George Washington took office as president of the United States in 1789 in an atmosphere of goodwill and universal approval. Yet by the end of eight years, the nation was split into two bitterly divided political parties and threatened by a combustible European war. In his Farewell Address of 1796, Washington used the experience he had gained during his difficult tenure to offer his best advice to the young nation.

But as the country's first president, he knew he was going to need help. He already had John Adams by his side as vice president. He then appointed the most able men he knew to his cabinet, including Thomas Jefferson as secretary of state and Alexander Hamilton as secretary of the Treasury.

Thomas Jefferson, a member of the Virginia planter elite, authored the Declaration of Independence and was the former U.S. ambassador to France. To his new position he brought strong convictions about individuals' and states' rights.

Alexander Hamilton, born in the West Indies and educated in New York, was Washington's closest aide during the Revolution. He planned to develop an economic policy that would make the United States a prosperous nation.
Paris, July 14, 1789. Just three months after Washington’s inauguration, France exploded into revolution. The lower and middle classes rose up against the privileged and wealthy.

France had aided America in its fight for independence. Would Americans support the French Revolution’s fight for liberty and equality in return?

The answer would not become apparent immediately, because America faced a more pressing problem at home. Alexander Hamilton estimated that the nation and individual states together owed a total of $77 million in wartime debt, both to foreign countries and to individual investors.

New York City, June 20, 1790.

At dinner one night, Jefferson suggested a compromise. Hamilton wanted the federal government to assume all debt, both state and federal. Some congressmen, such as Virginia’s James Madison, objected. This plan would give the national government too much economic power over the states.

Let the Northern States take responsibility for their own debts.

Also, various Southern states had already repaid most of what they owed.

Hamilton’s next proposal—a national bank of the United States—was even more controversial.

Accordingly, Hamilton’s debt bill passed, and a new national capital would be built on the Potomac River between Virginia and Maryland.

The Constitution says nothing about a national bank. Creating one would be unconstitutional!

Remember that the Constitution gives the government the power to take all “necessary and proper” steps to carry out its duties.

Hamilton pushed the bank bill through.
Paris, January 1793.

Meanwhile, the French Revolution was hijacked by radicals, who began a "Reign of Terror." All suspected opponents of the Revolution, including King Louis XVI, faced la guillotine.

Paring the spread of revolution across Europe, Great Britain and other monarchies launched a concerted attack on France.

Many Americans felt they should come to France's aid.

Hamilton was pro-British. Britain, after all, was America's most important trading partner. Also, like Washington, he feared the lawlessness of mob rule.

Washington recognized that his nation was too weak to go to war against England. In April 1793, he issued the Neutrality Proclamation, stating that the United States would not take sides in the war.

The proclamation caused a storm of protest.

FRANCE AND AMERICA, ALLIES FOREVER!

IT IS THE SINCERE WISH OF UNITED AMERICA TO HAVE NOTHING TO DO WITH...THE SQUABBLING OF EUROPEAN NATIONS.

FILTHY JACOBIN!

MIND YOUR TONGUE, YOU BRITISH BOOT-LICKER!
British West Indies, 1793. Neutrality was difficult to maintain, since both the British and the French interfered with American trade. A crisis developed when the British navy seized more than 250 American ships bound for French ports.

Washington dispatched Chief Justice John Jay to London to negotiate an agreement with Britain. The terms of Jay's Treaty favored the British and met with angry disapproval in the American Congress.

Protests inflamed the nation.

Yet Washington stood by the treaty because it would maintain peace, and Congress, following his lead, ratified it.
By Washington's second term, major disagreements within the government had led to the formation of America's first political parties. Alexander Hamilton led the Federalist Party, which called for a strong central, or federal, government.

Thomas Jefferson and James Madison led the Democratic-Republican Party, which supported strong state governments.

Hamilton foresaw an urban, cosmopolitan nation powered by strong manufacturing and trade and led by the political, business, and intellectual elite.

Jefferson envisioned a democratic, egalitarian society supported by independent farmers and a knowledgeable, middle-class citizenry.

Each party attracted avid supporters and a fiercely partisan press.

After Jay's Treaty, Democratic-Republican newspapers published a stream of abuse directed at the president.
These personal attacks helped Washington make up his mind. After two terms, he longed for a return to private life.

On September 19, 1796, Washington published an open letter to the American people.

Washington warned Americans to beware the “spirit of party.” Partisan politics turned people of one region, religion, or interest group against another.

His Farewell Address urged all citizens to act as one unified nation and not allow themselves to be divided by unimportant differences.

UNITY OF GOVERNMENT IS THE MAIN PROOF OF YOUR LIBERTY.

Washington cautioned that such hostility can lead to conflict or even open rebellion.

Then, after 20 years in the service of his country, Washington retired.
The ideas expressed in the Farewell Address have directed the nation ever since, though they are continually debated and reconsidered.

Alexander Hamilton wrote most of the actual words of the address, although he was expressing Washington's ideas. They collaborated on the final text.

Washington believed that political parties, with their conflicting views, weakened the unity of the nation. By contrast, in Federalist No. 10, James Madison argued that it was necessary to have many different political ideas expressed by a wide range of people in order to prevent the tyranny of the majority.

EXCERPTS FROM WASHINGTON'S FAREWELL ADDRESS

"The spirit of party... serves always to distract the public councils and enfeeble the public administration. It agitates the community with ill-founded jealousies and false alarms, kindles the animosity of one part against another, foments occasionally riot and insurrection. It opens the door to foreign influence and corruption."
“...The great rule of conduct for us in regard to foreign nations is in extending our commercial relations to have with them as little political connection as possible... It is our true policy to steer clear of permanent alliances with any portion of the foreign world... Nothing is more essential than that permanent, inveterate antipathies against particular nations, and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated.”