaware Historical Society; *Freeman's Journal* (Philadelphia), July 7, Sept. 11, 1804. *Aurora*, Nov. 8, 1810-Feb. 9, 1811, contains almost daily articles opposing recharter. On Duane's role in the cabinet crisis see

The mere hint of an assault upon the still invincible Madison was sufficient to sever Duane's remaining ties with Administration Republicans. Obstinate, he proclaimed his intention to stand "indifferent to all parties" in the future and "maintain those principles which they all betray." "He thinks that we will follow him" but like John Randolph "will find his mistake," scoffed a Virginian who thought that the editor had "for some time required a lesson on the subject of modesty, which the people will now give." Randolph himself gleefully concluded from the incident that "Duane . . . is as harmless a creature as lives, entirely insignificant."¹⁰

In personality Duane was better suited to the role of an agitator than to the discipline of party leadership. Some declared that he was simply piqued because he "thought himself neither sufficiently rewarded nor respected" by the Republicans, and John Quincy Adams wrongly dismissed him as a mercenary scribbler "always for sale to the highest bidder." Thomas Jefferson was more accurate in describing him as "a very honest man, and sincerely republican" whose "aberrations" resulted from "passions . . . stronger than his prudence." He "might have made twenty fortunes" yet ended his career "poor and embarrassed," mused a friend who found him "a very foolish and unaccountable fellow." The combination of personal idiosyncrasy and ideological conviction made him peculiarly effective as a spokesman for protest.¹¹

Duane to [Henry Dearborn], July 3, 1810, Personal Papers Miscellaneous (Duane), LC; Duane to D. B. Warden, May 29, 1811, David Baille Warden Papers; John Randolph to Joseph H. Nicholson, Feb. 14, 1811, in Henry Adams, *John Randolph* (Boston, 1882), 239-240; Nicholson to Gallatin, Mar. 6, 1811, Gallatin Papers; James A. Bayard, memorandum of conversation with Gallatin, Nov. 13, 1813, "Papers of James A. Bayard, 1796-1815," Elizabeth Donnan, ed., American Historical Association, *Annual Report, 1913* (Washington, D.C., 1915), II, 484-485; Raymond Walters, Jr., *Albert Gallatin: Jeffersonian Financier and Diplomat* (New York, 1957), 241-243; Irving Brant, *James Madison* (Indianapolis, 1941-1961), V, 265-270, 276, 282-283, 291-296.

¹⁰ Duane to D. B. Warden, Apr. 6, 1811, David Baille Warden Papers; William Wirt to Jefferson, Apr. 17, 1811, William Wirt Papers; Randolph to James M. Garnett, July 29, 1811, John Randolph-James M. Garnett Letter Book, LC.

¹¹ Gallatin to John Badollet, Oct. 25, 1805, Gallatin Papers; Charles Francis Adams, ed., *Memoirs of John Quincy Adams, Comprising Portions of his Diary from 1795 to 1848* (Philadelphia, 1874-1877), V, 112; Jefferson to William Wirt, May 3, 1811, William Wirt Papers; John Quincy Adams, memorandum of conversation with Colonel Richard M. Johnson, Jan. 18, 1820, *Memoirs of John Quincy Adams*, IV, 507.

After the War of 1812 political sentiments of the Old School began to be voiced by ever increasing numbers of Pennsylvanians. Federalists had been welcomed and absorbed under the amorphous Republican title, yet it was "too plain" to the *Aurora* editor and others that "we are not all *republicans nor all federalists*" as hopefully characterized by Jefferson. Some men by nature were governed solely "by their fears or interests" and remained permanently "indifferent to social and moral obligations." Moreover, a growing enchantment with riches was corrupting many former Jeffersonians, for wartime inflation had created such "scenes of speculation" that "*public virtue* appeared on its last legs."¹²

In Duane's estimation, a curious "revolution in the meaning of *names*" was occurring. "In former times many who were in heart *monarchists* assumed the name of *federalists*; in the present times the name of *democrat* is used to cover *shaving* and *peculating* and cheating the public." It was the repetition of an ancient struggle between the few and the mass, experienced in America in 1776 and again in 1800, when "*the mass* resolved to put things to rights once more." But "As soon as *these few* were displaced there arose *another few* from amongst the *old mass*" who again needed to be checked in the interests of the whole society.¹³

The enormous expansion of banking facilities in this period was primarily responsible for the unprecedented onsurge of speculative fervor. Pennsylvania had enacted a "mammoth banking law" in 1814 which simultaneously incorporated forty-two new banks to join the four previously chartered institutions, and other states experienced similar outbursts of enthusiasm. Furthermore, a Republican Congress in 1816 chose to resurrect the Hamiltonian model and incorporate a second national banking company to conduct the public business.

To Philadelphia Old School men and countless others the second Bank of the United States symbolized the perilous drift of Republican ideology. Not only would private investors usurp control over the public interest, but the gigantic establishment could only "overdo the system of banking, already enormously overdone." It would "open a vast scheme of iniquitous gambling, by which public morals,

¹² Duane to Jefferson, Sept. 26, 1813, TJ-LC; *Aurora*, Dec. 19, 1815.

¹³ *Ibid.*, Oct. 4, 10, 1817.

already deplorably decayed, will receive a new and afflicting aggravation." Certainly, in its irresponsible early years of operation the second Bank tragically confirmed these predictions.¹⁴

In 1816 popular resentment against the new style of Republicanism was aimed at the Fourteenth Congress which had created the second Bank, killed an investigation into the use of public funds for private investment, and ended the session by voting to double the salary of the members. On the Fourth of July that year the "*Salary bill*" was everywhere "toasted till it is black," and Duane observed that "simplicity of manners, frugality, home manufactures, &c" were other "favorite subjects" around the country. But only in Pennsylvania was the uncontested presidential election made the subject of a protest against the caucus system of nomination which made a mockery of free elections. "Why should our country fare better than all the rest?" the *Aurora* demanded. Was "there any thing in our air, or soil, or woods" which infallibly sheltered civil liberties?¹⁵

It was the system itself rather than any hostility to James Monroe personally that inspired the formation of a ticket of unpledged electors to be offered to the voters as an alternative. The regular party politicians were partially correct in their suspicion that De Witt Clinton's friends were behind the stratagem, but the New Yorker at that time was unavailable as a candidate. He was a sentimental favorite with those who revered his late uncle, "the great, and the good, and the ever-to-be-lamented" George Clinton, for casting the deciding vote against recharter of the first Bank of the United States. The unpledged ticket was publicly announced just two weeks before the general election, yet, in a tiny election turnout, it carried Philadelphia and came within 8,000 votes of Monroe's total in Pennsylvania. A friend of the President-elect admitted that the humiliating outcome revealed "the prevailing dislike to the interference of members of Congress in the choice of a President."¹⁶

¹⁴ *Ibid.*, Jan. 4, 1816, "Caius Gracchus"; July 31, 1817.

¹⁵ *Ibid.*, July 11, Oct. 31, 1816. On the investigation of the Post Office Department see *ibid.*, Apr. 5, 6, 9, 10, 11, 12, 13, 29, May 1, Aug. 5, 1816; Duane to John Sergeant, Jan. 27, 1816, John Sergeant Papers, Historical Society of Pennsylvania (HSP).

¹⁶ *Aurora*, June 26, 1816; Nicholas Biddle to Monroe, Nov. 25, 1816, James Monroe Papers, New York Public Library (NYPL). On Clinton see *Aurora*, Apr. 27, Aug. 2, 3, 5, 19, 1816;

The unexpected showing for the anticaucus principle suggested the possibility of an upset in the gubernatorial election of 1817. The beloved Simon Snyder was forced by a constitutional limitation to retire at the end of his third term in office. The struggle that ensued among his would-be successors for the nomination of the Democratic Republican caucus exposed for the first time the incipient fragmentation of the once-solid state party. The victor was William Findlay, Snyder's Secretary of the Treasury, but a man quite different from the Governor in political outlook. Findlay had framed the banking act of 1814 which passed over Snyder's veto and was the "prime agent in saddling this state with a litter of 42 banks." His support, according to the *Aurora*, came from entrenched officeholders plus "a few lawyers of *questionable* character" and "a host of bank *stockholders* and *bank directors*, erected under his influence."¹⁷

The anticaucus men were optimistic that "Any democrat of good qualifications out of the city" could win, but a Harrisburg editor warned the Philadelphians, who tended to dominate the movement, that they needed to reach a "proper understanding," for "you can form no idea how your brokers have incensed the country against anything in the city." Although "nothing but a good candidate" seemed needed, he was "difficult to find," and the anticaucusites settled upon the uninspiring Congressman Joseph Hiester of Berks County. The primary qualifications of the aging German landowner were his "unimpeachable moral character" and his status as the "*last old revolutionary character . . . likely to be a candidate for governor.*" The majority party substantially ignored both the candidates and the issues raised by the opposition and effectively concentrated its attack upon the threat of revived Federalist power should the anticaucus candidate win.¹⁸

Charles J. Ingersoll to Richard Rush, Sept. 23, 1816, Charles J. Ingersoll Collection, HSP; De Witt Clinton Diary, Oct. 29–Nov. 3, 1815, NYHS; Robert V. Remini, "New York and the Presidential Election of 1816," *New York History*, XXI (1950), 308–324; Higginbotham, 314–315. On the anticaucus ticket see *ibid.*, 317–319, 321; Klein, 79–83; *Aurora*, Oct. 14, 26, 31, Nov. 5, 1816.

¹⁷ *Ibid.*, "Caius Gracchus," July 31, 1817, Dec. 3, 1818.

¹⁸ Hugh Hamilton to John Sergeant, Jan. 4, Mar. 11, 1816, John Sergeant Papers, HSP; Joseph Reed to Sergeant, Feb. 5, 1817, *ibid.*; *Crawford Messenger* (Meadville), Sept. 5, 1817, quoted in James A. Kehl, *Ill Feeling in the Era of Good Feeling: Western Pennsylvania Political Battles, 1815–1825* (Pittsburgh, 1956), 198.

Duane's *Aurora* played a prominent role in the campaign for Hiester and alerted the state to the ethical standards to be expected from Findlay and his business supporters. The editor's son-in-law, Thomas Jefferson Morgan, a young lawyer from the town of Washington in southwestern Pennsylvania, uncovered an incident of gross favoritism to a friend by the state Treasurer in accepting depreciated bank notes at par value. The scandal suggested "that exchanges of the public money, upon a stupendous scale" would be revealed by an investigation of the Treasury department and "that the *public money was made use of*" by Findlay for his private business dealings.¹⁹

Despite these damaging revelations the Findlay men retained their confidence in the unquestioning Democratic loyalty of the western farmers. They might "surrender all this side of the Allegheny into Mr. Hiester's hands," a Philadelphian calculated, and the "tramontane vote" would still be sufficient to carry their candidate. These predictions were remarkably accurate, for the anticaucus candidate won the two major cities of Philadelphia and Pittsburgh and carried much of eastern Pennsylvania, but Findlay piled up immense majorities west of the mountains and was elected Governor by a scant 7,000 vote margin.²⁰

In office the Governor's friends quickly confirmed the Old School men's warnings that they represented a new style of entrepreneurial Democrats woefully lacking in egalitarian convictions. The administration purged many of Governor Snyder's closest associates in spite of the rural sentiment for Snyder Democracy which had placed Findlay in office. A sophisticated set of younger, eastern politicians clearly dominated the new Governor and they began reshaping the state's political organization into their own Family party. Congressman Samuel D. Ingham, a manufacturer from Bucks county, led the Findlayite delegation in Washington, and three young Philadelphia lawyers, all related by marriage, took charge of influencing events at Harrisburg. Thomas Sergeant had been campaign manager for Findlay, and he received the state's highest appointive position of Secretary of the Commonwealth. Richard

¹⁹ *Aurora*, "Caius Gracchus," July 31, 1817; "Aristides," Oct. 2, 1817.

²⁰ Charles J. Ingersoll to Richard Rush, Apr. 23, 1817, William M. Meigs, *The Life of Charles Jared Ingersoll* (Philadelphia, 1900), 106; Klein, 95; Kehl, 198-199.

Bache was made editor of the *Franklin Gazette*, established in 1818 to depose Snyder's friend John Binns and replace his "worn out" *Democratic Press* as the party organ. Ultimately, the key figure in the group was George Mifflin Dallas, son of the late Alexander James Dallas, the paternal figurehead of the Family party. The elder Dallas in earlier years had been the closest political friend of Secretary of the Treasury Albert Gallatin and as his successor in the cabinet had instigated the enactment of the second Bank of the United States. The intensely hostile political rivalry of the Dallas and the Duane families of Philadelphia was carried into the second generation with William J. Duane sharing his father's leadership of the Old School as a state assemblyman and a writer for the *Aurora* on state politics.²¹

The Family men justified their exclusiveness as "a purification and a regeneration" restoring "character and dignity" to the Democratic Party. In Philadelphia when they purged Binns they retained the support of the most influential Democrats of the New School, such as the manufacturing enthusiasts Tench Coxe and Mathew Carey, and they acquired new men of prestige, notably the aristocratic Nicholas Biddle. The young Federalist was drawn into Democratic politics by his friendship with President Monroe, by his regard for the late Alexander James Dallas and the encouragement of Carey and other mentors, and by his conviction that the "ruling party" had "outgrown" many of its "childish notions." The Family proudly ran Biddle for Congress in 1818 and again in 1820 but were "totally vanquished" by the Federalists and by Philadelphia's Democrats of the Old School, who had refused to vote for a candidate who was on the board of directors of the "unlawful mammoth bank." Two years later Biddle was named president of the second Bank of the United States and abandoned his interest in elective politics.²²

²¹ *United States Gazette* (Philadelphia), Jan. 30, 1818. See Klein, 96-112, for a general discussion of politics during William Findlay's administration.

²² George M. Dallas to [Samuel D. Ingham], July 20, 1819, Dallas Papers, HSP; Biddle to B. Henry, Nov. 27, 1816, Nicholas Biddle Papers, LC; Charles J. Ingersoll to James Monroe, Nov. 22, 1818, Monroe Papers, LC; *Aurora*, "Brutus," Oct. 3, 1820. On Biddle and the Democrats see Mathew Carey to Biddle, Feb. 4, 1815, Nicholas Biddle Papers, LC; Biddle to Jonathan Roberts, Dec. 14, 1815, *ibid.*; Roberts to Biddle, Dec. 27, 1815, Jan. 14, 1817, *ibid.*; Biddle to John Forsyth, Oct. 13, 1819, *ibid.*; Richard Bache to Biddle, Mar. 17,

Convinced that "our men are the genteelist and most respectable" Democrats, the Findlayites felt mystified and aggrieved by the continued opposition to their leadership. Duane's Old School Democrats represented several hundred votes in Philadelphia, as did John Binns's loyal following, and "at the polls" the Family commanded "double the number of votes" of both of them. But its leaders admitted the "curious fact" that "at the ward meetings, and at town meetings, they can manage to bring forward such a number of the canail more than we can, that they have often beaten us at those places." They took comfort in knowing that their supporters were too fastidious to "come out" with "a collection of the offscourings of the party."²³

The concern with purity did not prevent Findlay Democrats in high places from taking outrageous advantage of their privileged situation. The Governor, "who was chosen by too precarious a majority," had soon "given his enemies such occasions of disparaging him" that his election to a second term appeared unlikely. Sergeant was forced to step down as Secretary of the Commonwealth when it was revealed that he and Findlay were extorting loans and other favors from the applicants for auctioneers' commissions. George Dallas was glad that his friend continued to be "watchful, ardent, and active" in spite of the "mental and bodily suffering . . . [that] accompanied him through his short political career!" The "attempt at suppression" of the scandal by a "singularly obsequious" investigating committee would "work more mischief than they are aware of," a veteran Snyderite predicted. The lack of integrity in the Administration alienated countless Democrats who were no anti-caucus sympathizers but who saw "no redeeming spirit about the governor—He stands in the naked imbecility of folly, surrounded by men as or more foolish than himself & all equally selfish."²⁴

1817, *ibid.*; M. Thomas to Biddle, Mar. 10, 1817, *ibid.*; Biddle to James Monroe, Apr. 10, 1817, Monroe Papers; Captain J[ames] Biddle to Charles J. Ingersoll, Aug. 4, 1817, Charles J. Ingersoll Collection; Biddle to Mathew Carey, Jan. 31, 1815, Nicholas Biddle Personal Letters (film), HSP.

²³ John Lisle to George Bryan, Jan. 25, 1823, George Bryan Papers, HSP.

²⁴ Charles J. Ingersoll to James Monroe, Aug. 10, 1819, Monroe Papers; Dallas to [Samuel D. Ingham], July 20, 1819, Dallas Papers, HSP; Jonathan Roberts to Matthew Roberts, Dec. 22, 1818, Feb. 27, 1820, Jonathan Roberts Papers, HSP.

The public's awareness of corrupt practices was sharply intensified by the onset of panic and depression in 1819. Since the war the country had indulged in a precarious prosperity based on credit liberally extended by the burgeoning state banks. The restoration of peace in Europe after the long Napoleonic wars ended the era of neutral shipping advantages to the United States and simultaneously opened American ports to a flood of cheaper manufactured goods from England, depressing the infant industries of the northern and middle states. The result was a stunning balance of trade problem which raised the aggregate indebtedness of the United States from \$63,000,000 to more than \$100,000,000 in just five years after 1815. Only the high prices of export commodities sustained the boom in land purchases on credit in the South and West, and by late 1818 a surfeit in agricultural supply brought an abrupt drop in world prices and the conditions for national distress.²⁵

Meanwhile the second Bank of the United States, supposedly founded to restore monetary stability, was recklessly contributing to the rapid currency inflation. Its credit policy was guided solely by the desire for profit to the shareholders, and the central bank in Philadelphia exercised no control over the fourteen regional branches. The Bank appeared to be flourishing and had just declared an attractive dividend when the *Aurora* in January, 1818, began a shocking exposé of its practices. The essays by the mysterious "Brutus" immediately captivated the public, for they disclosed detailed information to substantiate the charges of mismanagement.

A few months later, the Bank acknowledged the danger of its situation and hastily initiated retrenchment measures. The unexpected stringency forced banks everywhere to curtail their discounts, and within a short time the contraction of credit had brought business to a virtual standstill. Congress briefly considered whether the harmful corporation should forfeit its charter, but the Bank's friends argued persuasively that too "many people would be ruined," while losing "sight of the ruin of the whole country" by that institution.²⁶

²⁵ Douglass C. North, *The Economic Growth of the United States, 1790-1860* (Englewood Cliffs, N.J., 1961), 61-62, 177-188, 219.

²⁶ William Duane to Alden Spooner, Feb. 15, 1819, B. V. Spooner Collection, NYHS; Ralph C. H. Catterall, *The Second Bank of the United States* (Chicago, 1903), 51-67; Thomas P. Govan, *Nicholas Biddle, Nationalist and Public Banker, 1786-1844* (Chicago, 1959), 57-59.

In the spring of 1819, when the nation "from Orleans to Portland" was "in an agony" and bankruptcy pervaded "every quarter of the union," the United States Supreme Court under Chief Justice John Marshall elevated the Bank of the United States to an unassailable legal position. Its decision in the case of *McCulloch vs. Maryland* denied the states the right to tax the Bank or its branches and pronounced that the national corporation was not unconstitutional, as long asserted, because Congress had the authority to expand upon its enumerated powers. The *Aurora* denounced Marshall's opinion with an almost unprecedented fury. "Brutus" reasoned that "As *equality of rights* is the grand basis of our revolutionary constitution," a charter "inferring peculiar privileges" was inherently illegal. Moreover, the mere judicial decision had not closed the "great *political* question of the constitutionality of this bank."²⁷

From the viewpoint of William Duane and other Democrats of the Old School, any private monopoly exercising control over public matters was an intolerable violation of the principle of representative government. And the morally disgraceful second Bank of the United States was a monument to the spirit of selfishness gradually overwhelming the egalitarian ideal. "The survey of human society and of nations for ages past does not uniformly present the charms of Arcadian innocence," Duane moodily reflected, and "the verdan[t] fields and the cheerful skies realizing an Elysium; appear as rarely and as evanescent in the chart of history." So in America the promise of a golden age was fading and the hopes of the Revolution were "surrounded by mists and darkness."²⁸

Yet when the adversities of the panic fulfilled their gloomy forebodings, the men of the Old School felt cheered by the prospects for social regeneration. In their view the people were beguiled by cupidity and extravagance until "national reputation" and prosperity were "absolutely *banked out*," and like Old Testament prophets they warned that "it is in your heavy afflictions only that a cure can be found." The experience of hardship would bring repentance for former apathy and greed and restore a sense of fraternity grounded in the simple republican virtues.²⁹

²⁷ *Aurora*, Apr. 7, 1819; "Brutus," Mar. 16, 18, 1819.

²⁸ *Ibid.*, Mar. 19, 20, 1819.

²⁹ *Ibid.*, "Cadmus," Dec. 1, 1818, Apr. 7, 1819.

The reform they envisioned was the eradication of paper banking and a return to a hard-money economy. Only this, they believed, could stop the damaging fluctuations in currency values which encouraged speculation and rewarded craft and guile at the expense of honesty. The faith in specie circulation so characteristic of this period has frequently been dismissed as a superstitious rejection of unfamiliar modern practices. Not ignorance but knowledge of the ways of bankers acquired in their urban experience inspired the radical program of Philadelphia's hard-money men. The still unknown "Brutus," who was the Old School's leading theorist on banking, was the son of a leading banker in the city and had resigned his position in the second Bank of the United States before exposing its conduct to the public. William Duane had come to his hard-money conservatism only after a painful experience of enthusiasm and disillusionment with the entangling web of credit dependency.³⁰

These men were not blind to banking's ability to accelerate economic expansion, but they also saw its capacity to destroy the American dream of a classless society. Republican government "established for the happiness and freedom of the people" was inevitably subverted by "a system of *paper frauds*, which immediately generates an aristocracy of wealth, a distinction of *ranks*, and a class of *idlers*," for "*Luxury and vice* are not less foes to liberty, than they are to happiness." In the opinion of "Brutus," "A servile respect" for "*property and wealth*, has become the bane of the republic" since "The *paper system* first split the nation into two separate classes, with incompatible and repugnant views."

The unforgivable sin of bankers was their possession of charters of incorporation granting them the unique privilege of limited

³⁰ "Brutus" was Stephen Simpson, best known for his role a decade later in the Philadelphia Workingmen's Movement. Simpson, who was the son of George Simpson, Cashier of Girard's Bank, was in his late twenties when he joined the Old School party and became a regular *Aurora* correspondent. He revealed his identity as "Brutus" in 1822 when he established the first pro-Jackson newspaper in Pennsylvania and led the Old School men into the original Jackson movement. On Simpson's role in Philadelphia politics from 1818 through 1830 see Phillips, 463-466, 478-481, 543-546, 564-570, 577-584, 600-605, 613-619. See also Broadus Mitchell, "Stephen Simpson," *Dictionary of American Biography* (New York, 1928-1937), XVII, 183-184; Henry Simpson, *The Lives of Eminent Philadelphians, Now Deceased; Collected from Original and Authentic Sources* (Philadelphia, 1859), 893-894; Edward Pessen, "The Ideology of Stephen Simpson, Upper Class Champion of the Early Philadelphia Workingmen's Movement," *Pennsylvania History*, XXII (1955), 328-340; Joseph Dorfman, *The Economic Mind in American Civilization, 1606-1865* (New York, 1946-1959), II, 645-648.

liability. The chance to profit through the agglomeration of capital without any corresponding risk or responsibility was a phenomenon with staggering implications of social injustice. In the view of Old School men the criticism aimed at the monopolistic or aristocratic features of the existing banks missed the essential point, for a bank charter by its nature was a "*license to cheat*," and it was hardly "surprising that the *privilege is used*—it is not proper to say, it is *abused*." The problem of the future as they saw it was not aristocracy but the encroachment of plutocracy in the United States through the unwarrantable power of business corporations.³¹

The Pennsylvania legislature responded to the panic with strong reformist sentiment and a distinct "spirit of *independence*" from the Findlay administration. It formally called upon its fellow states to join in enacting a constitutional amendment to rid the nation of the second Bank of the United States. "THE STATES MUST ASSEMBLE IN CONVENTION," "Brutus" reiterated, "and the people vote the monster to the tomb." More important, the legislature enacted a stringent banking reform law which required the banks chartered by the act of 1814 to return to specie payments by August 1, 1819, or forfeit their charters. "*The first day of August next will be ever memorable in the annals of the state*," rejoiced the Philadelphia Old Schoolers, for on that date "*all the state banks will be in the power of the people*." Some denied that they hoped for "a premeditated run upon the banks" on that occasion, while others frankly asserted the duty of the American people at this time "to abrogate *all bank charters* within their jurisdictions."³²

Governor Findlay had failed to delay the specie measure but he effectively thwarted its impact by lack of enforcement. A nominal compliance with the law was entirely acceptable to the Governor, who thought it "most prudent to permit the fluctuating paper of our different banks to find its level through natural rather than artificial channels." His own interest was in temporary relief measures for the state's debtors. Legislative attention was diverted to his controversial proposal for a state loan office to extend credit on

³¹ *Aurora*, Dec. 3, 1818, June 24, 1819.

³² *Ibid.*, letter from Harrisburg, Dec. 16, 1819; "Bellisarius," July 3, 6, 1819; "Fair Play," July 13, 1819; "Brutus," Nov. 26, 29, 1819. On the response of other states to the proposed constitutional convention see *Pennsylvania Archives*, 4th series (Harrisburg, 1900-1902), V, 206-210, 234-237, 276-277, 410-411.

mortgage security to Pennsylvania's distressed farmers. Assemblyman William J. Duane opposed the loan office or relief measures generally, for they discriminated against unlanded debtors and honest creditors who also were suffering as a result of the panic. He particularly objected that the Governor's scheme would revive paper circulation and restore dependence on the credit system, and his criticisms so enraged the Findlayites in the legislature that they voted not to publish the report of his special committee. In March, 1820, the session ended in an impasse with the defeat by a tie vote of the loan office proposal, and further reform legislation waited upon the outcome of the fall gubernatorial election.³³

In October the combination of depressed economic conditions and disillusionment with Findlay led the state's voters to reject for the first time an incumbent Democratic Republican. The Governor retained his strength in the sparsely populated northern and northwestern counties, and his triumphant rival, Joseph Hiester, again carried Philadelphia, the southeast, and Pittsburgh. But the narrow balance between them this time was tipped in favor of the anticaucus candidate by an onsurge of new votes in the communities near Pittsburgh and the other market towns of southwestern Pennsylvania. Apparently, many farmers in this heavily populated region broke from their Democratic orthodoxy because they felt the effects of the panic more keenly than those in the more remote rural areas. It was difficult to predict Hiester's program as Governor since he was elected by a mixed assortment of traditional Federalists, high-tariff men, hard-money reformers and Snyder Democrats unhappy with the leadership of the Family politicians. But one thing was clear, that "the powerful republican ascendancy of Pennsylvania" was effectively broken.³⁴

In the two years that followed, the victorious anticaucus movement failed to coalesce into an effective new party because of the lack of leadership from the aged and cautious Governor Hiester. He initiated useful measures to discourage graft among officeholders, but his reform Democratic sponsors were disappointed that he did not renounce his Federalist support and did not take broader action

³³ *Ibid.*, 152-155; Murray N. Rothbard, *The Panic of 1819, Reactions and Policies* (New York, 1962), 38-40, 72-76, 165, 191.

³⁴ Charles J. Ingersoll to James Monroe, Aug. 10, 1819, Monroe Papers; Klein, 95, 108-109; Kehl, 203.

toward social amelioration. In Philadelphia, the Findlayites derided "the wonderful vigor" of "the 'old gentleman' and his cabinet!" and taunted Old School editor Duane as being "almost as silent as the grave" on state politics. "That miserably imbecile administration, which he labored so incessantly for so many successive years to put into power, has looked to him in vain for support in its difficulties with the public."³⁵

Nationally, De Witt Clinton of New York had been the favorite of the anticaucusites since 1816, and by 1822 the evident demise of his chances for the presidency further frustrated the popular cause by removing its candidate. Clinton appealed to the Pennsylvanians of the Old School because of the Democratic tradition of his family, because of his reputation for brilliance, and because the policies he initiated illustrated the northern, urbanized version of Old Republicanism which they espoused. To them the founder of the Erie Canal project stood for an ideal of governmental action which could benefit the commonwealth at large without favoritism or special privilege. As Governor his desire to curb speculative banking and carefully restrict future bank incorporations corresponded with the sentiments of his supporters in Pennsylvania. Unfortunately, his cool, rather arrogant personality was a great political liability with the people of his home state, who much preferred the genial manipulator Martin Van Buren. When he was barely re-elected as Governor in 1820, it became clear that Van Buren's Bucktails would dominate the future of Democratic politics in New York and could effectively check the presidential aspirations of De Witt Clinton.³⁶

By 1822 the leaderless anticaucus movement appeared to be finished as a political force in Pennsylvania. Stringent financial necessity forced the sixty-two-year-old Duane to sell the *Aurora*, and with his retirement the Old School party in Philadelphia disappeared from electoral politics. During the years of economic dislocation culminating in the panic of 1819, the movement had served well as an outlet for ill feelings. The panic itself had created widespread

³⁵ *Franklin Gazette*, May 6, 1822. See *Columbian Observer* (Philadelphia), Apr. 20, 27, 1822; Klein, 113-117.

³⁶ Jabez D. Hammond, *The History of Political Parties in the State of New York from the Ratification of the Federal Constitution to December 1840* (Albany, 1842), II, 91, 97-98, 273-275. For Clinton's recommendations on banking see *Niles' Weekly Register*, XIII (Feb. 14, 1818), 406-412.

sympathy for the goals of the Old School, yet success found its leaders aging and unprepared. With Hiester and Clinton eliminated as threats to caucus Democracy, the Family party, almost by default, could reassert its claims to leadership.

The Family's confidence was unshaken by the signs of lingering resentment around the state. In Philadelphia the Old School organization had been disbanded, but the Family was forced to acknowledge that "very few if any" Old School men joined the opposition. The city "Junto or rather Dynasty" was still distrusted, too, among westerners and farmers, who thought the Family intended "to govern every body & every thing" in Pennsylvania. The party avoided a confrontation with the disgruntled old Snyderites in the gubernatorial election of 1823 by compromising upon an uncontroversial candidate who was acceptable to the Democrats generally. With no further opposition apparent, the Family moved to solidify its gains in the coming presidential election. Their choice was John C. Calhoun of South Carolina, who had amply demonstrated that "his feelings" were "Northerly" and congenial to the Family's entrepreneurial style of Democracy. By early 1823 nothing appeared to stand in the way of Calhoun's nomination by Pennsylvania and of a renewed era of political dominance in the state by the Family party.³⁷

The dramatic emergence of Andrew Jackson in 1824 as the candidate of Pennsylvania abruptly changed the course of politics in the state and throughout the nation. The surge of popular feelings in favor of the Hero of New Orleans, which overwhelmed the calculations of established politicians, cannot be explained by the sheer magic of Jackson's name. The enduring vitality of the anticaucus movement was the source of the Hero's mysterious strength. The panic of 1819 had stirred economic grievances and a desire for social reform which persisted into the 1820's. It was around these issues that workingmen and farmers allied in the presidential contest of 1824.³⁸

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³⁷ John Lisle to George Bryan, June 13, 1822, George Bryan Papers; Andrew Boder to Bryan, Mar. 6, 1823, *ibid.*; Walter Lowrie to Jonathan Roberts, July 14, 1822, Jonathan Roberts Papers; R. H. Walworth to A. C. Flagg, Dec. 28, 1821, Azariah C. Flagg Papers, NYPL; Klein, 132-142.

³⁸ The campaign of the original Jacksonians in Pennsylvania, 1822-1824, will be the subject of a forthcoming article.